

ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.

5148 Williams Road, Richmond, BC V7E 1K1

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

The annual general and special meeting of **Oriental Non-Ferrous Resources Development Inc.** (the “Company”) will be held at **Suite 810, 789 West Pender Street Vancouver, British Columbia, Canada**, on **Friday, August 24, 2018 at 10:30 a.m.** Pacific Daylight Time (the “Meeting”), for the following purposes:

1. to table the audited financial statements of the Company for the fiscal year ended September 30, 2017, the report of the auditor thereon, and the related management discussion and analysis;
2. to fix the number of directors at four (4);
3. to elect directors of the Company for the ensuing year;
4. to appoint MNP LLP, Chartered Professional Accountants, as auditor for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, to pass an ordinary resolution to affirm, ratify, and approve the Company’s Stock Option Plan;
6. to consider and, if thought fit, to pass an ordinary resolution approving the acquisition of 95% of the issued and outstanding common shares of Maple Beauty Global Limited pursuant to the terms and conditions of a share purchase agreement, all as more fully set forth in the information circular of the Company; and
7. to transact such other business as may properly come before the Meeting or any adjournments thereof.

An Information Circular accompanies this Notice. The Information Circular contains details of matters to be considered at the Meeting. No other matters are contemplated, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

The audited financial statements for the year ended September 30, 2017, the report of the auditor, and related management discussion and analysis will be made available at the Meeting and are available under the Company’s profile on www.sedar.com.

Registered shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date, and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form to ensure that their shares will be voted at the Meeting.

DATED at Vancouver, British Columbia, this **25th** day of **July, 2018**.

BY ORDER OF THE BOARD OF DIRECTORS

“Eugene Beukman”
EUGENE BEUKMAN
President & Chief Executive Officer

ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.

5148 Williams Road, Richmond, BC V7E 1K1

MANAGEMENT INFORMATION CIRCULAR
dated as of **July 25, 2018** (except as otherwise indicated)

SOLICITATION OF PROXIES

Solicitation of Proxies by Management

This Management Information Circular (“Circular”) is furnished in connection with the solicitation of proxies by the management of Oriental Non-Ferrous Resources Development Inc. (the “Company”) for use at the Annual General and Special Meeting of the shareholders of the Company to be held on **Friday, August 24, 2018** (the “Meeting”) at the time and place and for the purposes set forth in the accompanying Notice of Meeting and any adjournment thereof.

Cost and Manner of Solicitation

While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone, facsimile or electronically by the directors and regular employees of the Company or other proxy solicitation services. In accordance with National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer*, arrangements have been made to forward proxy solicitation materials to the beneficial owners of common shares of the Company. All costs of solicitation will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

A shareholder entitled to vote at the Meeting may, by means of a properly executed and deposited proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders of the Company, to attend and act at the Meeting for the shareholder and on the shareholder’s behalf.

The individuals named in the enclosed form of proxy are the Chief Executive Officer and the Chief Financial Officer of the Company (the “Management Designees”). **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY INSERTING SUCH PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE NAMES OF THE MANAGEMENT DESIGNEES OR BY COMPLETING ANOTHER FORM OF PROXY.**

A proxy will not be valid unless the completed, dated and signed form of proxy is deposited with National Issuer Services Ltd., not later than 5:00 pm, Pacific Daylight Savings Time, on Wednesday **August 22, 2018** before the time for holding the Meeting or any adjournment thereof, is delivered to the chair of the Meeting prior to the commencement of the Meeting or an adjourned meeting. **Proxies may be deposited with National Issuer Services Ltd. using one of the following methods:**

| | |
|-----------------|---|
| BY MAIL: | National Issuer Services Ltd. 760 – 777 Hornby Street Vancouver, BC V6Z 1S4 |
| BY FAX: | 604-559-8908 |

Revocation of Proxy

A shareholder who has given a proxy may revoke it by an instrument in writing duly executed by the shareholder or by the shareholder’s attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the office of the Company’s Canadian legal counsel, Buttonwood Law Corporation, at 1510 - 789 West Pender Street, Vancouver, British Columbia, V6C 1H2, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

In addition, a proxy may be revoked by a shareholder properly executing another form of proxy bearing a later date and depositing the same at the offices of **National Issuer Services Ltd.** within the time period and in the manner set out under the heading “**Appointment of Proxy**” above or by the shareholder personally attending the Meeting, withdrawing his or her proxy and voting the shares.

Voting of Proxies and Exercise of Discretion by Proxyholders

All common shares represented at the Meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the common shares represented by the proxy will be voted in accordance with such specifications. **In the absence of any such specifications, the management designees, if named as proxy, will vote IN FAVOUR of:**

- (i) **Fixing the number of directors of the Company at four (4);**
- (ii) **The election of directors of the Company;**
- (iii) **The appointment of auditors of the Company;**
- (iv) **An ordinary resolution to approve, authorize, and ratify the incentive stock option plan of the Company;**
- (v) **An ordinary resolution approving the acquisition of 95% of the issued and outstanding common shares of Maple Beauty Global Limited pursuant to the terms and conditions of a share purchase agreement, as more particularly set out in the Circular.**

Unless a ballot is called for or required by law, voting at the Meeting will be by way of show of hands. Common shares represented by a properly completed, executed and deposited proxy may be voted by the proxyholder on a show of hands, except where the proxyholder has conflicting instructions from more than one shareholder, in which case such proxyholder will not be entitled to vote on a show of hands. In addition, shares represented by proxies will be voted on any ballot. In either case, where a choice with respect to any matter to be acted upon has been specified in the proxy, the shares will be voted or withheld from voting in accordance with the specification so made.

IF A CHOICE WITH RESPECT TO ANY MATTER IS NOT CLEARLY SPECIFIED IN THE PROXY, THE MANAGEMENT DESIGNEES WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY FOR EACH SUCH MATTER.

The enclosed form of proxy when properly executed and deposited and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the Management Designees to vote in accordance with their best judgment on such matters or business. At the date of this Circular, management knows of no such amendment, variation or other matter which may be presented to the Meeting.

Advice to Beneficial Holders of Common Shares

Only registered holders of common shares of the Company or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, common shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRRIFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the shares, or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to NOBOs

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI-54-101**”), the Company will have caused its agent to distribute copies of the Notice of Meeting and this Circular (collectively, the “**meeting materials**”) as well as a Voting Instruction Form directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner (“**Non-Objecting Beneficial Owner**” or “**NOBO**”).

These meeting materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for Voting Instruction Form enclosed with mailings to NOBOs.

The meeting materials distributed by the Company’s agent to NOBOs include a Voting Instruction Form. Please carefully review the instructions on the Voting Instruction Form for completion and deposit.

Distribution to OBOs

The Company will not cause its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Shareholders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**Objecting Beneficial Owner**” or “**OBO**”).

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder’s name in the blank space provided.

In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or proxy authorization form is to be delivered.

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

Other than as disclosed elsewhere in this Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, and no associate or affiliate or any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Voting Securities

The authorized capital of the Company consists of an unlimited number of common shares without par value. As at the record date of July 25, 2018, the Company has issued and outstanding 77,604,167 fully paid and non-assessable common shares, each common share carrying the right to one vote. The Company has no other classes of voting securities. The common shares have attached thereto the following preferences, rights, conditions, restrictions, limitations, or prohibitions:

Voting

The holders of common shares shall be entitled to receive notice of and to attend any meeting of the shareholders of the Company and shall, in respect of each common share held, be entitled to vote at any meeting of the shareholders of the Company and have one vote in respect of each common share held by them.

Dividends

The holders of common shares shall be entitled to receive dividends and the Company shall pay dividends thereon, as and when declared by the Board of Directors of the Company out of moneys properly applicable to the payment of dividends, in such amount and in such form as the Board of Directors of the Company may from time to time determine and all dividends which the Board of Directors of the Company may declare on the common shares shall be declared and paid in equal amounts per share on all common shares at the time outstanding. Payment of any future dividends will be at the discretion of the Board of Directors after taking into account many factors including the Company's operating results, financial condition, and current and anticipated cash needs.

Record Date

The record date for the determination of shareholders entitled to receive notice of the Meeting has been fixed at the close of business on **July 25, 2018** ("**Record Date**").

Every shareholder of record at the Record Date who either personally attends the Meeting or who has submitted a properly executed and deposited form of proxy in the manner and subject to the provisions described above and which has not been revoked shall be entitled to vote or to have his or her shares voted at the Meeting or any adjournment thereof.

Principal Holders

To the knowledge of the directors and executive officers of the Company, as at the Record Date, the only persons who beneficially own, directly or indirectly, or exercise control or direction over common shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company, are set forth below:

| Shareholder Name | Number of Shares Held | Percentage of Issued Shares⁽³⁾ |
|---|------------------------------|--|
| Best Path Developments Limited ⁽¹⁾ | 26,586,501 | 34.26% |
| Long Harvest Ventures Limited ⁽²⁾ | 15,000,000 | 19.33% |

(1) A company controlled and directed by Youliang Wang, a director of the Company.

(2) A company controlled and directed by ZhengXin Liu.

(3) Based on 77,604,167 common shares issued and outstanding as of July 25, 2018.

FINANCIAL STATEMENTS

The Company filed its comparative annual consolidated financial statements for the year ended September 30, 2017, together with comparative financial statements of the Company for the year ended September 30, 2016. The audited consolidated financial statements of the Company for its fiscal year ended September 30, 2017, the report of the auditor and related management discussion and analysis, were filed on www.sedar.com with the securities commissions or similar regulatory authorities and will be tabled at the Meeting.

ELECTION OF DIRECTORS

There are currently **four** directors of the Company. The number of directors to be elected is **four**. All of the nominees for election at the Meeting are current directors of the Company.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (British Columbia) ("BCA"), each director elected at the Meeting will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following disclosure sets out the names of management's four nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the principal occupation, business or employment of each director nominee, the period of time during which each nominee has been a director of the Company and the number of common shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at **July 25, 2018**:

| Name and place of residence ⁽¹⁾ | Principal occupation | Director since | Number of shares ⁽²⁾ | Number of convertible securities |
|--|---|-----------------|---------------------------------|----------------------------------|
| Eugene Beukman ⁽³⁾⁽⁴⁾ North Vancouver, B.C., Canada <i>President, Chief Executive Officer and Director</i> | Corporate consultant to public companies since January 1994; director and/or officer of several reporting companies listed on the TSX Venture Exchange and the Canadian Securities Exchange; President/owner of Pender Street Corporate Consulting since 2006. | October 2, 2015 | Nil | 1,000,000 options |
| Youliang Wang ⁽³⁾⁽⁴⁾ Beijing, China <i>Director</i> | Chief Executive Officer & Executive Director of China Modern Agricultural Information, Inc. and CEO, General Manager & Director of Heilongjiang Zhongxian Information Co. Ltd. Director of Oriental Non-Ferrous Resources Development Inc., Director of Wonhe High-Tech International, Inc., China Modern Agricultural Information, Inc., and Heilongjiang Zhongxian Information Co. Ltd. Previously employed as Vice President by Guofa Venture Investment Co. Ltd., Chief Marketing Officer of YunnanNanyao Jiaoxiong Pharmaceutical Co. Ltd., President of Tonghua Hongyuan Trading Co. Ltd., and Chief Executive Officer & Director of Trade Link Wholesalers, Inc. | October 2, 2015 | 28,232,100 (36.38%) | 1,000,000 options |
| Paul Chung ⁽³⁾ <i>Director,</i> Vancouver, B.C., Canada | Mr. Paul Chung is President, Chief Executive Officer, and Director of Red Pine Petroleum Ltd.. In addition, Mr. Chung has been a director of 92 Resources Corp. since September 2009. He has approximately 20 years of professional experience in the management of public companies. Mr. Chung is the President of BOA Services Ltd., a private consulting company, and holds a B.Sc from the University of British Columbia and a Master of Business Administration degree from the University of Athabasca in Alberta and is a Fellow with the Geological Association of Canada. | October 2, 2015 | Nil | 1,000,000 options |
| Sheng (Sam) Wang CPA, CGA, MBA Richmond, B.C., Canada <i>Director, Chief Financial Officer and Corporate Secretary</i> | Served as a director and chief financial officer of many public companies listed on Canadian stock exchanges since 2007. Director of Cadillac Ventures Inc. since November 2016. Director of Eastern Platinum Limited from July 5, 2016 to March 2018. Director and Chief Financial Officer of Bard Ventures Ltd. since August 2015. Chief Financial Officer of 3TL Technologies Corp. from July 2015 to April 2017. Chief Financial Officer of Jiulian Resources Inc. since April 2013. Director and Chief Financial Officer of Sino Rise Group Holding Corp. from September 2012 to November 2016. Director and Chief Financial Officer of MillenMin Ventures Inc. from September 2009 to | October 2, 2015 | Nil | 1,000,000 options |

| Name and place of residence ⁽¹⁾ | Principal occupation | Director since | Number of shares ⁽²⁾ | Number of convertible securities |
|--|---|----------------|---------------------------------|----------------------------------|
| | August 2015. Director of EPI Environmental Technologies Inc. from August 2011 to October 2013. Director of Xianburg Data Systems Canada Corporation from November 2010 to April 2011. Director, Chief Executive Officer and Chief Financial Officer of Genius World Investments Limited from December 2007 to September 2012. He is the founder and president of Canadian Regal International Finance Inc., a private business consulting firm based in Vancouver, B.C. Canada. | | | |

Notes:

- (1) The information as to residence, present principal occupation, business or employment, and the number of common shares beneficially owned or controlled has been furnished by the respective nominees.
- (2) Percentage is based on 77,604,167 common shares issued and outstanding.
- (3) Member of the Audit Committee. Mr. Eugene Beukman is the Chair of the Audit Committee.
- (4) Best Path Developments Limited, a company 95% owned and controlled by Wang Youliang, owns 26,586,501 common shares of the Company. As a beneficiary shareholder, through Best Path Developments Limited, Mr. Wang owns 25,257,176 common shares of the Company.

The Company's management recommends that the shareholders vote in favour of the election of the proposed nominees as directors of the Company for the ensuing year. **Unless you give instructions otherwise, the management proxyholders intend to vote FOR the nominees named in this Circular.**

Director Biographies

Eugene Beukman, age 59, is the Chief Executive Officer and a director of the Company. Mr. Beukman was appointed to the Company's Board on July 31, 2015. Mr. Beukman is Corporate Counsel of Pender Street Corporate Consulting Ltd., a private company that provides accounting, legal and administrative services, and has held this position since January 1994. Mr. Beukman was previously employed as a legal advisor to the predecessor of BHP Billiton, a leading global resources company, a producer of major commodities, including iron ore, metallurgical coal, copper and uranium, with substantial interests in conventional and unconventional oil and gas and energy coal, and a company that creates long-term shareholder value through the discovery, acquisition, development and marketing of these natural resources. Mr. Beukman has over 25 years' experience in the acquisition of assets and joint ventures. Mr. Beukman is also an Admitted Advocate of the Supreme Court of Africa. Mr. Beukman also serves as an audit committee member for a number of other publicly listed companies.

Mr. Beukman graduated from the Rand University of Johannesburg, South Africa with a Bachelor of Law degree and a Bachelor of Law Honours Postgraduate degree in 1987.

Mr. Beukman has agreed to provide his services to the Company at a fair market rate and will invoice the Company for work performed on a periodic basis.

Sheng (Sam) Wang, age 47, is the Chief Financial Officer, Corporate Secretary, and a director of the Company. Sheng (Sam) Wang is a results-oriented senior executive who brings a broad expertise in all phases of corporate finance, business and strategic planning, corporate development, financial management and reporting, and regulatory reporting.

Mr. Wang has served as a director and/or chief financial officer of many public companies listed on Canadian stock exchanges including Eastern Platinum Limited, Bard Ventures Ltd., Jiulian Resources Inc., and Cadillac Ventures Inc. He is the founder and president of Canadian Regal International Finance Inc., a private business consulting firm based in Vancouver, Canada.

Mr. Wang is a CPA, CGA with an MBA degree from York University in Toronto.

Mr. Wang has agreed to provide his services to the Company at a fair market rate and will invoice the Company for work performed on a periodic basis.

Paul Chung, age 61, is a director of the Company. Mr. Paul Chung is President, Chief Executive Officer, and director of Red Pine Petroleum Ltd.. In addition, Mr. Chung has been a director of 92 Resources Corp. since September 2009. He has approximately 20 years of professional experience in the management of public companies. Mr. Chung is the President of BOA Services Ltd., a private consulting company, and holds a B.Sc degree from the University of British Columbia and a Master of Business Administration degree from the University of Athabasca in Alberta and is a Fellow with the Geological Association of Canada.

Mr. Chung is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Company.

Youliang Wang, age 50, is a director of the Company. Mr. You Liang Wang is the Chief Executive Officer & executive director at China Modern Agricultural Information, Inc. and CEO, General Manager & director at Heilongjiang Zhongxian Information Co. Ltd. He is on the Board of Directors at Wonhe High-Tech International, Inc., China Modern Agricultural Information, Inc., and Heilongjiang Zhongxian Information Co. Ltd. Mr. Wang was previously employed as Vice President by Guofa Venture Investment Co. Ltd., Chief Marketing Officer by Yunnan Nanyao Jiaoxiong Pharmaceutical Co. Ltd., President by Tonghua Hongyuan Trading Co. Ltd., and Chief Executive Officer & director by Trade Link Wholesalers, Inc. Mr. Wang has also been a director of Bard Ventures Ltd. since August 2015.

Mr. Wang is an independent contractor and has not entered into a non-competition or non-disclosure agreement with the Company.

Cease Trade Orders or Bankruptcies

To the best knowledge of the management of the Company, no proposed director of the Company

- (a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that,
 - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer except Sheng (Sam) Wang, who is a director of Eastern Platinum Limited (“ELR”). A temporary management cease trade order was issued against ELR by the British Columbia Securities Commission on April 4, 2017 for failure to timely file the audited consolidated financial statements, the related management’s discussion and analysis, and Annual Information Form of ELR for the year ended December 31, 2016. The British Columbia Securities Commission subsequently revoked the cease trade order on June 15, 2017 after ELR filed the required records, or;
 - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of the Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of the 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.

CORPORATE GOVERNANCE DISCLOSURE

Pursuant to National Policy 58-101 *Disclosure of Corporate Governance Practices*, the Company is required to and hereby discloses its corporate governance practices as follows.

1. Board of Directors

The Board of Directors of the Company facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

Messrs. Paul Chung and Youliang Wang, directors of the Company, are “independent” in that they are independent and free from any interest and any business or other relationship which could or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Company, other than the interests and relationships arising from shareholdings. Mr. Eugene Beukman is the Chief Executive Officer, President and Chairman of the Board. Mr. Sheng Wang is Chief Financial Officer and Corporate Secretary. Therefore, Messrs. Beukman and Wang are not independent.

2. Directorships

The participation of directors in other reporting issuers is set out below.

| Name of Director | Name and Jurisdiction of Reporting Issuer | Name of Trading Market | Position From and To |
|-------------------------|--|-------------------------------|---------------------------------------|
| Eugene Beukman | La Jolla Capital Inc., British Columbia | N/A – reporting issuer only | Director September 2015 to Present |

| Name of Director | Name and Jurisdiction of Reporting Issuer | Name of Trading Market | Position From and To |
|---|--|--|---|
| | Brakpan Ventures Corp., British Columbia | Canadian Securities Exchange | President and Chief Executive Officer August 2015 to Present |
| | VANC Pharmaceuticals Inc., British Columbia | TSX Venture Exchange | Director June 2015 to Present |
| | Reliq Health Technologies Inc., British Columbia | TSX Venture Exchange | Director May 2015 to Present |
| | Range Energy Resources Inc., British Columbia | Canadian Securities Exchange | Chief Financial Officer and Corporate Secretary October 2014 to Present |
| | Lincoln Mining Corporation, British Columbia | TSX Venture Exchange | Chief Financial Officer March 2014 to Present |
| | Slam Exploration Ltd., Canada | TSX Venture Exchange | Chief Financial Officer July 2013 to Present |
| | Bard Ventures Ltd., British Columbia | TSX Venture Exchange | President March 1996 to Present Chief Executive Officer October 1996 to Present |
| Sheng (Sam) Wang | Cadillac Ventures Inc. | TSX Venture Exchange | Director November 2016 to Present |
| | Eastern Platinum Limited, British Columbia | Toronto Stock Exchange | Director July 2016 to March 2018 |
| | Bard Ventures Ltd., British Columbia | TSX Venture Exchange | Chief Financial Officer and Director August 2015 to present |
| | 3TL Technologies Corp., British Columbia | TSX Venture Exchange | Chief Financial Officer and Corporate Secretary July 2015 to April 2017 |
| | Jiulian Resources Inc., British Columbia | TSX Venture Exchange | Chief Financial Officer April 2013 to Present Director August 2017 to present |
| | Sino Rise Group Holding Corp., Cayman Islands | Canadian Securities Exchange | Chief Financial Officer, Corporate Secretary and Director September 2012 to November 2016 |
| | MillenMen Ventures Inc., Canada | TSX Venture Exchange | Chief Financial Officer May 2012 to August 2015 Director September 2009 to August 2015 |
| | EPI Environmental Technologies Inc., British Columbia | TSX Venture Exchange | Director August 2011 to October 2013 |
| | Xianburg Data Systems Canada Corporation, British Columbia | TSX Venture Exchange | Director November 2010 to April 2011 |
| | Youliang Wang | China Modern Agricultural Information Inc., Nevada | OTCBB |
| Wonhe High-Tech International, Inc., Nevada | | OTCBB | Director May 2015 to Present |
| Bard Ventures Ltd., British Columbia | | TSX Venture Exchange | Director August 2015 to Present |
| Paul Chung | TNR Gold Corp., British Columbia | TSX Venture Exchange | Director 1994 to 2017 Secretary 1996 to 2017 |
| | Red Pine Petroleum Ltd., British Columbia | TSX Venture Exchange | CEO & Director 2008 to Present |
| | 92 Resources Corp., British Columbia | TSX Venture Exchange | Director September 2009 to Present |

3. Orientation and Continuing Education

The Board ensures that all new directors receive a comprehensive orientation. New directors, as part of the orientation program, should meet with senior management to discuss the business of the Company and to receive historical and current operating and financial information and may tour selected facilities of the Company. Access to management will be co-ordinated through the Chief Executive Officer to ensure such access does not interfere with business operations.

The board should also ensure that directors are able to attend conferences or other similar events to participate in continuing education in matters relevant to their role as directors.

4. 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 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.

Under the *Business Corporations Act* (British Columbia), a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The director must then abstain from voting on the contract or transaction unless the contract or transaction (i) relates primarily to their remuneration as a director, officer, employee or agent of the Company or an affiliate of the Company, (ii) is for indemnity or insurance for the benefit of the director in connection with the Company, or (iii) is with an affiliate of the company. If the director abstains from voting after disclosure of their interest, the directors approve the contract or transaction and the contract or transaction was reasonable and fair to the company at the time it was entered into, the contract or transaction is not invalid and the director is not accountable to the company for any profit realized from the contract or transaction. Otherwise, the director must have acted honestly and in good faith, the contract or transaction must have been reasonable and fair to the company and the contract or transaction must be approved by the shareholders by a special resolution after receiving full disclosure of its terms in order for the director to avoid such liability or the contract or transaction being invalid.

5. Nomination of Directors

The Board of Directors 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 the 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 time required, shown support for the Company's mission and strategic objectives, and a willingness to serve.

6. Compensation

Compensation for Board members and officers of the Company is determined by the Board as a whole and in accordance with industry norms and with reference to each individual's level of involvement with the Company.

7. Board Committees

The Board of Directors has only one committee, being the Audit Committee.

8. Assessments

The Board of Directors monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and its committees. At present, the Board does not have a formal process for assessing the effectiveness of the Board, its committees and individual directors, or determining whether they are performing effectively. These matters are dealt with on a case by case basis at the Board level.

AUDIT COMMITTEE

Overview

The Audit Committee of the Company's Board of Directors is principally responsible for:

- recommending to the Company's Board of Directors the external auditor to be nominated for election by the Company's shareholders at each annual general meeting and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor;
- reviewing the Company's annual and interim financial statements, Management Discussion & Analysis (MD&A), and press releases regarding earnings before they are reviewed and approved by the Board of Directors and publicly disseminated by the Company; and

- reviewing the Company’s financial reporting procedures and disclosure controls to ensure adequate procedures are in place for the Company’s public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph, and periodically assessing the adequacy of those procedures.

The Audit Committee’s Charter

The Company’s Board of Directors has adopted a Charter for the Audit Committee which sets out the Committee’s mandate, organization, powers, and responsibilities. The complete Charter is attached as Appendix A to this Circular.

Composition of the Audit Committee

The Audit Committee consists of three directors: Eugene Beukman, Paul Chung, and Youliang Wang. All the directors are financially literate as defined by National Instrument 52-110 *Audit Committees*.

Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year ended September 30, 2017 has the Company relied on the exemption in Section 2.4 of National Instrument 52-110 - *Audit Committees (De Minimis Non-audit Services)*, or an exemption from National Instrument 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

As the Company is a “Venture Issuer” pursuant to relevant securities legislation, the Company is relying on the exemption in Section 6.1 of National Instrument 52-110 - *Audit Committees*, from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of National Instrument 52-110.

Audit Committee Oversight

Since the commencement of the Company’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Company’s Board of Directors.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in section 4.3(h) of the Charter.

External Auditor Service Fees (By Category)

The fees paid by the Company to its auditors for the financial year ended September 30, 2017, is as follows:

| <u>Financial Period Ending</u> | <u>Audit Fees⁽¹⁾</u> | <u>Audit Related Fees⁽²⁾</u> | <u>Tax Fees⁽³⁾</u> | <u>All Other Fees⁽⁴⁾</u> |
|--------------------------------|---------------------------------|---|-------------------------------|-------------------------------------|
| September 30, 2017 | \$38,000 | Nil | Nil | Nil |

Notes:

- (1) The aggregate fees billed by the Company’s auditors for audit fees for the financial year.
- (2) The aggregate fees billed for assurance and related services by the Company’s auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not disclosed in the ‘Audit Fees’ column.
- (3) The aggregate fees billed for professional services rendered by the Company’s auditor for tax compliance, tax advice, and tax planning.
- (4) The aggregate fees billed by the Company’s auditors for products and services other than the services reported under ‘Audit Fees’, ‘Audit Related Fees’, and ‘Tax Fees’.

STATEMENT OF EXECUTIVE COMPENSATION

Executive Officers of the Company

For the purposes of this Circular:

“**Compensation securities**” includes stock options, convertible securities, exchangeable securities, and similar instruments including stock appreciation rights, deferred share units, and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**NEO**” or “**named executive officer**” means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

“External management company” includes a subsidiary, affiliate or associate of the external management company;

DIRECTOR AND NEO COMPENSATION

Director and NEO compensation, excluding options and 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.

| Table of compensation excluding compensation securities | | | | | | | | |
|---|--------------------|---|------------|--------------------------------|---------------------------|--------------------|--------------------------------------|-------------------------|
| Name and principal position | Year Ended Sept 30 | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Pension value (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| Eugene Beukman ⁽¹⁾ CEO & Director | 2017 | \$15,385 | Nil | \$3,000 | Nil | Nil | Nil | \$18,385 |
| | 2016 | Nil | | \$9,750 | Nil | Nil | Nil | \$9,750 |
| Sam Wang ⁽²⁾ CFO & Director | 2017 | \$72,000 | Nil | \$3,000 | Nil | Nil | Nil | \$75,000 |
| | 2016 | \$72,000 | | \$3,750 | Nil | Nil | Nil | \$75,750 |
| Youliang Wang ⁽³⁾ Director | 2017 | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2016 | Nil | Nil | \$3,000 | Nil | Nil | Nil | \$3,000 |
| Paul Chung ⁽⁴⁾ Director | 2017 | Nil | Nil | \$3,000 | Nil | Nil | Nil | \$3,000 |
| | 2016 | Nil | Nil | \$3,750 | Nil | Nil | Nil | \$3,750 |

⁽¹⁾ Mr. Beukman has agreed to provide his services to the Company at a fair market rate and will invoice the Company for work performed on a periodic basis.

⁽²⁾ Mr. Wang has agreed to provide his services to the Company at a fair market rate and will invoice the Company for work performed on a periodic basis.

⁽³⁾ Mr. Wang, as a director of the Company, is paid directors’ fees and is reimbursed for travel and other expenses for attending board and committee meetings.

⁽⁴⁾ Mr. Chung, as a director of the Company, is paid directors’ fees and is reimbursed for travel and other expenses for attending board and committee meetings.

External Management Companies

The Company did not engage, or enter into any agreements with, any external management companies.

Stock Options and Other Compensation Securities

The Company has established a stock option plan and granted 4,000,000 options to its directors and officers during the fiscal year ended September 30, 2016. Neither the Company, nor its subsidiary, granted any stock options or issued any compensation securities to any director or NEO during the financial year ended September 30, 2017. There were 4,000,000 stock options outstanding as at September 30, 2017 and there were no other compensation securities outstanding as at September 30, 2017.

Outstanding Share-Based Awards and Option-Based Awards

| Name and position | Type of compensation security | Number of securities underlying unexercised options | Date of grant | Option Exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Option expiration date |
|----------------------------------|-------------------------------|---|---------------|----------------------------|--|---|------------------------|
| Eugene Beukman CEO & Director | Stock option | 1,000,000 | June 13, 2016 | \$0.375 | \$0.375 | \$0.95 | June 13, 2026 |
| Sam Wang CFO & Director | Stock option | 1,000,000 | June 13, 2016 | \$0.375 | \$0.375 | \$0.95 | June 13, 2026 |
| Youliang Wang Director | Stock option | 1,000,000 | June 13, 2016 | \$0.375 | \$0.375 | \$0.95 | June 13, 2026 |
| Paul Chung Director | Stock option | 1,000,000 | June 13, 2016 | \$0.375 | \$0.375 | \$0.95 | June 13, 2026 |

Exercise of Compensation Securities by Directors and NEOs

During the year ended September 30, 2017, no director or NEO exercised any compensation securities.

Stock Option Plans

The purpose of the Stock Option Plan ("Plan") is to provide an incentive to the Company's directors, senior officers, employees, and consultants, and to management company employees, to continue their involvement with the Company, to increase their efforts on the Company's behalf and to attract qualified new personnel. The Company decided to implement the Plan to provide additional incentive in attracting, retaining, and motivating directors, officers, employees, and consultants of the Company and of its affiliates.

General Description/Exchange Policies

The Plan is administered by the Board of Directors. The Plan provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Canadian Securities Exchange requirements, grant to directors, officers, employees, and technical consultants to the Company, 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. Such options will be exercisable for a period of up to ten years from the date of grant. In connection with the foregoing, 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 up to 90 days following cessation of the optionee's position with the Company, 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.

Employment, consulting and management agreements

Other than as disclosed herein, the Company does not have any employment, consulting or management agreements or arrangements with any of the Company's current NEOs or directors. Messrs. Beukman and Wang have respectively agreed to provide their services to the Company at a fair market rate and will invoice the Company for work performed on a periodic basis.

Oversight and description of director and named executive officer compensation

The primary goal of the Company's executive compensation program is to attract and retain the key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives. The key elements of the executive compensation program are: (i) base salary or fee; (ii) potential annual incentive award; and (iii) incentive stock options. The directors are of the view that all elements of the total program should be considered, rather than any single element.

The Company currently does not have a compensation committee in place and the Board intends to approve all compensation decisions in the near future, provided that directors who are also officers are exempt from participating in such compensation discussions. The Company may establish a compensation committee in the future to assist the Board in fulfilling its responsibility to shareholders, potential shareholders, and the investment community by reviewing and providing recommendations to the Board regarding executive compensation, succession plans for executive officers, and the Company's overall compensation and benefits policies, plans, and programs.

Once the Compensation Committee is established, it will be responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the CEO, or such person acting in the capacity of CEO of the Company, the directors, and management, and for reviewing the recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. The Compensation Committee will also periodically review the compensation paid to directors, officers, and management based on such factors as: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

Long-term incentive in the form of options to purchase common shares of the Company are intended to align the interests of the Company's directors and its executive officers with those of its shareholders, to provide a long-term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation the Company would otherwise have to pay. The Company has established a stock option plan.

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Company provides its executives may include a fee for each board or Audit Committee meeting attended, to assist with their out-of-pocket costs, such benefits and perquisites as set out, respectively, in the "Table of compensation excluding compensation securities" above.

Pension disclosure

The Company does not have any pension, defined benefit, defined contribution or deferred compensation plans in place.

Termination and Change of Control Benefits

The Company has no plan or arrangement with the NEOs to compensate them in the event of:

- (a) the resignation or retirement of the NEOs' employment with the Company;
- (b) a change of control of the Company; or
- (c) a change in the NEOs' responsibilities following a change of control.

Estimated Incremental Payment on Change of Control

There is no incremental payment to any Named Executive Officer upon termination by the Company on a change of control of the Company.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has in place a "rolling" Stock Option Plan (the "Plan") whereby the maximum number of common shares that may be reserved for issuance pursuant to the Plan will not exceed 10% of the issued shares of the Company at the time of the stock option grant. As of the date hereof, options to purchase a total of 5,000,000 common shares of the Company have been granted to directors, officers, and consultants pursuant to the Plan.

The Company's Stock Option Plan was adopted by the Board of Directors on June 13, 2016. See "**Stock Option Plan**" below for a summary of the material terms of the Company's Plan. The Company has no other form of compensation plan under which equity securities of the Company are authorized for issuance to employees or non-employees in exchange for consideration in the form of goods or services.

MANAGEMENT CONTRACTS

The Company has not entered into any contract for management services.

STOCK OPTION PLAN

Purpose of the Plan

The purpose of the Plan is to provide an incentive to the Company's directors, senior officers, employees, and consultants, and to management company employees, to continue their involvement with the Company, to increase their efforts on the Company's behalf, and to attract qualified new personnel. The Company decided to implement the Plan to provide additional incentive in attracting, retaining, and motivating directors, officers, employees, and consultants of the Company and of its affiliates.

General Description/Exchange Policies

The Plan is administered by the Board of Directors. A copy of the Plan has been included with this Information Circular as Appendix B.

The Company adopted the Plan to enable the board of directors of the Company to, from time to time, in its discretion, and in accordance with the Canadian Securities Exchange requirements, grant to directors, officers, employees, and technical consultants to the Company, 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 at the time of grant. Such options will be exercisable for a period of up to ten years from the date of

grant. In connection with the foregoing, 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 up to 90 days following cessation of the optionee's position with the Company, 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.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "informed person" means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and
- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as set out in this Circular no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company.

APPOINTMENT OF AUDITOR

The shareholders of the Company will be asked to vote for the re-appointment of MNP LLP, Chartered Professional Accountants, as auditors of the Company for the ensuing year. **Unless such authority is withheld, the management designees, if named as proxy, intend to vote the common shares represented by any such proxy in favour of a resolution re-appointing MNP LLP, Chartered Professional Accountants, as auditors for the Company for the ensuing year,** to hold office until the close of the next annual meeting of shareholders or until the firm of MNP LLP, Chartered Professional Accountants is removed from office or resigns. The shareholders will also be asked to approve and adopt an ordinary resolution authorizing the Board of Directors of the Company to fix the compensation of the auditors for the ensuing year.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

In addition to electing directors, reviewing the financial statements, and appointing auditors as discussed above, the following business will be acted upon.

1. Approval and Ratification of Stock Option Plan

The Company's current option Plan was adopted by the Board of Directors on June 13, 2016. The Plan complies with the requirements of the Canadian Securities Exchange's policy with regard to stock option grants. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital as at the date of grant. This is a "rolling" plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding share capital increases. Continuation of the Plan is subject to the approval of the shareholders of the Company. For other principal features of the Plan see "**Executive Compensation - Stock Option Plan**". A copy of the Plan has been included with this Circular for review by the shareholders.

Accordingly, shareholders will be requested at the Meeting to pass an ordinary resolution to approve the Plan in the following form:

"BE IT RESOLVED that:

1. the Company approve and ratify the Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees, and consultants of the Company and

its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis;

2. any one or more of the directors and officers of the Company be authorized to perform all such acts, deeds and things and execute, under seal of the Company or otherwise, all such documents as may be required to give effect to this resolution."

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

2. Acquisition of Maple Beauty Global Limited

ISSUANCE OF COMMON SHARES FOR PURCHASE OF SHARES OF MAPLE BEAUTY GLOBAL LIMITED

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass, the ordinary resolution to approve the acquisition of 95% of the issued and outstanding common shares of Maple Beauty Global Limited ("MBGL") pursuant to the terms of the share purchase agreement between the Company, MBGL, and the Company's wholly-owned subsidiary Genuine Success Global Limited ("GSGL"), as more fully set forth in the share purchase agreement. The terms of the share purchase agreement are summarized below and attached as Appendix C to this Circular. This summary does not purport to be complete and is qualified in its entirety by reference to the share purchase agreement.

SUMMARY OF SHARE PURCHASE TRANSACTION

Management of the Company initially discussed the possibility of acquiring the mineral mining license to an iron and zinc mine known as the Khaldun iron (zinc) mine located in Govi-Ugtaal Sum, Middle Govi (Dundgovi) province, Mongolia, in November 2016. During the course of due diligence performed by the Company, a "Resources Development and Utilization Plan for Khaldun Iron (Zinc) Mine, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia" was prepared by Shandong Lianchuang Architectural Design Co., Ltd. in December 2016. The Company began the process of outlining the steps by which a business combination may be effected with MBGL, the owners of 100% of the issued and outstanding capital of Maple Mining Development Co. Ltd. ("Maple Mining"), which in turn owns mineral mining license number MV-017118 over the Khaldun iron (zinc) mine. Following further discussions, GSGL entered into a non-binding letter of intent on January 6, 2017 with MBGL, a private corporation registered under the laws of the British Virgin Islands and the sole shareholder of Maple Mining. Pursuant to the letter of intent, GSGL would acquire 100% of the issued and outstanding capital stock of MBGL for a deemed purchase price of \$20,000,000, payable by the issuance of a promissory note from GSGL that would be guaranteed by the Company and convertible into 25,000,000 common shares of the Company at a deemed price of \$0.80 per share. The Company, GSGL and MBGL subsequently entered into a definitive acquisition agreement and Amalgamation Agreement on February 7, 2017. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia.

The Company obtained shareholder approval to the Amalgamation Agreement at the annual general and special meeting of shareholders held on June 6, 2017 and subsequently filed a technical report on the Khaldun iron (zinc) mine bearing an effective date of May 8, 2017, entitled "Technical Report on the Khaldun Iron (Zinc) Property, Govi-Ugtaal Sum, Middle Govi (Dundgovi) Province, Mongolia" and prepared in compliance with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* by Yungang Wu, P.Geo., a qualified person for the purposes of National Instrument 43-101. The Board of Directors subsequently determined not to proceed with the amalgamation, and instead propose to replace the Amalgamation Agreement with a share purchase agreement whereby GSGL will acquire 95% of the issued and outstanding common shares of MBGL in consideration for the issuance and delivery of convertible debentures of the Company, which debentures are convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, subject to applicable escrow and holdbacks as outlined in the share purchase agreement.

The Company, GSGL and MBGL have certain common shareholders in common, none of whom are insiders of the Company. The Company has therefore determined that the share purchase transaction is not a related party transaction as defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*.

The Share Purchase Agreement

General

The MBGL acquisition will be effected pursuant to the share purchase agreement, a copy of which has been filed by the Company under its profile on SEDAR at www.sedar.com. The share purchase agreement contains covenants, representations and warranties of and from each of the Company, GSGL, and MBGL and various conditions precedent with respect to each party to the share purchase agreement. The following is a summary of certain material provisions of the share purchase agreement and is not comprehensive but is qualified in its entirety by reference to the full text of the share purchase agreement.

On the terms and subject to the conditions set forth in the share purchase agreement, at the effective time, GSGL will acquire 95% of the issued and outstanding common shares of MBGL from the MBGL shareholders.

Conditions Precedent

The Company's obligation to issue the convertible debentures is conditional upon a number of conditions precedent including the following:

1. there shall not be any claim that shall, at closing, be pending against any of the parties before any governmental authority and no law, regulation or policy shall have been proposed, enacted or applied: (i) making illegal or seeking to restrain, prohibit or obtain damages or other relief in connection with the consummation of the transactions contemplated by the share purchase agreement; (ii) prohibiting or materially limiting the ownership or operation by the Company or GSGL of a material portion of the business or assets of MBGL or requiring the Company or GSGL to dispose of or hold separately any such portion of any MBGL shares or MBGL assets, as applicable; or (iii) making the consummation of the transactions contemplated by the share purchase agreement materially more costly to the Company and GSGL or materially reducing the value of the MBGL shares;
2. all required approvals shall have been obtained on terms acceptable to the selling MBGL shareholders and the Company and GSGL, acting reasonably, at or prior to the closing time;
3. the shares to be issued or made issuable upon the conversion of the debentures in accordance with the share purchase agreement and the transactions contemplated thereby shall have been conditionally approved for listing upon the Canadian Securities Exchange subject only to conditions which may reasonably be expected to be satisfied within the 10 business days following the closing date; and
4. the parties will enter into a voluntary escrow agreement with respect to the shares of the Company issuable upon the conversion of the debentures.

THE POST-SHARE PURCHASE STRUCTURE

As a result of the acquisition of 95% of the issued and outstanding shares of MBGL, the Company will issue convertible debentures representing an aggregate purchase price of \$19,000,000, which debentures will be convertible into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures. Assuming a share price of \$1.05 per share (based on the closing price of the Company's shares on the Canadian Securities Exchange on July 24, 2018), the convertible debentures will convert into 18,095,238 common shares to the selling MBGL shareholders, which represents approximately 23.32% of the issued and outstanding common shares of the Company as of the Record Date.

Valuation, Board Review and Approvals

The share purchase transaction has been reviewed and approved by the Board of Directors of the Company. The purchase price was determined by the Board of Directors to be a reasonable valuation in light of various alternatives available to the Company and the valuation amount was confirmed by due diligence performed by the Company. As part of its due diligence process, the Company commissioned a Legal Due Diligence Report on Maple Mining Development Co., Ltd. and its Mining License dated May 4, 2017 and prepared by ELB Partners, Attorneys-at-Law, of Ulaanbaatar, Mongolia. As defined in the *Securities Act* (British Columbia), the share purchase transaction would not result in a change in the control of the Company since the Company would continue to have the same control persons as it did before the transaction and no new control persons would be created as a result of the transaction. After the closing of the share purchase transaction, the composition of the board of directors of the Company will remain the same. The share purchase transaction may also be subject to acceptance by the Canadian Securities Exchange and other regulatory approvals.

In order to implement the share purchase transaction, the share purchase resolution must be approved by at least a simple majority of the votes cast by the Company's shareholders present in person or represented by proxy at the Meeting. Each common share of the Company will entitle the holder thereof to one vote on the share purchase resolution.

Unless otherwise directed, management will vote **FOR** the share purchase resolution. If you do not specify how you want your common shares voted, or if both choices are specified, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting **FOR** the share purchase resolution.

If the share purchase resolution is approved at the Meeting and the applicable conditions to the completion of the share purchase transaction are satisfied or waived, the share purchase transaction will take effect at the effective time (which will be at 12:01 a.m. (Pacific Standard Time) or such other time as the parties agree in writing) on the effective date (which is expected to take place as soon as reasonably practicable after the Meeting).

The share purchase transaction will not constitute a "significant acquisition" for the Company, as that term is defined under Part 8 of National Instrument 51-102 – *Continuous Disclosure Obligations*.

Recommendation of the Board

After careful consideration of a number of factors, as described under the heading "*Reasons for Recommending the Purchase*", and having discussed the acquisition with the Company's legal advisors, the Board unanimously determined that the terms of the share purchase transaction were reasonable, and unanimously resolved to approve the acquisition. **Accordingly, the Board unanimously recommends that the shareholders vote FOR the share purchase resolution.**

Risks Associated with the Share Purchase Transaction

In evaluating the share purchase transaction, the shareholders of the Company should carefully consider the following risk factors relating to the share purchase transaction. The following risk factors are not a definitive list of all risk factors associated with the share purchase transaction. Additional risks and uncertainties, including those currently unknown or considered immaterial by the Company, may also adversely affect the Company's common shares and/or the business of the Company following the share purchase transaction. If any of the risk factors materialize, the predictions based on them may need to be re-evaluated. The risks associated with the share purchase transaction include, without limitation:

Closing conditions outside the control of the Company, GSGL or MBGL may prevent the completion of the share purchase transaction.

There are a number of conditions to the acquisition which are outside the control of the Company, GSGL or MBGL including, but not limited to, receipt of shareholder approvals, the ability of the Company to satisfy the requirements of the Canadian Securities Exchange, and any other required third party or regulatory approvals. If for any reason the conditions to the acquisition are not satisfied or waived and the acquisition is not completed, the market price of the Company's common shares may be adversely affected.

The Company may fail to realize anticipated benefits of the acquisition.

In the event the share purchase transaction is completed, the intended reasons for the acquisition and the anticipated benefits may not materialize or be realized. Achieving the benefits of acquisitions depends in part on successful integration of the two companies in a timely and efficient manner. Such integration may require substantial management effort, time, and resources; may divert management's focus from other strategic opportunities and operational matters; and ultimately the Company and GSGL may fail to realize the anticipated benefits of the acquisition.

Actual revenue and cost synergies, if achieved at all, may not be achieved at the levels expected and may take longer than anticipated. If these challenges are not adequately addressed, the Company may be unable to realize the anticipated benefits of the share purchase transaction. An inability to realize the full extent of, or any of, the anticipated benefits of the share purchase transaction could have an adverse effect on the Company's business and results of operations, which may affect the value of the Company's common shares.

Failure to complete the share purchase transaction could negatively impact the market price of the Company's common shares and future business and financial results.

If the share purchase transaction is not completed for any reason, the Company's ongoing business and financial results may be adversely affected. In addition, if the share purchase transaction is not completed, the price of the Company's common shares may decline to the extent that the current market price of the Company's common shares reflect a market assumption that the share purchase transaction will be completed and that the related benefits will be realized, or as a result of the market's perceptions that the share purchase transaction was not consummated due to an adverse change in the Company's business or financial condition.

Whether or not the share purchase transaction is completed, the pending transaction could adversely affect the Company's operations because matters relating to the share purchase transaction require substantial commitments of time and resources by management of the Company that could otherwise have been devoted to other opportunities that may have been beneficial to the Company.

The Company cannot guarantee when, or whether, the share purchase transaction will be completed, that there will not be a delay in the completion of the share purchase transaction or that all or any of the anticipated benefits of the share purchase transaction will be obtained. If the share purchase transaction is not completed or is delayed, the Company may experience the risks discussed above which may adversely affect the Company's business, financial results and share price.

The dilutive effect on the Company's shareholders arising from the share purchase transaction will impact share value.

With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power. Pursuant to the share purchase transaction, former MBGL shareholders will receive common shares of the Company upon the conversion of convertible debentures at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, which will be dilutive to shareholders of the Company.

The common shares of the Company to be issued in connection with the share purchase transaction may have a market value different than expected.

A significant number of the Company's common shares will be issued and will become available for trading in the public market. The increase in the number of common shares may lead to sales of such common shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, the Company's common shares.

The share purchase agreement may be terminated by the Company, GSGL or MBGL in certain circumstances.

The Company, GSGL and MBGL each have the right to terminate the share purchase agreement in certain circumstances. Accordingly, there is no certainty that the share purchase agreement will not be terminated by the Company, GSGL or MBGL before the completion of the share purchase transaction. For example, each party has the right to terminate the share purchase agreement if the other party is in material breach of the share purchase agreement. It is possible that one or more circumstances may arise which would give either party the right to terminate the share purchase agreement, in which case the share purchase transaction would not proceed.

The ability of the Company to develop and operate the business post-acquisition may be impaired.

The ability to operate the business is subject to many risks and uncertainties. These include the ability of the Company and its management to direct the business of the Company, to focus on the business of MBGL, and to satisfy the requirements for ongoing capital for the combined business, the Company will be required to obtain adequate financing. If equity financing is required, such financings could result in significant additional dilution to existing shareholders.

THE DIRECTORS OF THE COMPANY BELIEVE THAT THE FOLLOWING RESOLUTION IS IN THE BEST INTERESTS OF THE SHAREHOLDERS AND RECOMMEND THAT THE SHAREHOLDERS VOTE IN FAVOUR OF THE RESOLUTION.

NOW THEREFORE BE IT RESOLVED THAT:

Share Purchase Transaction

1. The purchase of 95% of the issued and outstanding common shares of Maple Beauty Global Limited by Genuine Success Global Limited and the Company, as contemplated and provided for in the Share Purchase Agreement), is hereby approved and authorized.
2. The entering into, execution, delivery and performance of the Share Purchase Agreement, substantially in the form presented and attached to the Circular as Appendix C, be authorized and approved, and any one (1) director or senior officer of the Company is hereby authorized to execute the Share Purchase Agreement for and in the name of the Company, with such alterations, additions, amendments and deletions as the directors or officers signing on behalf of the Company shall determine necessary and appropriate; and execution by such directors or officers as aforesaid shall be conclusive evidence of the approval of any such amendments.
3. The issuance of convertible debentures of the Company to the shareholders of MBGL for aggregate consideration of \$19,000,000, and the conversion of the debentures into common shares of the Company at a deemed price per share equal to the closing market price of the shares on the Canadian Securities Exchange on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the debentures or the posting of notice of the proposed issuance of the debentures, pursuant to the terms and conditions of the Share Purchase Agreement, be and the same is hereby authorized and approved.
4. The making of application to any and all regulatory authorities, the approval or consent of which is necessary or desirable to obtain in connection with the share purchase transaction (as may be determined by management of the Company), is hereby authorized and approved.
5. Any one (1) or more directors or senior officers of the Company be and are hereby authorized and directed, for and on behalf of and in the name of the Company, to do all such acts and things and to execute and deliver all such documents, instruments and writings (including, without limitation, any agreements with advisors, whether with or without indemnification by the Company, in respect of their services and any applications to securities commissions or similar authorities) which in the opinion of such officers or directors may be necessary or advisable in order to give full effect to these resolutions; and any such acts, executions or deliveries that have occurred in connection with or in furtherance of the share purchase transaction prior to the date of these resolutions are hereby ratified and confirmed.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval of the share purchase resolution.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the notice of Meeting. If any other matter properly comes before the Meeting, the persons named in the proxy intend to vote the common shares represented by the proxy in accordance with their best judgment on that matter.

GENERAL

Unless otherwise directed, it is the intention of the management designees to vote proxies in favour of the resolutions set forth herein. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of common shares present in person or by proxy at the Meeting.

ADDITIONAL INFORMATION

Additional information concerning the Company is available online at www.sedar.com under the Company's profile. Financial information concerning the Company is provided in the Company's comparative financial statements and Management Discussion and Analysis for the financial year ended September 30, 2017.

Shareholders wishing to obtain a copy of the Company's Financial Statements and Management's Discussion and Analysis may contact the Company as follows:

Oriental Non-Ferrous Resources Development Inc.
5148 Williams Road
Richmond, British Columbia
Canada
V7E 1K1
Telephone: (604) 773-1339

DIRECTORS' APPROVAL

The contents of this Circular have been approved, and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Board of Directors of the Company.

BY ORDER OF THE BOARD OF DIRECTORS

"Eugene Beukman"
Chief Executive Officer, President,
Chairman and Director
Vancouver, British Columbia
July 25, 2018

Appendix A**ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.****(the “Company”)****AUDIT COMMITTEE CHARTER****1. OVERALL PURPOSE AND OBJECTIVES**

The Audit Committee will assist the directors (the “Directors”) of Oriental Non-Ferrous Resources Development Inc. (the “Company”) in fulfilling their responsibilities under applicable legal and regulatory requirements. To the extent considered appropriate by the Audit Committee or as required by applicable legal or regulatory requirements, the Audit Committee will review the financial reporting process of the Company, the system of internal controls and management of the financial risks of the Company and the audit process of the financial information of the Company. In fulfilling its responsibilities, the Audit Committee should maintain an effective working relationship with the Directors, management of the Company and the external auditor of the Company as well as monitor the independence of the external auditor.

2. AUTHORITY

(a) The Audit Committee shall have the authority to:

- (i) engage independent counsel and other advisors as the Audit Committee determines necessary to carry out its duties;
- (ii) set and pay the compensation for any advisors employed by the Audit Committee;
- (iii) communicate directly with the internal and external auditor of the Audit Corporation and require that the external auditor of the Company report directly to the Audit Committee; and
- (iv) seek any information considered appropriate by the Audit Committee from any employee of the Company.

(b) The Audit Committee shall have unrestricted and unfettered access to all personnel and documents of the Company and shall be provided with the resources reasonably necessary to fulfill its responsibilities.

3. MEMBERSHIP AND ORGANIZATION

(a) The Audit Committee will be composed of at least three members. The members of the Audit Committee shall be appointed by the Directors to serve one-year terms and shall be permitted to serve an unlimited number of consecutive terms. The majority of the members of the Audit Committee must be Directors who are independent and financially literate to the extent required by (and subject to the exemptions and other provisions set out in) applicable laws, rules and regulations, and stock exchange requirements (“Applicable Laws”). In this Charter, the terms “independent” and “financially literate” have the meaning ascribed to such terms by Applicable Laws, and include the meanings given to similar terms by Applicable Laws, including in the case of the term “independent” the terms “outside” and “unrelated” to the extent such latter terms are applicable under Applicable Laws.

(b) The chairman of the Audit Committee will be an independent Director and will be appointed by the Audit Committee from time to time and must have such accounting or related financial management expertise as the Directors may determine in their business judgment.

(c) The secretary of the Audit Committee will be the chosen by the Audit Committee.

(d) The Audit Committee may invite such persons to meetings of the Audit Committee as the Audit Committee considers appropriate, except to the extent exclusion of certain persons is required pursuant to this Charter or Applicable Laws.

(e) The Audit Committee may invite the external auditor of the Company to be present at any meeting of the Audit Committee and to comment on any financial statements, or on any of the financial aspects, of the Company.

(f) The Audit Committee will meet as considered appropriate or desirable by the Audit Committee. Any member of the Audit Committee or the external auditor of the Company may call a meeting of the Audit Committee at any time upon 48 hours prior written notice.

(g) All decisions of the Audit Committee shall be by simple majority and the chairman of the Audit Committee shall not have a deciding or casting vote.

(h) Minutes shall be kept in respect of the proceedings of all meetings of the Audit Committee.

- (i) No business shall be transacted by the Audit Committee except at a meeting of the members thereof at which a majority of the members thereof is present.
- (j) The Audit Committee may transact its business by a resolution in writing signed by all the members of the Audit Committee in lieu of a meeting of the Audit Committee.

4. **ROLE AND RESPONSIBILITIES**

To the extent considered appropriate or desirable or required by applicable legal or regulatory requirements, the Audit Committee shall:

- (a) recommend to the Directors
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Company or performing other audit, review or attest services for the Company, and
 - (ii) the compensation to be paid to the external auditor of the Company;
- (b) review the proposed audit scope and approach of the external auditor of the Company and ensure no unjustifiable restriction or limitations have been placed on the scope of the proposed audit;
- (c) meet separately and periodically with the management of the Company, the external auditor of the Company and the internal auditor (or other personnel responsible for the internal audit function of the Company) of the Company to discuss any matters that the Audit Committee, the external auditor of the Company or the internal auditor of the Company, respectively, believes should be discussed privately;
- (d) be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report on the annual financial statements of the Company or performing other audit, review or attest services for the Company, including the resolution of disagreements between management of the Company and the external auditor of the Company regarding any financial reporting matter and review the performance of the external auditor of the Company;
- (e) review judgmental areas, for example those involving a valuation of the assets and liabilities and other commitments and contingencies of the Company;
- (f) review audit issues related to the material associated and affiliated entities of the Company that may have a significant impact on the equity investment therein of the Company;
- (g) meet with management and the external auditor of the Company to review the annual financial statements of the Company and the results of the audit thereof;
- (h) review and determine if internal control recommendations made by the external auditor of the Company have been implemented by management of the Company;
- (i) pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company and, to the extent considered appropriate:
 - (i) adopt specific policies and procedures in accordance with Applicable Laws for the engagement of such non-audit services; and/or
 - (ii) delegate to one or more independent members of the Audit Committee the authority to pre-approve all non-audit services to be provided to the Company or any subsidiary entities thereof by the external auditor of the Company provided that the other members of the Audit Committee are informed of each such non-audit service;
- (j) consider the qualification and independence of the external auditor of the Company, including reviewing the range of services provided by the external auditor of the Company in the context of all consulting services obtained by the Company;
- (k) consider the fairness of the Interim Financial Report and financial disclosure of the Company and review with management of the Company whether,
 - (i) actual financial results for the interim period varied significantly from budgeted or projected results,
 - (ii) generally accepted accounting principles have been consistently applied,

- (iii) there are any actual or proposed changes in accounting or financial reporting practices of the Company, and
- (iv) there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure;
- (l) review the financial statements of the Company, management's discussion and analysis and any annual and interim earnings press releases of the Company before the Company publicly discloses such information and discuss these documents with the external auditor and with management of the Company, as appropriate;
- (m) review and be satisfied that adequate procedures are in place for the review of the public disclosure of the Company of financial information extracted or derived from the financial statements of the Company, other than the public disclosure referred to in paragraph 4(l) above, and periodically assess the adequacy of those procedures;
- (n) establish procedures for,
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters relating to the Company;
- (o) review and approve the hiring policies of the Company regarding partners, employees and former partners and employees of the present and any former external auditor of the Company;
- (p) review the areas of greatest financial risk to the Company and whether management of the Company is managing these risks effectively;
- (q) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and consider their impact on the financial statements of the Company;
- (r) review any legal matters which could significantly impact the financial statements of the Company as reported on by counsel and meet with counsel to the Company whenever deemed appropriate;
- (s) institute special investigations and, if appropriate, hire special counsel or experts to assist in such special investigations;
- (t) at least annually, obtain and review a report prepared by the external auditor of the Company describing:
 - the firm's quality-control procedures;
 - any material issues raised by the most recent internal quality-control review or peer review of the firm or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, in respect of one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
 - and (to assess the auditor's independence) all relationships between the independent auditor and the Company;
- (u) review with the external auditor of the Company any audit problems or difficulties and management's response to such problems or difficulties;
- (v) discuss the Company's earnings press releases, as well as financial information and earning guidance provided to analysts and rating agencies, if applicable; and
- (w) review this charter and recommend changes to this charter to the Directors from time to time.

5. COMMUNICATION WITH THE DIRECTORS

- (a) The Audit Committee shall produce and provide the Directors with a written summary of all actions taken at each Audit Committee meeting or by written resolution.
- (b) The Audit Committee shall produce and provide the Directors with all reports or other information required to be prepared under Applicable Laws.

Appendix B**ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.
(the "Company")****STOCK OPTION PLAN****June 13, 2016**ARTICLE 1
PURPOSE AND INTERPRETATION

(a) Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with the CSE Policies and any inconsistencies between this Plan and the CSE Policies will be resolved in favour of the latter.

(b) Definitions

1.2 In this Plan

(a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;

(b) **Associate** has the meaning set out by the Securities Act;

(c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);

(d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;

(e) **Business Day** means a day that the CSE is open for business;

(f) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

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

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

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to affect materially control of the Company or its successor. In the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(g) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the CSE;

(h) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, each of its Affiliates and successors according to law;

(i) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:

- (i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;
 - (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
 - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;
- (j) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;
- (k) **Directors** means the directors of the Company as may be elected from time to time;
- (l) **Discounted Market Price** and **Market Price** have the meanings assigned by the CSE Policies;
- (m) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;
- (n) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;
- (o) **Effective Date** for an Option means the date of grant thereof by the Board;
- (p) **Employee** means:
- (i) an individual who is considered an employee under the Income Tax Act (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the CSE Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Activities** has the meaning assigned by the CSE Policies;
- (u) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged primarily in Investor Relations Activities;
- (v) **Officer** means a Board appointed officer of the Company;
- (w) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (x) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A hereto;

- (y) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (z) **Optionee** means the recipient of an Option hereunder;
- (aa) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (bb) **Participant** means a Service Provider that becomes an Optionee;
- (cc) **Person** includes a company, any unincorporated entity, or an individual;
- (dd) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;
- (ee) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (ff) **Regulatory Approval** means the approval of the CSE and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;
- (gg) **Securities Act** means the *Securities Act*, R.S.B.C. 1996, c. 418 as amended, or any successor legislation;
- (hh) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, of which 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (ii) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (jj) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (kk) **Take Over Bid** means a take over bid as defined in §92 of the Securities Act and the analogous provisions of securities legislation and regulation applicable to the Company;
- (ll) **Termination Date** has the meaning ascribed thereto in §3.10;
- (mm) **CSE** means the Canadian Securities Exchange and any successor thereto; and
- (nn) **CSE Policies** means the rules and policies of CSE as amended from time to time.
- (c) Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the CSE Policies, will have the meaning assigned to them in the CSE Policies.

- (d) Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 STOCK OPTION PLAN

- (e) Establishment of Stock Option Plan

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

- (f) Maximum Plan Shares

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the CSE Policies.

(g) Eligibility

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the CSE and the Company is obtained.

(h) Options Granted Under the Plan

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

(i) Limitations on Issue

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

(a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares (unless the Company has obtained Disinterested Shareholder Approval to do so);

(b) the aggregate number of Options granted to Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the CSE; and

(c) the aggregate number of Options granted to any one Consultant in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the CSE.

(j) Options Not Exercised

2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

(k) Powers of the Board

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the CSE Policies or the Company's tier classification thereunder; and

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

(l) Amendment of the Plan by the Board of Directors

2.9 Subject to the requirements of the CSE Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder subject to prior written approval of the CSE, if applicable;
- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may add a cashless exercise feature payable including cash or Common Shares which provides for a full deduction of the number of underlying Common Shares from the Share reserved hereunder;
- (e) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (f) if the Company becomes listed or quoted on a stock exchange or stock market senior to the CSE, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (g) amend this Plan (except for previously granted and outstanding Options) to reduce the benefits that may be granted to Service Providers (before a particular Option is granted) subject to the other terms hereof.
- (m) Amendments Requiring Disinterested Shareholder Approval

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares;
 - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares; or,
 - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (n) Options Granted Under the Company's Previous Share Option Plans

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms hereof.

ARTICLE 3 TERMS AND CONDITIONS OF OPTIONS

- (o) Exercise Price
 - 3.1 The Exercise Price of an Option will be set by the Board at the Market Price on the Effective Date of the Option.
 - 3.2 Term of Option - An Option can be exercisable for a maximum of 10 years from the Effective Date of the Option.
- (p) Option Amendment
 - 3.3 The terms of an Option may not be amended once issued. If an option is cancelled prior to its expiry date, the Company must post notice of the cancellation and shall not grant new options to the same person until 30 days have elapsed from the date of cancellation.
 - 3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.
 - 3.5 Any proposed amendment to the terms of an Option must be approved by the CSE prior to the exercise of such Option.
- (q) Vesting of Options

3.6 Subject to ~~§Error! Reference source not found.~~, the Board may, in its sole discretion, attach a term or condition to a particular Option providing that the Option will vest over a certain period of time or upon the occurrence of certain events. The Board may also, in its sole discretion, attach a term or condition to a particular Option providing that the Option will be exercisable immediately, in full, notwithstanding that it has vesting provisions, upon the occurrence of certain events. Unless otherwise determined by the Board, in its sole discretion, all Options will vest upon grant or over 18 months from the date of grant and will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.
- (r) Vesting of Options Granted to Consultants Conducting Investor Relations Activities

3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:

- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b) such longer vesting period as the Board may determine.
- (s) Effect of Take Over Bid

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall, immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding Sections 3.6 and 3.7 or any vesting requirements set out in any Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to prior approval from the CSE for vesting requirements imposed by CSE Policies.

- (t) Extension of Options Expiring During Blackout Period

3.9 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.9 may not be extended by the Board.

- (u) Optionee Ceasing to be Director, Employee or Service Provider

3.10 No Option may be exercised after the earlier of the date that the Service Provider has left his employ/office and the date that the Service Provider has been advised by the Company that his services are no longer required or his service contract has expired, (the "Termination Date") as follows:

- (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
- (b) an Options granted to any Service Provider will expire within 30 days after the Termination Date, but only to the extent that such Option has vested at the date the Optionee ceased to be so employed by or to provide services to the Company;
- (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

If a Service Provider has been granted more than one Option in circumstances where that Service Provider is a Service Provider in one or more capacities of being a Service Provider (for example, a Director and an Employee) and ceases to be a Service Provider in one or more capacities but remains a Service Provider in one or more other capacities, then the termination provisions set out in this §3.10 will apply only to the Options that were granted in the capacity or capacities of Service Provider that have been terminated.

- (v) Non Assignable

3.11 Subject to §3.10, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

- (w) Adjustment of the Number of Optioned Shares

3.12 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

- (a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;
- (b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;
- (c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;
- (d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.12;
- (e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;
- (f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.12, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and
- (g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.12, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records. Such determination will be binding upon the Company and all Optionees.

ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES

(x) Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof.

(y) Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering:

(a) a written notice to the Company in the form attached hereto as Schedule B or such other form as the Company may require, specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price by the Optioned Shares being acquired.

(z) Delivery of Certificate for Optioned Shares and Hold Periods

4.3 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued may bear a legend stipulating any resale restrictions required under applicable securities laws or CSE Policies.

4.4 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

- (a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts; or
- (b) otherwise ensure, in a manner acceptable to the Company in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

ARTICLE 5 GENERAL

(aa) Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

(bb) No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

(cc) Interpretation

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

(dd) Effective Date of Plan

5.4 The Plan will become effective from and after June 13, 2016 and will remain effective provided that the Plan, or any amended version thereof, receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to June 13, 2016.

SCHEDULE A

**STOCK OPTION PLAN
OPTION COMMITMENT**

Notice is hereby given that, effective this ____ day of _____, ____ (the "Effective Date") Oriental Non-Ferrous Resources Development Inc. (the "Company") has granted to _____ (the "Optionee"), an Option to acquire _____ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the ____ day of _____, ____ (the "Expiry Date") at an Exercise Price of CAD\$ _____ per share.

Optioned Shares are to vest immediately.

OR

Optioned Shares will vest as follows:
[INSERT VESTING SCHEDULE AND TERMS]

TERMS AND CONDITIONS

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, of which are hereby incorporated herein and forms part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate (or written notice in the case of uncertificated shares) for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter.

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under CSE Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the CSE Policies) by both the Company and the CSE as more particularly set out in the Acknowledgement - Personal Information in use by the CSE on the date of this Share Option Plan.

ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.

Authorized Signatory

SIGNATURE OF OPTIONEE

Appendix C

SHARE PURCHASE AGREEMENT

THIS SHARE PURCHASE AGREEMENT made as of the 20th day of March, 2018

AMONG:

ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC., a body corporate incorporated under the laws of the Province of British Columbia (“**ONFRD**”)

- and -

GENUINE SUCCESS GLOBAL LIMITED, a body corporate incorporated under the laws of the British Virgin Islands (“**GSGL**”)

- and -

MAPLE BEAUTY GLOBAL LIMITED, a body corporate incorporated under the laws of the British Virgin Islands (the “**Corporation**”)

- and -

EACH OF THOSE PARTIES LISTED IN SCHEDULE A HERETO (collectively referred to as the “**Major Shareholders**”)

WHEREAS:

- A. The Major Shareholders legally and beneficially own 190,000 of 200,000 issued and outstanding shares of the Corporation (the “**MBGL Shares**”), representing 95% of the total issued and outstanding shares of the Corporation;
- B. The Major Shareholders agree to sell, and GSGL agrees to buy, the MBGL Shares upon the terms and conditions set forth herein; and
- C. ONFRD, a reporting issuer whose common shares are listed and publicly traded on the Canadian Securities Exchange, is the parent company of GSGL and has agreed to guarantee payment of the purchase price for the MBGL Shares;

NOW THEREFORE, in consideration of the representations, warranties, covenants and agreements herein and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged), the parties hereto covenant and agree as follows:

Article 1
DEFINITIONS

1.1 Definitions

In this Agreement, unless the context otherwise requires:

“Affiliate” of an entity means a Person or entity that controls, is controlled by or is under common control with the subject entity. For the purpose of this definition, control means the ability, directly or indirectly, to direct the voting of more than fifty percent (50%) of the voting interests of an entity;

“Agreement” means this agreement, including all Schedules to this agreement, as amended or supplemented from time to time, and “hereby”, “hereof”, “herein”, “hereunder”, “herewith”, “hereto” and similar terms refer to this Agreement and not to any particular provision of this Agreement;

“Alternative Transaction” means a bid or offer to acquire any of the outstanding equity securities of the Corporation or any proposal, offer or agreement for a merger, consolidation, amalgamation, arrangement, recapitalization, liquidation, dissolution, reorganization or similar transaction or other business combination involving the Corporation or its subsidiaries or any proposal, offer or agreement to acquire any of the assets of the Corporation, other than in the ordinary course of business;

“Amalgamation Agreement” means the amalgamation agreement dated February 7, 2017 among ONFRD, GSGL, and the Corporation;

“Approved Capital Commitments” means the capital commitments referred to in Schedule D hereto, or as approved in writing by ONFRD and GSGL after the date hereof;

“Approved Capital Dispositions” means those capital dispositions for value in excess of \$5,000 referred to in Schedule D, hereto, or as approved in writing by ONFRD and GSGL after the date hereof;

“Auditors” means MNP LLP, Chartered Professional Accountants;

“Books and Records” means all books and records of the Corporation, including financial, corporate, operation and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, formulae, business reports, plans and projections and all other documents, files, records, correspondence, and other data and information, financial or otherwise, including without limitation, all data and information stored on computer-related media;

“business day” means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for the transaction of banking business in the City of Vancouver;

“Canadian Tax Act” means the *Income Tax Act*, R.S.C. 1985, c.1 (5th Supplement), as amended, and the *Income Tax Regulations*;

“Claim” means any claim, demand, lawsuit, proceeding, arbitration or governmental investigation;

“Closing” means the closing of the transactions contemplated herein;

“Closing Date” means the date of Closing of the transactions as contemplated herein, expected to be April 6, 2018, subject to postponement by ONFRD and GSGL;

“Closing Time” means 10:00 a.m. (Vancouver time) on the Closing Date, or such other time as may be agreed upon by the Parties;

“Consideration Debentures” has the meaning ascribed thereto in Section 2.2;

“Corporation Assets” means all of the assets, properties and rights of the Corporation required in the conduct of the Corporation’s business, including the assets listed in Schedule C hereto;

“Creditor’s Rights” has the meaning ascribed thereto in Section 3.1(d);

“CSE” means the Canadian Securities Exchange;

“Due Diligence Session” has the meaning ascribed thereto in Section 4.1(b);

“Encumbrance” means any security interest, pledge, mortgage, option, lien (including environmental or tax liens), assessment, lease, charge, encumbrance, adverse claim, preferential arrangement, condition, equitable interest, or any agreement, option, right or privilege of any kind (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

“Environmental Approvals” means all permits, certificates, licences, authorizations, consents, instructions, registrations, directions or approvals issued or required by Governmental Authorities pursuant to Environmental Laws with respect to the operation of the Corporation’s business or related to the Corporation Assets;

“Environmental Laws” means all Laws relating in full or in part to the protection of the Environment, product liability, and employee and public health and safety, and includes, without limitation, those Environmental Laws relating to the storage, generation, use, handling, manufacture, processing, labelling, advertising, sale, display, transportation, treatment, Release and disposal of Hazardous Substances;

“Evaluator” has the meaning ascribed thereto in Section 2.3(b);

“Financial Information” means the financial records of the Corporation;

“Form of Transfer” means the irrevocable security transfer power of attorney in the form attached hereto as Schedule K;

“Governmental Authorities” means any government, regulatory authority, governmental department, agency, commission, board, tribunal, crown corporation, or court or other law, rule or regulation-making entity having or purporting to have jurisdiction on behalf of any nation, or province or state or other subdivision thereof or any municipality, district or other subdivision thereof;

“Hazardous Substance” means any pollutant, contaminant, waste of any nature, hazardous substance, hazardous material, toxic substance, dangerous substance or dangerous good as defined, judicially interpreted or identified in any Environmental Law;

“including” means “including, without limiting the generality of the foregoing” and **“includes”** has a similar meaning;

“Laws” means all applicable laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions and judgements or other requirements of any Governmental Authority and includes, without limitation, all Environmental Laws;

“Liabilities” means all of the liabilities (including, without limitation, whether reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present or future and includes, without limitation, all liabilities determined in accordance with IFRS) of, against or with respect to the Corporation;

“Long Term Debt”, as at any time, shall be long-term debt as determined in accordance with IFRS applied on a consistent basis, including the current portion thereof, but for greater certainty shall not include amounts owing under any employee share purchase plan;

“Losses” means, in respect of a Person and in relation to a matter, all losses, costs and damages (including all penalties and fines) which such Person suffers, sustains, pays or incurs in connection with such matter and includes Taxes (other than refundable Taxes), reasonable costs of legal counsel (on a full indemnity basis) and other consultants and reasonable costs of investigating and defending Claims arising from such matter, but shall not include loss of profits, economic loss or other consequential damages suffered by such Person;

“Major Shareholders” means collectively Feifei Cao, Chunfang Yu, Qingliang Xu, Xiaoqin Wang, Hong Shen, Tao He, Zhiyong Gao, and Hongbin Wang;

“Major Shareholders’ Counsel” means such legal counsel as may be designated by the Major Shareholders in writing to ONFRD;

“Material Adverse Effect” or **“Material Adverse Change”** means any effect or change on or to the Corporation, taken as a whole, that is or could be materially adverse to the operations, financial condition, licences, permits, rights, privileges, assets, properties, capital, liabilities (including any contingent liabilities that may arise through outstanding, pending or threatened litigation or otherwise), cash flow, income or prospects of the Corporation, or that is or could be materially adverse to the completion of the transactions contemplated by this Agreement;

“Material Contracts” means all contracts and other written agreements, including Approved Capital Commitments, to which the Corporation is a party, or by which it is bound, or the Corporation Assets are subject, the performance of which will involve consideration in excess of \$100,000 per year or \$500,000 in the aggregate;

“MBGL Shares” means 190,000 of 200,000 issued and outstanding shares of the Corporation, representing 95% of the total issued and outstanding shares of the Corporation;

“misrepresentation” includes any untrue statement of a material fact, any omission to state a material fact that is required to be made and any omission to state a material fact that is necessary to be made in order for a statement not to be misleading;

“Non-Resident Shareholder” means those individuals set forth in Schedule L hereto; and for greater certainty, all Non-Resident Shareholders are considered Major Shareholders as well;

“NI 51-101” means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*;

“Obligations” means all liabilities and obligations, whether under common law, in equity, under Laws, under contract or otherwise, whether tortious, contractual, statutory or otherwise, whether absolute or contingent and whether based on fault, strict liability or otherwise;

“ONFRD Shares” has the meaning ascribed thereto in Section 2.3;

“ONFRD’s Counsel” means Buttonwood Law Corporation, or such other legal counsel as may be designated by ONFRD in writing to the Major Shareholders;

“Ordinary Course of Business” means the ordinary course of business consistent with prior custom and practice, including with respect to quantity and frequency;

“Parties” means the parties to this Agreement and their respective permitted successors and assigns;

“Permitted Encumbrances” means the Encumbrances listed in Schedule B hereto;

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity, however designated or constituted;

“Real Property” means all lands owned, or purported to be owned, by the Corporation and all plants, buildings, structures, erections, improvements, appurtenances and fixtures situate on or forming part of such lands;

“Real Property Leases” means leases and subleases of real property by the Corporation and all plants, buildings, structures, erections, improvements, appurtenances and fixtures situate on or forming part of such leases or subleases;

“Release” has the meaning prescribed in any Environmental Law and includes, without limitation, any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit, spraying, burial, abandonment, incineration, seepage, or placement;

“Required Approvals” means the consents, approvals and authorizations referred to in Schedule E hereto;

“Representatives” as to any Person means the Person’s Affiliates and the directors, officers, employees, consultants, advisors, representatives and other agents, including investment bankers, attorneys and accountants, of the Person and its Affiliates;

“Security Interests” means any assignment, security, general security agreement, deed of trust, debenture, land charge, mortgage, charge, pledge, negative pledge, lien or other security interest whatsoever or howsoever created or arising (and the registrations evidencing same) whether absolute or contingent, fixed or floating, perfected or not, which encumbers the title of the Corporation in and to any or all of the Corporation Assets or any part of portion thereof or the proceeds to be received hereunder;

“Subsidiary” means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate, and shall include any body corporate in like relation to a Subsidiary;

“Tax” or **“Taxes”** means all taxes, duties, fees, premiums, assessments, levies and other charges of any kind whatsoever imposed by any taxing or other Governmental Authority, together with all interest and penalties in respect thereof;

“**Tax Records**” means all Tax Returns, books and records and correspondence related to tax matters relevant for the determination of compliance with tax laws and exposure to tax liabilities of whatever nature;

“**Tax Returns**” includes all returns, reports, declarations, elections, filings, information returns and statements required to be filed in respect of Taxes;

“**Unanimous Shareholders Agreement**” means the unanimous shareholders agreement of the Corporation, if any;

“**Voluntary Escrow Agreement**” has the meaning ascribed thereto in Section 2.7;

“**Working Capital**”, as at any time, means the following amount (which may be a negative amount):

- (i) the sum of the amount of the Corporation’s current assets as at such time; minus
- (ii) the sum of the amount of the Corporation’s current liabilities as at such time;

as determined in accordance with IFRS applied on a consistent basis.

1.2 Certain Rules of Interpretation

In this Agreement and the Schedules:

- (a) **Time** - time is of the essence in the performance of the Parties’ respective obligations;
- (b) **Currency** - except where otherwise expressly provided, all payments contemplated herein shall be paid in Canadian funds, and all references herein to dollar amounts are references to dollars in the lawful currency of Canada;
- (c) **Headings** - the descriptive headings of Articles and Sections are inserted solely for convenience of reference and are not intended as complete or accurate descriptions of the content of such Articles or Sections;
- (d) **Singular, etc.** - the use of words in the singular or plural, or with a particular gender, shall not limit the scope or exclude the application of any provision of this Agreement to such Person or Persons or circumstances as the context otherwise permits;
- (e) **Consent** - whenever a provision of this Agreement requires an approval or consent by a Party to this Agreement and notification of such approval or consent is not delivered within the applicable time limited, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent;
- (f) **Calculation of Time** - unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next business day following if the last day of the period is not a business day; and
- (g) **Business Day** - whenever any payment is to be made or action to be taken under this Agreement is required to be made or taken on a day other than a business day, such payment shall be made or action taken on the next business day following such day.

1.3 Knowledge

Any reference to the knowledge of the Parties shall mean to the best of the knowledge, information and belief of such Party after making all reasonable enquiries.

1.4 Statute References

A reference in this Agreement to a statute shall be a reference to the statute and the regulations made pursuant thereto, as amended or superseded from time to time, either before or after the date hereof, unless otherwise stated or the context otherwise requires.

1.5 Accounting Principles

Wherever in this Agreement reference is made to IFRS or generally accepted accounting principles, such reference shall be deemed to be to the recommendations at the relevant time of the Chartered Professional Accountants of Canada, or any successor institute, applicable on a consolidated basis (unless otherwise specifically provided or contemplated herein to be applicable on an unconsolidated basis) as at the date on which such calculation is made or required to be made in accordance with generally accepted accounting principles. Where the character or amount of any asset or liability or item of revenue or expense or amount of equity is required to be determined, or any consolidation or other accounting computation is required to be made for the purpose of this Agreement, such determination or calculation shall, to the extent applicable and except as otherwise specified herein or as otherwise agreed in writing by the parties, be made in accordance with generally accepted accounting principles applied on a consistent basis.

1.6 Schedules

The schedules to this Agreement, as listed below, are an integral part of this Agreement and are expressly incorporated into and made a part of this Agreement:

| <u>Schedule</u> | <u>Description</u> |
|-----------------|--|
| Schedule A | List of the Major Shareholders |
| Schedule B | Permitted Encumbrances |
| Schedule C | Corporation Assets |
| Schedule D | Approved Capital Commitments and Approved Capital Dispositions |
| Schedule E | Required Approvals |
| Schedule F | Insurance Contracts |
| Schedule G | Share Capital |
| Schedule H | Material Contracts |
| Schedule I | Real Property and Real Property Leases |
| Schedule J | Form of Share Transfer |

1.7 Conflicts

Where any provision of any Schedule to this Agreement conflicts or is at variance with any provision in the body of this Agreement, the latter shall prevail.

Article 2 PURCHASE AND SALE

2.1 Purchase and Sale

The Major Shareholders hereby jointly and severally covenant and agree to sell the MBGL Shares to GSGL at the Closing Time in accordance with and subject to the terms and conditions of this Agreement. GSGL hereby covenants and agrees to purchase the MBGL Shares from the Major Shareholders at the Closing Time in accordance with and subject to the terms and conditions of this Agreement. ONFRD hereby covenants and agrees to guarantee, on behalf of GSGL, payment of the purchase price of the MBGL Shares from the Major Shareholders at the Closing Time in accordance with and subject to the terms and conditions of this Agreement.

2.2 Purchase Consideration

The price payable by GSGL to the Major Shareholders for the sale of the MBGL Shares by the Major Shareholders pursuant hereto, at the Closing Time, will be the sum of \$19,000,000, which shall be payable by the issuance and delivery of convertible debentures of ONFRD (the “**Consideration Debentures**”) to the Major Shareholders, *pro rata* in the respective amounts and to the respective parties according to the percentages set forth in Schedule A, which Consideration Debentures shall be convertible into ONFRD Shares at a deemed price per share equal to the closing market price of the ONFRD Shares on the CSE on the trading day prior to the earlier of dissemination of a news release disclosing the issuance of the Consideration Debentures or the posting of notice of the proposed issuance of the Consideration Debentures, subject to all applicable escrow and holdbacks as outlined herein.

2.3 Transfer and Delivery of the MBGL Shares

At the Closing Time, the Major Shareholders shall transfer and deliver to ONFRD’s Counsel share certificates representing the MBGL Shares duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank and substantially in the form attached hereto as Schedule J, in either case by the holders of record, and shall take such steps as shall be necessary to cause the Corporation to enter GSGL or its nominee(s) upon the books of the Corporation as the holder of the respective MBGL Shares and to issue share certificates to GSGL or its nominee(s) representing the MBGL Shares.

2.4 Tender

Subject to sections 2.7, 2.8 and 2.9 herein, the Delivery of Consideration Debentures will be made by delivery of certificates to the Major Shareholders’ Counsel representing such Consideration Debentures registered in the name of the Major Shareholders or such other name as the Major Shareholders advise, on the Closing Date.

2.5 Voluntary Escrow Agreement

All Parties hereto consent and agree that the Consideration Debentures shall be made subject to a voluntary escrow agreement in form and substance satisfactory to GSGL, ONFRD, and the Corporation and their respective counsel, to be entered into among GSGL, ONFRD, the Corporation and each of the Major Shareholders, and to be dated as of the Closing Date and effective as of the Closing Time.

2.6 CSE Escrow Provisions

The Corporation and the Major Shareholders acknowledge that the ONFRD Shares issuable upon the conversion of the Consideration Debentures are listed and posted for trading on the CSE, and as such the CSE may require certain ONFRD Shares issued pursuant to Sections 2.2 and 2.3 hereof to be held in escrow pursuant to the policies of the CSE.

Article 3
REPRESENTATIONS AND WARRANTIES

3.1 Representation and Warranties of the Major Shareholders

Each of the Major Shareholders represents and warrants to ONFRD and GSGL as follows, and acknowledges that ONFRD and GSGL are relying upon the following representations and warranties in completing the transactions contemplated hereby:

- (a) if it is a corporation, it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has the corporate power to own or lease its property and assets and to carry on its business as now conducted by it;
 - (b) it has all requisite power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and to perform its obligations hereunder and thereunder;
 - (c) none of the execution and delivery by a Major Shareholder of this Agreement or the completion of the transactions contemplated under the terms of this Agreement or the compliance by such Major Shareholder with its obligations under the terms of this Agreement will result in a breach of:
 - (i) if the Major Shareholder is a corporation, the constating documents of the Major Shareholder;
 - (ii) any agreement or instrument to which such Major Shareholder is a party or by which such Major Shareholder (or any of its property or assets if the Major Shareholder is a corporation) is bound;
 - (iii) any judgment, decree, order or award of any court, Governmental Authority or arbitrator; or
 - (iv) any applicable Law;
 - (d) this Agreement has been duly executed and delivered by the Major Shareholder and constitutes the legal, valid and binding obligation of the Major Shareholder, enforceable against the Major Shareholder in accordance with its terms, subject to the general qualifications that:
 - (i) the enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization or other similar laws of general application affecting creditors' rights generally;
 - (ii) equitable remedies, including the remedies of specific performance and injunctive relief, are available only in the discretion of the applicable court;
 - (iii) the equitable or statutory powers of the courts in Canada having jurisdiction to stay proceedings before them and the execution of judgments; and
 - (iv) rights to indemnity hereunder may be limited under applicable Law;
- ((i), (ii), (iii) and (iv) being, collectively, "**Creditors' Rights**"); and, at the Closing, all documents required hereunder to be executed and delivered by the Major Shareholder will

have been duly authorized, executed and delivered by the Major Shareholder and will constitute legal, valid and binding obligations of the Major Shareholder, enforceable in accordance with their terms, subject to Creditors' Rights;

- (e) the Major Shareholder is not required to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Governmental Authority in order to consummate the transactions contemplated by this Agreement and except for notices, filings, authorizations, consents or approvals which: (i) if not made or obtained, would not adversely affect the Major Shareholder's ability to consummate the transactions contemplated by this Agreement on the terms set forth herein, or (ii) which have been previously obtained and are currently in force;
- (f) the Major Shareholder has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission or other similar forms of compensation with respect to the transaction contemplated herein which will be or may become the responsibility of the Corporation, ONFRD or GSGL;
- (g) the Major Shareholder is the beneficial and legal owner of the MBGL Shares listed on Schedule A beside the Major Shareholder's name, and such MBGL Shares are the only securities of the Corporation owned, directly or indirectly, beneficially or otherwise, by the Major Shareholder;
- (h) the Major Shareholder has the sole right to sell, assign, transfer and otherwise dispose of and vote, the MBGL Shares beneficially owned as at the date of this Agreement, and such MBGL Shares are, and will be at the Closing Time, beneficially owned by the Major Shareholder with good and marketable title thereto, free and clear of any and all Encumbrances and are and will at such time be issued and outstanding as fully paid and non-assessable shares in the capital of Corporation and there are no Claims pending, or to the knowledge of the Major Shareholder, threatened with respect to or in any manner challenging the ownership or disposition of the MBGL Shares or the exercise of any rights attached thereto;
- (i) except pursuant to this Agreement, no Person has any agreement or option or any right or privilege (whether by law, pre-emptive right, contract or otherwise) capable of becoming an agreement option, rights or privilege for the purchase or other acquisition from the Major Shareholder of any of the MBGL Shares set forth opposite the name of the Major Shareholder in Schedule A hereof or any interest therein;
- (j) the Major Shareholder has no indebtedness, liability or obligation to the Corporation or any Claim against Corporation, and the Corporation is not indebted or otherwise obligated to such Major Shareholder;
- (k) the Major Shareholder will not have any Claim against the Corporation by reason of the entering into of this Agreement;
- (l) the Major Shareholder has not received notice of any Claim and is not aware of any Claim, actual or threatened, which prevents or could reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement; and
- (m) all Major Shareholders who are not Non-Resident Shareholders herein represent that they are not "non-residents" of Canada for the purposes of the *Canadian Tax Act*.

3.2 Representations and Warranties of the Major Shareholders and the Corporation

Each of the Major Shareholders and the Corporation jointly and severally represents and warrants to ONFRD and GSGL as follows, and acknowledges that ONFRD and GSGL are relying upon the following representations and warranties in completing the transactions contemplated hereby and the following representations and warranties are true and correct as at the Closing Date:

Corporation's Status

- (a) the Corporation is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and has the corporate power and authority to own or lease its property and assets and to carry on its business as now conducted by it and is duly licensed or qualified to carry on business;
- (b) the Corporation has all requisite power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and to perform its obligations hereunder and thereunder;
- (c) this Agreement has been duly executed and delivered on behalf of the Corporation and constitutes the legal, valid and binding obligation of the Corporation, enforceable against the Corporation in accordance with its terms, subject to Creditors' Rights and, at the Closing, all documents required hereunder to be executed and delivered by the Corporation will have been duly authorized, executed and delivered by the Corporation and will constitute legal, valid and binding obligations of the Corporation, enforceable in accordance with their terms, subject to Creditors' Rights;
- (d) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
 - (i) result in a violation or breach of, require any consent to be obtained under or give rise to any termination, purchase, sale or other material rights or payment or other material obligation under any provision of:
 - (1) the certificate of incorporation, articles, by-laws or other constating documents of the Corporation;
 - (2) any applicable Law or any order, judgment or decree (subject to obtaining the consents referred to below); or
 - (3) any contract, licence, franchise, permit loan, government grant or guarantee or understanding to which the Corporation is a party or by which it is bound or subject or is the beneficiary, except in the case of this clause (3) for any such violations, breaches, defaults or other occurrences that would not, individually or in the aggregate, reasonably be expected to have a Materially Adverse Effect;
 - (ii) result in any right of termination or acceleration of indebtedness of the Corporation, or cause any such indebtedness to come due before its stated maturity, or cause any available credit of the Corporation to cease to be available, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;

- (iii) result in any restriction, hindrance, impairment or limitation on the ability of the Corporation to carry on business as and where it is now being carried on;
 - (iv) result in the imposition of any Encumbrance upon any of the Corporation Assets; and
 - (v) result in any option or other right of first refusal becoming exercisable by any Person or any price adjustment provision becoming exercisable by any Person;
- (e) the Corporation is, in all material respects, in compliance with all Laws. There is no agreement, judgment, injunction, order or decree binding upon Corporation that has, or might have, the effect of prohibiting, restricting or impairing any business practice of Corporation, any acquisition of property by Corporation or the conduct of business by the Corporation as currently conducted. The Corporation and the Major Shareholders are not aware of any legislation, regulation, by-law or other lawful requirement currently in force or proposed to be brought into force by any Governmental Authority with which GSGL or ONFRD will be unable to comply as a result of entering into this Agreement or consummating the transactions contemplated hereunder and which would reasonably be expected to have a Material Adverse Effect;
- (f) the Corporation holds all licenses, permits and similar rights and privileges, and has made all filings, applications and reports, that are required or necessary under any Laws to operate its business as currently conducted the failure to hold which, individually or in the aggregate, would have a Material Adverse Effect and the present uses by the Corporation of its assets do not materially violate the terms of any such licenses, permits, rights or privileges or any such Laws;
- (g) the Corporation has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agents commission or other similar forms of compensation with respect to the transaction contemplated herein;
- (h) all contracts of insurance maintained by the Corporation are listed in Schedule F and are in full force and effect and all premiums due and owing in connection with such policies have been paid. There exists no state or event of default under any insurance policy and there has been no notice or advice of withdrawal of any policy or any notice of conditions for continuation of any coverage that has not been complied with. The Corporation has given notice or has otherwise presented every material claim known by the Corporation or the Major Shareholders to be covered by insurance under its insurance policies or contracts in a timely fashion. The contracts of insurance listed in Schedule F will remain in force and shall not be cancelled or otherwise terminated as a result of this Agreement or the completion of any other transaction contemplated under this Agreement;
- (i) the Corporation does not have any Subsidiaries or agreements of any nature to acquire any Subsidiary, or to acquire or lease any other business operations;
- (j) the Corporation does not directly or indirectly own any equity or similar interest in, or any interest convertible into or exchangeable or exercisable for any equity or similar interest in, any other Person. The Corporation is also not a party to any agreements of any nature to acquire any securities of any Person or to acquire, capitalize or invest in any business or Person;

- (k) the minute books, stock certificate books and stock transfer ledgers of the Corporation are true and correct, and the minute books contain the minutes of all meetings, and all resolutions, of the directors and shareholders of the Corporation;

Capitalization

- (l) the authorized capital of the Corporation and the issued and outstanding MBGL Shares of the Corporation are as set forth in Schedule G and all of the MBGL Shares set forth as issued are duly and validly issued and are fully paid and non-assessable and are registered as set forth in such Schedule;
- (m) there are no:
 - (i) options, warrants, conversion privileges, stock appreciation rights, stock-based performance units, phantom equity or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise):
 - (1) based upon the value of the MBGL Shares, book value, income or other attribute of the Corporation; or
 - (2) relating to the issuance, sale, subscription or transfer of any shares of the Corporation or securities or obligations of any kind convertible into or exchangeable for any shares of Corporation;
 - (ii) bonds, debentures or other evidences of indebtedness of Corporation having the right to vote (or which are convertible for or exercisable into securities having the right to vote) on any matter;
 - (iii) current or prospective obligations of the Corporation to repurchase, redeem or otherwise acquire any outstanding securities or indebtedness of Corporation;
 - (iv) current or prospective obligations of the Corporation with respect to the voting or disposition of any outstanding securities of the Corporation;
 - (v) current or prospective obligations of Corporation to provide funds to, make a capital contribution or investment in or loan to, or to assume any liability or obligation of, any Person; or
 - (vi) Encumbrances to which the Corporation is a party or otherwise bound relating to the issued or unissued shares of Corporation or granting to any Person the right to elect, or to designate or nominate for election, a director to the board of directors of the Corporation;
- (n) there are no restrictions in either the constating documents or the by-laws of the Corporation, nor in any unanimous shareholders' agreement or voting trust agreement or other similar collateral agreement, which would affect the transferability of MBGL Shares from the Major Shareholders to GSGL and which will not have been obtained at Closing;

Financial Status

- (o) all of the Books and Records whether of a financial or accounting nature or otherwise have been made available to ONFRD and GSGL, and such Books and Records fairly present and disclose the financial position of the Corporation as at the relevant dates and all material financial transactions of the Corporation have been accurately recorded in such Books and Records;
- (p) the Financial Information presents fairly, completely and accurately the financial position of the Corporation as of the date provided therein and the results of operations and the changes in financial position for the periods then ended;
- (q) there has been no Material Adverse Change since December 31, 2017;
- (r) except as expressly contemplated by this Agreement, since December 31, 2017, or as consented to in writing by ONFRD and GSGL, the Corporation has:
 - (i) conducted its business in the Ordinary Course of Business and there has been no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) which has been incurred, other than in the Ordinary Course of Business;
 - (ii) not been any loss, damage or destruction to any of the Corporation Assets (whether or not covered by insurance) that would reasonably be expected to have a financial cost of more than \$10,000 in the aggregate;
 - (iii) not granted, suffered or assumed any Encumbrance on or in respect of any of the Corporation Assets, other than Permitted Encumbrances;
 - (iv) not amended its charter, by-laws or other governing documents;
 - (v) not entered into, assumed or become subject to any contract out of the Ordinary Course of Business or any Material Contract;
 - (vi) not amended, relinquished, terminated or failed to renew any Material Contract;
 - (vii) not amended, relinquished, terminated or failed to renew any licence, franchise, transaction, commitment or other contract, right or obligation that would reasonably be expected to have a Materially Adverse Effect;
 - (viii) not directly or indirectly, declared or paid any dividends, or declared or made any other distribution of its securities, or directly or indirectly, redeemed, purchased or otherwise acquired any of its shares, or agreed to do so, or reduced its stated capital in any manner or purchased, acquired, cancelled or redeemed, or agreed to purchase, acquire, cancel or redeem, any outstanding shares of the Corporation;
 - (ix) not forgiven any debt or otherwise triggered or permitted to be triggered any of the provisions of the Canadian Tax Act respecting debt forgiveness including, for greater certainty, Section 79 or Sections 80 to 80.04 of the Canadian Tax Act, and has not cancelled or released any debts or claims or waived any right pertaining to the Corporation Assets;
 - (x) not entered into or amended any employment or consulting agreements;

- (xi) not increased the salaries, benefits or other compensation payable to any of its directors, officers or employees;
 - (xii) not made any payment whatsoever to, or entered into any agreement with, any Person not dealing at arm's length with the Corporation;
 - (xiii) used its reasonable commercial efforts to maintain its business organization and preserve its relationships with suppliers, customers and others having business relations with it;
 - (xiv) not suffered any Material Adverse Change, financial or otherwise, in business, financial condition, assets, properties, liabilities or operations of the Corporation or any occurrences or circumstances which have resulted or might reasonably be expected to result in a Material Adverse Change thereto;
 - (xv) not sold any material amounts of inventory or (other than, after the date hereof and prior to the Closing Date, Approved Capital Dispositions) other assets, nor increased its indebtedness, other than in the Ordinary Course of Business;
 - (xvi) maintained the Corporation Assets in a proper and prudent manner in accordance with good Canadian oilfield practices;
 - (xvii) not made any change in its accounting principles and practices as theretofore applied including, without limitation, the basis upon which its assets and liabilities are recorded on its books and its earnings, profits and losses are ascertained;
 - (xviii) maintained in effect salary and other compensation levels in accordance with its then existing salary administration program;
 - (xix) not made any material change in the manner of its billings, or the credit terms made available by it, to any of its customers under a Material Contract, or any change to the price or other terms of any Material Contract;
 - (xx) not made any significant write-down of the value of the Corporation Assets or any write-off as uncollectible of the accounts receivable of the Corporation or any portion thereof, other than in the Ordinary Course of the Business;
 - (xxi) except in the Ordinary Course of Business: (i) settled any Claim or Liability prior to the same being due, which were, individually or in the aggregate, material to the Corporation; or (ii) granted any waiver, exercise of any option or relinquishment of any contractual rights by the Corporation which were, individually or in the aggregate, material to the Corporation; or
 - (xxii) taken any action that would have required the consent of ONFRD or GSGL under Section 4.2 if such action was taken after the date of this Agreement;
- (s) there is no suit, action, litigation, investigation, claim, complaint, grievance or proceeding, including appeals and applications for review, in progress, or, to the knowledge of the Corporation or the Major Shareholders, pending or threatened against or relating to the Corporation before any Governmental Authority which, if determined adversely to the Corporation, would:

- (i) result in a Material Adverse Change;
 - (ii) enjoin, restrict or prohibit the transfer of all or any part of the MBGL Shares as contemplated by this Agreement; or
 - (iii) prevent the Major Shareholders or the Corporation from fulfilling all of their obligations set out in this Agreement or arising from this Agreement, and neither the Major Shareholders nor the Corporation have knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success;
- (t) (i) there are no judgments unsatisfied against the Corporation or any judgment, injunction, order, decree, ruling or charge of any Governmental Authority to which the Corporation or any of the Corporation Assets is subject; (ii) there are no Claims in existence to which the Corporation is a party or any of the Corporation Assets may be bound or (to the knowledge of the Major Shareholders and the Corporation) threatened against the Corporation or any of the Corporation Assets; (iii) to the knowledge of the Major Shareholders and the Corporation, there is no basis upon which a material Claim could reasonably expected to be made against the Corporation; and (iv) no complaint, grievance, Claim, work order or investigation has been filed, made or commenced against or involving the Corporation, or its employees and directors in their capacities as such, in respect of or affecting the business of the Corporation pursuant to the *Human Rights Code [R.S.B.C. 1996] Chapter 210*, the *Occupational Health & Safety Regulation (OHSR)*, the *Workers Compensation Act [R.S.B.C. 1996] Chapter 492*, or the *Employment Standards Act [R.S.B.C. 1996] Chapter 113*, in each case of the Province of British Columbia, or any similar legislation of Canada, the Province of British Columbia or of any other jurisdiction;
- (u) except as set forth herein, the Corporation has duly and timely: (i) filed with the appropriate Governmental Authority or agency in the manner prescribed by Law all Tax Returns required to be filed by it and such Tax Returns are true, complete and accurate in all material respects; (ii) paid all Taxes (including instalments) due and payable by it and made adequate provision in the Financial Statements and accounts thereof for all Taxes payable for the periods reflected therein for which Tax Returns are not yet required to be filed and will make adequate provision in the Books and Records (including in the materials provided to the auditors in connection with the determination of the Adjustment Amount) for all Taxes payable in respect of the period then ended on the assumptions that the Corporation had a taxation year ending on that date and was not eligible for the reduced rate of Tax available to “CCPCs” on a portion of its “income from an active business” (as those terms are defined in the Canadian Tax Act); (iii) withheld and remitted to the appropriate Governmental Authorities all amounts required to be withheld by it in respect of the Tax liability of any other Person; and (iv) withheld from any amount paid to or credited by it to or for the account or benefit of any Person, including any of its officers and directors and any non-resident Person, the amount of all Taxes and other deductions required by any Law to be withheld from any such amount and has duly and timely remitted the same to the appropriate taxing or other Governmental Authority or agency. Notices of assessment of Canadian federal and provincial income tax liabilities of the Corporation have been issued for all taxation years ending on or prior to date of last completed financial year ended more than six months prior to this Agreement, and the Corporation is current with respect to its filing of returns for goods and services taxes payable pursuant to the *Excise Tax Act* (Canada). There are no Claims, audits or investigations pending or, to the knowledge of the Corporation and any of the Major Shareholders, threatened in respect of Taxes;

- (v) all filings made by any of the Major Shareholders or the Corporation under which the Corporation has received or is entitled to government incentives, have been made in accordance, in all material respects, with all Laws and contain no misrepresentations which could cause any amount previously paid to, or credited to, or previously accrued on the accounts of the Corporation to be recovered or disallowed;
- (w) the Corporation is not a party to any current agreement or other arrangement with any taxation authority and there are no waivers or objections extending the statutory period or providing for an extension of time with respect to the assessment or reassessment or payment of Taxes payable by the Corporation or Tax Returns required to be filed by the Corporation;
- (x) the Corporation is not engaged in any discussions or negotiations with any taxation authorities in respect of its Taxes;
- (y) except for reserves for income taxes accruing in the current fiscal year, the reserves and accrued liabilities disclosed on or reflected in the Financial Statements and the Books and Records are sufficient in all respects to provide for the liabilities in respect of which they have been established;
- (z) the Corporation has not guaranteed, endorsed, assumed or indemnified, contingently or otherwise, the obligations or indebtedness of any other Person;

Employees

- (aa) (i) except as set forth herein the Corporation is not a party to any written employment contract, consulting agreement, collective bargaining agreement or employee association agreement and the Corporation has not conducted and is not now conducting any negotiations with any labour unions or employee associations; (ii) the Corporation has complied with all of its obligations in respect of employment insurance programs, Canada Pension Plan payments and Worker's Compensation payments; (iii) the Corporation is not a party to or bound by any contract with or commitment to any trade union, council of trade unions, employee bargaining agent or affiliated bargaining agent or employee association (collectively, the "**Labour Representatives**") and the Corporation has not conducted negotiations with respect to any such future contracts or commitments; (iv) no Labour Representatives hold certification or bargaining rights with respect to any employees of the Corporation; no Labour Representatives have applied to have the Corporation or any of the Major Shareholders declared a related or successor employer pursuant to any Law; (v) there is no pending labour practice complaint in respect of the employees of the Corporation; (vi) there are no current or threatened attempts to organize or establish any trade union or employee association with respect to the employees of the Corporation; and (vii) there is no work stoppage or other concerted action, grievance or dispute existing or threatened against the Corporation;
- (bb) no Affiliate, director, officer or employee of the Corporation (past or present) or any Person not dealing at "arm's length" (within the meaning of the Canadian Tax Act) with any such Person is indebted to the Corporation and the Corporation is not indebted to any such Person. All transactions between the Corporation and any Person not dealing at "arm's length" were undertaken for fair market value consideration;

Assets

- (cc) except as expressly set forth in this Agreement, the Corporation does not warrant title to the Corporation Assets but it does warrant that, except for Permitted

Encumbrances, the Corporation Assets are now and at the Closing Date will be free and clear of all Security Interests, claims, options, net profit interests, mortgages, royalties, encumbrances and adverse claims or other burdens created by, through or under it or of which it is otherwise actually aware;

- (dd) the interests of it in the Corporation Assets are not subject either to reduction, by reference to payout of a well or otherwise, or to change to an interest of any other size or nature whatsoever by virtue of any right or interest granted by, through or under it or of which it is otherwise actually aware, except for the Permitted Encumbrances and it has not alienated or encumbered the Corporation Assets or any part or portions thereof and it is not aware of there having been committed any act or omission whereby the right of it in any of the Corporation Assets may be cancelled or determined;
- (ee) to the knowledge of the Corporation and the Major Shareholders, there are no unsatisfied judgments and no claims, proceedings, actions, governmental investigations or lawsuits in existence, and to its knowledge, contemplated or threatened against or with respect to the Corporation Assets or the interests of it therein which might result in impairment or loss of the interest of it in and to the Corporation Assets or which might otherwise adversely affect the Corporation Assets, and to their knowledge there exists no particular circumstance which will give rise to such a claim, proceeding, action, governmental investigation or lawsuit;
- (ff) to the knowledge of the Corporation and the Major Shareholders, all royalty payments, ad valorem, property, production, severance and similar taxes and assessments based on or measured by the ownership of property or the production of Petroleum Substances or the receipt of proceeds therefrom payable in respect of the Corporation Assets up to the Closing Date (including all prior years) have been properly and fully paid and discharged;
- (gg) the Corporation has no material assets, except the Corporation Assets as set forth in Schedule C, the Corporation Assets are in good working order for the prudent pursuit of the Corporation's business and the Corporation Assets are all the assets necessary for the conduct of its business as now conducted by it;
- (hh) since December 31, 2017 there has been no Material Adverse Change to the Corporation Assets;
- (ii) the accounts receivable of the Corporation are good and collectible at the aggregate recorded amounts, except to the extent of any reserves provided for such accounts in the Books and Records, and are not subject to any defence, counterclaim or set-off;
- (jj) the Corporation has made available to ONFRD and GSGL a correct and complete copy of each Material Contract (as amended to date), all of which are listed in

Schedule H. All Material Contracts are legal, valid, binding and in full force and effect and are enforceable by Corporation in accordance with their respective terms and the Corporation has performed in all material respects all respective obligations required to be performed by it to date under the Material Contracts and the Corporation is not, and is not alleged to be (with or without the lapse of time or the giving of notice, or both) in breach or default in any material respect thereunder and has not received any notice alleging its default under any Material Contract and has not received any notice alleging its default under any Material Contract. To the knowledge of Corporation and the Major Shareholders, no other party to any of the Material Contracts is (with or without the lapse of time or the giving of notice or both) in breach or default in any material respect thereunder;

- (kk) neither the Corporation nor any officer or director of the Corporation is a party to or bound or affected by any commitment, agreement or document containing any covenant expressly limiting the freedom of the Corporation or officer or director to compete in any line of business or any geographic area, acquire goods or services, sell goods or services to any customer or potential customer, or transfer or move any of its assets or operations, or which materially adversely affects the business practices, operations or conditions of the Corporation or the continued operation of the business of the Corporation after the Closing Date;

Environmental

- (ll) to the knowledge of the Corporation and the Major Shareholders:
 - (1) has not received any orders or directives from a governmental authority relating to environmental matters requiring any work, repairs, constructions or capital expenditures with respect to the Corporation Assets, which order or directive remains outstanding on the Closing Date;
 - (2) has not received any demand or notice from a governmental authority or third party relating to the breach of any environmental, health or safety law applicable to the Corporation Assets relating to the use, storage, treatment, shipping or disposition of environmental contaminants, which demand or notice has not been complied with in all material respects; and
 - (3) has made available to ONFRD and GSGL all environmental information within its possession and has not knowingly withheld any such information from ONFRD or GSGL relevant to environmental matters that relate to or affect the Assets;
- (ii) to the knowledge of the Major Shareholders, all Environmental Approvals required to be held by the Corporation have been obtained, are valid and in full force and effect, have been and are being complied with in all material respects, and there have been and are no proceedings commenced, applications for proceedings made, nor to the

knowledge of the Major Shareholders have there been any proceedings or applications for proceedings threatened to revoke or amend any Environmental Approvals;

- (iii) to the knowledge of the Major Shareholders, there has been no Release by the Corporation of any Hazardous Substance into the Environment;
- (iv) the Corporation has not entered into an agreement that may require it to pay, reimburse, guarantee, pledge, defer, indemnify or hold harmless any Person from or against any liability or cost relating to any Release of Hazardous Substance or environmental condition or arising from any non-compliance with any Environmental Law;
- (v) the Corporation has not been prosecuted for or convicted of any offence under Environmental Laws or found liable in any proceeding to pay any fine or judgment to any Person as a result of any Release or threatened Release of any Hazardous Substance into the Environment or the breach of any Environmental Law and there are no proceedings pending or, to the knowledge of the Major Shareholders and the Corporation, threatened relating to the foregoing and, to the knowledge of the Major Shareholders and the Corporation, there is no basis for any such proceedings;
- (vi) to the knowledge of the Major Shareholders and the Corporation, there are no leaking above ground or underground storage tanks, and no urea formaldehyde foam insulation, friable asbestos, polychlorinated biphenyls or radioactive substance in, on or under the property covered by any Real Property Leases of the Corporation; and
- (vii) the Corporation is in compliance with all Environmental Laws.

Real Property

- (mm) the Corporation does not own any Real Property and is not a party to any Real Property Leases, other than those listed in Schedule I. The Corporation is not in breach of any such Real Property Leases in any material respect nor has any circumstance occurred or does any circumstance exist that with the passage of time, notice or both, constitute such a breach, and, to the knowledge of the Major Shareholders and the Corporation, no third party to any of such Real Property Leases is in breach of any such Real Property Leases;
- (nn) the warehouses, distribution facilities, buildings and other structures located on the Real Property Leases and the operation and maintenance thereof, as now operated and maintained, comply with all applicable Laws, municipal or otherwise; none of such buildings or other structures encroaches upon any land not owned or leased by the Corporation; and there are no restrictive covenants, municipal by-laws or other laws or regulations which in any way restrict or prohibit the use of the Real Property Leases or the warehouses, distribution facilities, buildings or structures located thereon for the purposes for which they are presently being used, other than Permitted Encumbrances;

- (oo) there are no expropriation or similar proceedings, actual or threatened, of which the Corporation has received notice against the Real Property Leases or any part thereof;
- (pp) there is no neighbouring building or other structure (other than any building or other structure included in the Corporation's Assets), which encroaches upon the Real Property Leases;
- (qq) the Real Property Leases have access to public roads that is suitable for carrying on the business of the Corporation and are fully serviced by all public and private utility services that are necessary for the operation of the Corporation, and there are no outstanding or any proposed levies, charges or fees assessed against the Real Property Leases by any Governmental Authority (including development or improvement levies, charges or fees);

Miscellaneous

- (rr) each Major Shareholder represents on its own behalf that there are no misrepresentations in any written information provided by or on behalf of the Major Shareholders or the Corporation to ONFRD and GSGL, and none of the Major Shareholders or the Corporation has knowingly withheld from ONFRD or GSGL any information, documents or agreements relevant to the Corporation Assets or the Corporation which might reasonably be expected to be material to a purchaser of the MBGL Shares or the Corporation Assets; and
- (ss) the responses given by the Corporation, its directors and officers, and the Major Shareholders in the Due Diligence Session will be true and correct in all material respects as at the time such responses are given and such responses will be fairly based, honest and not misleading in light of the circumstances in which those responses were given.

3.3 Representations and Warranties of ONFRD

ONFRD represents and warrants to each of the Major Shareholders that:

- (a) ONFRD is duly organized and validly existing and in good standing under the law of the jurisdiction of its incorporation and has the corporate power to own or lease its property and assets and to carry on its business as now conducted by it and is duly licensed or qualified to carry on business in each jurisdiction as the nature of its business requires;
- (b) ONFRD has all requisite power and authority to enter into this Agreement and all documents to be delivered pursuant hereto and to perform its obligations hereunder and thereunder;
- (c) the execution and delivery of this Agreement and all documents to be delivered pursuant hereto, the performance of the terms hereof and thereof and the consummation of the transactions contemplated herein and therein do not and will not:
 - (i) result in the breach of or violate any term or provision of the charter, by-laws or governing documents of ONFRD; or

- (ii) conflict with, result in a breach of, constitute a default under, or accelerate or permit the acceleration of the performance required by, any material agreement, instrument, licence, permit or authority to which ONFRD is a party or by which it is bound or to which any of its property is subject or result in the creation of any Encumbrance upon any of the assets of ONFRD or give to others any material interest or right, including any right of purchase, termination, cancellation or acceleration under any such agreement, instrument, license, permit or authority; or
- (iii) violate any provision of law or administrative regulation or any judicial or administrative order, award, judgment or decree applicable to ONFRD;
- (d) ONFRD is, in all material respects, in compliance with all Laws;
- (e) this Agreement has been duly executed and delivered by ONFRD and all documents to be delivered by ONFRD pursuant hereto will be duly executed and delivered by ONFRD and this Agreement does and such documents will constitute legal, valid and binding obligations of ONFRD, enforceable in accordance with their respective terms;
- (f) the authorized capital of ONFRD is comprised of an unlimited number of common shares, of which, 77,604,167 common shares are outstanding as validly issued, fully paid and non-assessable shares of ONFRD;
- (g) the ONFRD Shares to be issued pursuant to Section 2.2 will be duly and validly issued and delivered as fully paid and non-assessable shares of ONFRD;
- (h) ONFRD has not incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commission or other similar forms of compensation with respect to the transactions contemplated herein;
- (i) there is no suit, action, litigation, investigation, claim, complaint, grievance or proceeding, including appeals and applications for review, in progress, or, to the knowledge of ONFRD, pending or threatened against or relating to ONFRD before any court, Governmental Authority, commission, board, bureau, agency or arbitration panel which, if determined adversely to ONFRD, would:
 - (i) materially and adversely affect the properties, business, future prospects or financial condition of ONFRD;
 - (ii) enjoin, restrict or prohibit the transfer of all or any part of the ONFRD Shares or the issue of ONFRD Shares as contemplated by this Agreement; or
 - (iii) prevent ONFRD from fulfilling all of its obligations set out in this Agreement or arising from this Agreement, and ONFRD has no knowledge of any existing ground on which any such action, suit, litigation or proceeding might be commenced with any reasonable likelihood of success. There is not presently outstanding against ONFRD any judgment, decree, injunction, rule or order of any Governmental Authority; and
- (j) ONFRD is not a "non-Canadian" within the meaning of the *Investment Canada Act*.

3.4 Non-Waiver

No investigations made by or on behalf of ONFRD and GSGL at any time shall have the effect of waiving, diminishing the scope or otherwise affecting any representation or warranty made by the Major Shareholders or the Corporation in or pursuant to this Agreement. No waiver of any condition or other provisions, in whole or in part, shall constitute as a waiver of any other condition or provision (whether or not similar) nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

Article 4 COVENANTS

4.1 Due Diligence and Other Covenants of the Major Shareholders and the Corporation

- (a) From the date hereof to and until the Closing Date, the Major Shareholders and the Corporation shall permit GSGL, ONFRD, ONFRD's Counsel or ONFRD's authorized representatives to have access to all files, premises, properties, personnel, books, records (including Tax Records), auditors, contracts and documents of or pertaining to the Corporation and any predecessor corporations or entities prior to Closing for purposes of performing due diligence with respect to the Corporation, its assets and affairs and the MBGL Shares.
- (b) Should GSGL or ONFRD request, the Corporation shall make available its directors, senior management, auditors and advisors, and the Major Shareholders shall make themselves available at a mutually convenient time, to answer any questions which GSGL and ONFRD may have and to participate in one or more due diligence sessions to be held prior to Closing (the "**Due Diligence Session**"). ONFRD and GSGL shall distribute a list of written questions to be answered in advance of such Due Diligence Session and the Corporation and the Major Shareholders shall provide written responses to such questions in advance of the Due Diligence Session.
- (c) Each of the Major Shareholders and the Corporation who is a party to or bound by the Unanimous Shareholders Agreement, if any, hereby agrees and consents to the termination of such agreement immediately prior to the Closing Time and, subject to Closing occurring, hereby irrevocably waives and releases each of the others from and in respect of any and all obligations thereunder, whether due on, prior to or after the date hereof.

4.2 Covenants of the Corporation

The Corporation covenants and agrees with ONFRD and GSGL that the Corporation will not, and the Major Shareholders covenant and agree to cause the Corporation not to, from the date of execution hereof to and including the Closing Date, except with the prior written consent of ONFRD and GSGL, such consent not to be unreasonably withheld:

- (a) declare, pay or set aside any dividends or provide for any distribution of its properties or assets, or make any payment by way of return of capital, to its shareholders;
- (b) split, combine or reclassify any outstanding shares;
- (c) change the stated capital of the Corporation or any of its Subsidiaries;

- (d) enter into, renew, amend or agree to amend, revise or terminate any Material Contract; relinquish any material contractual rights or waive any claims or rights of substantial value; or cancel any material indebtedness (individually or in the aggregate);
- (e) redeem, purchase or offer to purchase any of its shares or other securities;
- (f) reorganize, amalgamate or merge with any other Person or other business organization whatsoever, other than as contemplated by this Agreement;
- (g) acquire or agree to acquire (by merger, amalgamation, acquisition of securities or assets or otherwise) any Person or other business organization or division or any assets or properties or incorporate a Subsidiary;
- (h) incur or commit to incur any indebtedness for borrowed money or any other liability or obligation, other than in the Ordinary Course of Business, or issue any debt securities or assume, guarantee, endorse or otherwise as an accommodation become responsible for, the obligation of any other individual or entity, or make any loans or advances, except in the Ordinary Course of Business and not in excess of existing bank lines of credit;
- (i) incur any capital expenditures, except for the Approved Capital Commitments;
- (j) other than those in the nature of capital expenditures subject to Section 4.2(i), make an investment (by purchase of securities, contributions of capital or otherwise) in any Person, asset or interest in any asset, other than an investment in the Ordinary Course of Business;
- (k) enter into any partnership, joint venture or similar agreement, arrangement or relationship, except in the Ordinary Course of Business;
- (l) pay, discharge or satisfy any material claims, liabilities or obligations, other than as reflected or reserved against in the Financial Statements or in the Ordinary Course of Business;
- (m) enter into any hedges, currency swaps or other financial instruments or like transactions;
- (n) issue, grant, sell, pledge, lease, dispose of or encumber or agree to issue, grant, sell, pledge, lease, dispose of or encumber shares in the capital of the Corporation or any options, warrants, conversion privileges, stock appreciation rights, phantom equity or similar rights, arrangements or commitments based upon the book value, income or other attribute of the Corporation or other rights, arrangements or commitments (pre-emptive, contingent or otherwise) obligating the Corporation to issue or sell any shares of the Corporation or securities or obligations of any kind convertible into or exchangeable for any shares of the Corporation;
- (o) alter or amend in any way its constating documents as the same exist at the date of this Agreement;
- (p) take any action which would be outside the Ordinary Course of Business or which may result in a Material Adverse Change in its affairs including, without limiting the generality of the foregoing, the entering into of any employment, consultancy or severance agreements or other arrangements with any of its directors or officers;

- (q) sell, pledge, lease, dispose of, grant any interest in, encumber or agree to sell, pledge, lease, dispose of, grant any interest in or encumber any part of its assets, other than in the Ordinary Course of Business and other Approved Capital Dispositions;
- (r) engage in any business enterprise or other activity materially different from that carried on or intended to be carried on as at the date hereof;
- (s) enter into any employment or consulting arrangements or any transaction with or make payments to a party or parties with which it does not deal at arm's length;
- (t) make any material Tax election, settle or compromise any material Tax Claim, change any material Tax practice or otherwise take any material action in respect of Taxes;
- (u) grant to any officer, director, employee or consultant an increase in compensation in any form or take any action with respect to the amendment or grant of any severance or termination pay policies or arrangements for any directors, officers, employees or consultants nor adopt or amend or make any contribution to any bonus, profit-sharing, option, pension, retirement, deferred compensation, insurance, incentive compensation, other compensation or other similar plan from a fund or arrangement for the benefit of directors, officers or employees;
- (v) adopt or amend or make any contribution to any bonus, profit sharing, option, pension, retirement, deferred compensation, insurance incentive compensation, other compensation or other similar plan, agreement, trust, fund or arrangements for the benefit of employees, except as is necessary to comply with the law or with respect to existing provisions of any such plans, programs, arrangements or agreements;
- (w) settle or compromise any Claim, hearing, notice of violation, demand letter or investigation against the Corporation or any of its Subsidiaries: (i) by any Governmental Authority; (ii) involving the possible payment or receipt of amounts that exceed, in the aggregate, \$100,000; or (iii) that relates to the transactions contemplated by this Agreement;
- (x) make any changes to existing accounting policies, methods, practices or principles relating to the Corporation, except as required by IFRS;
- (y) solicit or cause or facilitate anyone else to solicit any offer (confidential or otherwise) or expression of interest to acquire any of its assets outside the Ordinary Course of Business or any of its securities, whether directly or indirectly;
- (z) pursue any other significant corporate acquisition, merger or sale of assets or make any other material change to its business or affairs; or
- (aa) take, agree to take, authorize, propose, or enter into or modify any contract to do any of the matters prohibited by this Section 4.2, any action that would cause any representation or warranty made by the Corporation in this Agreement to become untrue or incorrect, or any action that would result in any of the conditions set forth in Article 5 not being satisfied.

4.3 Further Covenants of the Corporation

The Corporation covenants and agrees with ONFRD and GSGL that it will, and the Major Shareholders covenant and agree to cause the Corporation to:

- (a) use all commercially reasonable efforts to obtain all necessary consents, assignments or waivers from third parties and amendments or terminations to any instrument or agreement and take such other measures as may be necessary to fulfil its obligations under and to carry out the transactions contemplated by this Agreement;
- (b) maintain the Corporation Assets in good condition and repair and in the Ordinary Course of Business;
- (c) maintain the Books and Records in the Ordinary Course of Business;
- (d) provide ONFRD and GSGL, on a timely basis, with all relevant information concerning it and its business, property, operations and Financial Information and other financial statements or information;
- (e) make other necessary filings and applications under applicable federal and provincial Laws and regulations required on the part of it in connection with the transactions contemplated herein, and take all reasonable action necessary to be in compliance with such Laws and regulations;
- (f) within five business days of receiving any written audit inquiry, assessment, reassessment, confirmation or variation of an assessment, indication that an assessment is being considered, request for filing of a waiver or extension of time or any other notice in writing relating to taxes, interest, penalties, losses or tax pools (an “**Assessment**”), deliver to ONFRD and GSGL a copy thereof together with a statement setting out, to the extent then determinable, an estimate of the obligations, if any, of it on the assumption that such Assessment is valid and binding;
- (g) except as otherwise permitted or contemplated in this Agreement, conduct its business only in the Ordinary Course of Business and in accordance with prudent business practices, and shall consult with ONFRD and GSGL in respect of its ongoing business and affairs if and as required and keep ONFRD and GSGL up to date on all material developments related to its ongoing business and affairs;
- (h) use its best efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;
- (i) use its best efforts to preserve intact its business organization and goodwill and maintain and preserve its business organization and its rights and franchises, retain the services of its employees, maintain relationships with customers, suppliers’ lessees, joint venture partners, licences, lessor, licensors, distributors and other third parties and maintain its operating assets in their current condition;
- (j) promptly notify ONFRD and GSGL in writing of any Material Adverse Change (actual, anticipated, contemplated or, to its knowledge, threatened, financial or otherwise) in its business, operations, affairs, assets, capitalization, financial condition, prospects, licenses, permits, rights, privileges or liabilities, whether contractual or otherwise, or of any change in any representation or warranty provided by it in this Agreement, which change is or may be of such a nature to render any representation or warranty misleading or untrue in any material

respect and shall in good faith discuss with the other any change in circumstances (actual, anticipated, contemplated, or to its knowledge, threatened) which is of such a nature that there may be a reasonable question as to whether notice need to be given to ONFRD and GSGL pursuant to this provision; and

- (k) use its reasonable commercial efforts to ensure that on the Closing Date the Corporation has no Long-Term Debt and no Liabilities, other than current liabilities in the Ordinary Course of Business.

4.4 Further Negative Covenants of the Corporation

The Corporation will not, and will cause its Representatives, not to, do or permit to occur any of the following, either directly or indirectly:

- (a) solicit, initiate, encourage, facilitate the making of, engage in or respond to (other than to decline) any inquiries or proposals regarding any Alternative Transaction;
- (b) encourage or participate in any discussions or negotiations regarding any Alternative Transaction; or
- (c) enter into any agreement, letter of intent or similar document contemplating or otherwise related to any Alternative Transaction.

The Corporation will, and will cause its Representatives to, immediately cease and cause to be terminated any existing discussions or negotiations with any Persons with respect to any Alternative Transaction. The Corporation shall immediately request the return or destruction of all information provided to any Person that has entered into a confidentiality agreement with the Corporation relating to any Alternative Transaction and will use its reasonable best efforts to ensure that such requests are honoured.

The Corporation will not make available, after the date hereof, any information to any Person in connection with any potential or actual Alternative Transaction on or before June 30, 2018.

4.5 Covenants of the Major Shareholders

Each Major Shareholder covenants and agrees with ONFRD and GSGL as follows:

- (a) that all the information provided by the Corporation and its representatives to ONFRD and GSGL is true and correct as at the Closing Date;
- (b) to obtain all necessary consents, approvals and authorizations that are required to be obtained by the Major Shareholders or the Corporation under any contract or agreement or applicable Law with respect to the transactions contemplated under this Agreement;
- (c) it will not sell, transfer, pledge, convey, grant a security interest in, hypothecate or otherwise encumber in any way any MBGL Shares or relinquish or modify such Major Shareholder's right to vote any MBGL Shares or any other securities of the Corporation or agree to do any of the foregoing other than as contemplated under this Agreement;
- (d) it will not grant an option over any of its MBGL Shares or any right or interest therein (legal or equitable) held by it to any Person;

- (e) it will not take any action of any kind that may prevent or delay, reduce the likelihood of success of or prevent or delay the completion of the transactions contemplated under this Agreement; and
- (f) it shall not do indirectly that which it may not do directly in respect of the restrictions on its rights with respect to MBGL Shares pursuant to this Agreement by selling any direct or indirect holding company or granting a proxy on the shares or other equity interests of any direct or indirect holding company in any way that would have, directly or indirectly, any effect prohibited by this Agreement.

4.6 Further Covenants of the Major Shareholders

Each Major Shareholder also agrees that it shall not, and it shall cause its Representatives not to, directly or indirectly:

- (a) to obtain all necessary consents, approvals and authorizations that are required to be obtained by the Major Shareholders or the Corporation under any contract or agreement or applicable Law with respect to the transactions contemplated under this Agreement;
- (b) it will not sell, transfer, pledge, convey, grant a security interest in, hypothecate or otherwise encumber in any way any MBGL Shares or relinquish or modify such Major Shareholder's right to vote any MBGL Shares or any other securities of the Corporation or agree to do any of the foregoing other than as contemplated under this Agreement;
- (c) it will not grant an option over any of its MBGL Shares or any right or interest therein (legal or equitable) held by it to any Person;
- (d) it will not take any action of any kind that may prevent or delay, reduce the likelihood of success of or prevent or delay the completion of the transactions contemplated under this Agreement; and
- (e) it shall not do indirectly that which it may not do directly in respect of the restrictions on its rights with respect to MBGL Shares pursuant to this Agreement by selling any direct or indirect holding company or granting a proxy on the shares or other equity interests of any direct or indirect holding company in any way that would have, directly or indirectly, any effect prohibited by this Agreement.
- (f) take any action of any kind that may in any way adversely affect the success of the transactions contemplated under this Agreement;
- (g) solicit, encourage, facilitate the making of, engage in or respond to (other than to decline) any inquiries or proposals regarding any Alternative Transaction;
- (h) encourage or participate in any discussions or negotiations regarding any Alternative Transaction;
- (i) make available any information to any Person in connection with any Alternative Transaction;
- (j) agree to or enter into any Alternative Transaction; or
- (k) enter into any agreement, letter of intent or similar document contemplating or otherwise related to any Alternative Transaction.

The Major Shareholders will immediately terminate, and cause to be terminated, any existing activities, discussions or negotiations with any Persons with respect to any Alternative Transaction.

The Major Shareholders will ensure that their respective Representatives are aware of the provisions of this Section 4.6 and will be jointly and severally responsible for any breach of this Section 4.6 by any of their Representatives.

4.7 Efforts to Satisfy Conditions

Each Party shall use all reasonable commercial efforts and shall proceed diligently, honestly and in good faith to cause the conditions set forth in Sections 5.1, 5.2 and 5.3 hereof which are within its reasonable control to be satisfied. Each Party shall provide such information and cooperation to the other Party as it may reasonably request in connection with the satisfaction of such conditions.

4.8 Representations and Warranties

Except as expressly provided in this Agreement or except with the prior written consent of the other Parties hereto, prior to the Closing Time, each of the Parties shall do or refrain from doing all acts and things in order to ensure that the respective representations and warranties of such Party herein shall remain true and correct in all material respects (or, in the case of representations and warranties that are subject to a materiality qualification, true and correct in all respects) at the Closing Time as if such representations and warranties were made at and as of the Closing Time.

4.9 Tax Returns

- (a) Subject to subsection 4.9(b) below, the Major Shareholders shall cause the Corporation to prepare and file in a timely manner (at its cost and in consultation with the Major Shareholders) all Tax Returns required to be filed by the Corporation for any period that ends on or before the Closing Date and for which Tax Returns have not been filed as of the Closing Date. If ONFRD or GSGL is required to file any Tax Returns in respect of any period prior to the Closing Date, prior to filing such Tax Returns, ONFRD or GSGL as applicable shall obtain the consent of Major Shareholders, which consent shall be deemed received unless the Major Shareholders advises otherwise within 10 business days following receipt of the Tax Return and request for consent. The Major Shareholders and ONFRD and GSGL shall cooperate fully with each other and none of the Parties will unreasonably withhold its consent to a request made by any other Party with respect to such Tax Returns. Such Tax Returns will be prepared in accordance with reasonable business practices, with respect to Tax Returns filed by the Corporation, and the Corporation's past practices. The Parties agree that an election shall be made by the Corporation in its Tax Return filed for its taxation year ending immediately before the acquisition of control by GSGL not to have subsection 256(9) of the Canadian Tax Act apply, with the result that the taxation year of the Corporation shall end immediately before the Closing Time.
- (b) No Tax Returns of the Corporation shall be filed after the date hereof, except with the prior written consent of ONFRD and GSGL, which consent shall not be unreasonably withheld.

Article 5
CONDITIONS TO CLOSING

5.1 Mutual Conditions

The obligations of ONFRD, GSGL, the Major Shareholders and the Corporation to complete the transactions contemplated hereby are subject to the following conditions being satisfied in all respects at or prior to the Closing Time, or such earlier time as is specified below:

- (a) there shall not be any Claim that shall, at Closing, be pending against any of the Parties before any Governmental Authority and no law, regulation or policy shall have been proposed, enacted or applied: (i) making illegal or seeking to restrain, prohibit or obtain damages or other relief in connection with the consummation of the transactions contemplated by this Agreement; (ii) prohibiting or materially limiting the ownership or operation by ONFRD or GSGL of a material portion of the business or assets of the Corporation or requiring ONFRD or GSGL to dispose of or hold separately any such portion of any MBGL Shares or Corporation Assets, as applicable; or (iii) making the consummation of the transactions contemplated by this Agreement materially more costly to ONFRD and GSGL or materially reducing the value of the MBGL Shares;
- (b) all Required Approvals shall have been obtained on terms acceptable to the Major Shareholders and ONFRD and GSGL, acting reasonably, at or prior to the Closing Time;
- (c) the ONFRD Shares to be issued or made issuable upon the conversion of the Consideration Debentures in accordance with this Agreement and the transactions contemplated thereby shall have been conditionally approved for listing upon the CSE subject only to conditions which may reasonably be expected to be satisfied within the 10 business days following the Closing Date; and
- (d) the Voluntary Escrow Agreement shall have been entered into and fully executed by all the Parties.

5.2 Conditions for the Benefit of ONFRD and GSGL

The obligations of GSGL to buy the MBGL Shares from the Major Shareholders pursuant hereto are subject to the following conditions, which are for the exclusive benefit of GSGL and ONFRD, being satisfied in all respects at or prior to the Closing Time, or such earlier time as is specified below:

- (a) the representations and warranties of the Major Shareholders and the Corporation in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) the Major Shareholders and the Corporation shall have performed or complied in all material respects with all of the terms, covenants and conditions of this Agreement to be performed or complied with by the Major Shareholders and the Corporation at or prior to the Closing Time pursuant hereto;
- (c) ONFRD and GSGL shall have completed its due diligence review and, in its sole discretion, been satisfied with the results of such review on or before March 31, 2018;
- (d) at Closing, the Major Shareholders shall have delivered all items which they are required to deliver pursuant to Section 6.2 unless waived by ONFRD and GSGL;

- (e) the Major Shareholders shall have delivered a legal opinion of the Major Shareholders' Counsel as to such matters as ONFRD's Counsel may request, acting reasonably, in form and substance satisfactory to ONFRD and GSGL, acting reasonably;
- (f) the Corporation shall have delivered, on the Closing Date, a certificate of the Corporation dated the Closing Date, addressed to ONFRD and GSGL and signed on the Corporation's behalf by its President or such other officer or director satisfactory to ONFRD and GSGL, acting reasonably, certifying that the representations and warranties of the Corporation set forth in this Agreement are true and correct at the Closing Time, as if made at such time, and the Corporation has not breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement;
- (g) all documents relating to the due authorization and completion of the transactions contemplated hereby and all actions and proceedings taken at or prior to the Closing Time in connection with the performance by the Major Shareholders and the Corporation of their obligations under this Agreement shall be satisfactory to GSGL, to ONFRD and to ONFRD's Counsel, and ONFRD and GSGL shall have received copies of all such documents and evidence that all such actions and proceedings have been taken as it may reasonably request in form and substance satisfactory to GSGL, ONFRD, and ONFRD's Counsel;
- (h) there shall have been no Material Adverse Change with the Corporation since December 31, 2017;
- (i) there shall not be any statute, rule or regulation of any Governmental Authority which makes it illegal for any of the parties to consummate the transactions contemplated hereby or any order, decree or judgment of any Governmental Authority permanently enjoining any party from consummating any of the transactions contemplated hereby;
- (j) no action or proceeding shall be pending or threatened by any Person in any jurisdiction, to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement or the right of ONFRD and GSGL to conduct the business of the Corporation after Closing on substantially the same basis as heretofore operated; and
- (k) ONFRD and GSGL shall have obtained all applicable governmental, regulatory, stock exchange and contractual approvals to complete the transactions contemplated by this Agreement.

5.3 Conditions for the Benefit of the Major Shareholders

The Major Shareholders' obligations to ONFRD and GSGL pursuant hereto are subject to the following conditions, which are for the exclusive benefit of the Major Shareholders, being satisfied in all respects at or prior to the Closing Time or such earlier time as is specified below:

- (a) the representations and warranties of ONFRD in this Agreement shall be true and correct in all material respects at the Closing Time with the same force and effect as if made at and as of such time;
- (b) ONFRD shall have performed or complied in all material respects with all of the terms, covenants and conditions of this Agreement to be performed or complied with by it at or prior to the Closing Time pursuant hereto;

- (c) at Closing, ONFRD shall have delivered all items it is required to deliver pursuant to Section 6.3; and
- (d) ONFRD shall have delivered, on the Closing Date, a certificate of ONFRD dated the Closing Date, addressed to the Major Shareholders and signed on ONFRD's behalf by its President or such other officer or director satisfactory to the Major Shareholders, acting reasonably, certifying that the representations and warranties of ONFRD set forth in this Agreement are true and correct at the Closing Time, as if made at such time and ONFRD has not breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement.

5.4 Conditions for the Benefit of ONFRD and GSGL Not Met

If any of the conditions contained in Sections 5.1 or 5.2 shall not be fulfilled or performed at or prior to the Closing Time to the satisfaction of ONFRD and GSGL, acting reasonably, ONFRD and GSGL may, by notice to the Corporation, terminate this Agreement, and the obligations of each Party under this Agreement, except where failure to satisfy those conditions is as a result of a breach by ONFRD and GSGL, in which case ONFRD and GSGL may not exercise the foregoing right to terminate. ONFRD and GSGL may also promptly submit a claim against the Major Shareholders of the Corporation for damages suffered by ONFRD and GSGL where the non-performance or non-fulfillment of a condition is as a result of a breach of covenant, representation or warranty by the Major Shareholders, to be resolved in accordance with Article 7. Any condition may be waived in whole or in part by ONFRD and GSGL without prejudice to any claims it may have for breach of covenant, representation or warranty.

5.5 Conditions for the Benefit of the Major Shareholders Not Met

If any of the conditions contained in Sections 5.1 or 5.3 shall not be fulfilled or performed at or prior to the Closing Time to the satisfaction of the Major Shareholders, acting reasonably, the Major Shareholders may, by notice to ONFRD and GSGL, terminate this Agreement and the obligations of each Party under this Agreement, except where failure to satisfy those conditions is as a result of a breach by the Major Shareholders or the Corporation, in which case the Major Shareholders may not exercise the foregoing right to terminate. The Major Shareholders may also promptly submit a claim against ONFRD and GSGL for damages suffered by the Major Shareholders where the non-performance or non-fulfillment of a condition is as a result of a breach of covenant, representation or warranty by ONFRD and GSGL, to be resolved in accordance with Article 7. Any condition may be waived in whole or in part by the Major Shareholders without prejudice to any claims it may have for breach of covenant, representation or warranty.

Article 6 CLOSING

6.1 Closing

The Closing shall take place at the Closing Time at the offices of ONFRD's Counsel located at Suite 808, 1090 West Pender Street, Vancouver, British Columbia, V6E 2N7, or at such other place as may be agreed upon by the Major Shareholders, ONFRD, and GSGL.

6.2 Deliveries by the Major Shareholders at Closing

At Closing, the Major Shareholders shall deliver to ONFRD and GSGL:

- (a) the certificates representing the MBGL Shares duly endorsed for transfer by the Major Shareholders or accompanied by an irrevocable security transfer power of attorney in the form

attached hereto as Schedule J and new share certificates issued in the name of GSGL representing the MBGL Shares;

- (b) certificates of the appropriate government officials, dated the Closing Date, evidencing the existence and good standing of each of the Major Shareholders, if a corporation, and the Corporation, in the jurisdiction of its organization and each other jurisdiction in which its good standing is required by the extent of its business;
- (c) the minute books, corporate seals and all corporate records of the Corporation;
- (d) copies of the Required Approvals;
- (e) resignations and releases of the Corporation given by all directors and officers of the Corporation and reciprocal releases of such directors and officers given by the Corporation, each in form and substance satisfactory to GSGL, ONFRD, and the Major Shareholders;
- (f) certified copies of resolutions of the directors of the Corporation, and of the Major Shareholders, if corporations, confirming approval of the transfer of the MBGL Shares to ONFRD and GSGL in accordance with the terms and conditions of this Agreement; and
- (g) such other documents and instruments as ONFRD's Counsel may reasonably require, including the fully executed Voluntary Escrow Agreement.

6.3 Deliveries by ONFRD at Closing

ONFRD shall deliver to the Major Shareholders certificates representing the Consideration Debentures (to be deposited with Escrow Agent, pursuant to the Voluntary Escrow Agreement), issued and registered in the respective names of the Major Shareholders, or as the Major Shareholders may otherwise direct, in accordance with Section 2.4; all certificates representing Consideration Debentures to be issued or made issuable and payable hereunder being inscribed with all applicable legends or other endorsements as may be required pursuant to corporate and securities Laws and the rules and policies of the CSE or other applicable stock exchange.

6.4 Closing Escrow

The items tabled at Closing pursuant to Sections 6.2 and 6.3 shall be held in escrow until all of such items have been tabled, whereupon such escrow shall be terminated and the items described in Section 6.2 shall be delivered to ONFRD and GSGL and the items described in Section 6.3 shall be delivered to the Major Shareholders and the Closing shall have occurred. If such escrow is not released on or before 4:00 p.m. (Vancouver Time) on the Closing Date and the Parties do not agree to an extension of the escrow, the Closing shall be deemed not to have occurred and the documents and certificates tabled by a Party pursuant to this Article 6 shall be returned to that Party.

Article 7 INDEMNITIES

7.1 Major Shareholders' Indemnity

After Closing, but subject to Section 7.3, each of the Major Shareholders and the Corporation jointly and severally agrees to indemnify and save harmless ONFRD and GSGL, as well as its Affiliates, from and against all Losses and Obligations which they suffer, sustain, pay or incur, directly or indirectly as a consequence of or in connection with a breach of a representation or warranty made by any of the Major

Shareholders or the Corporation in this Agreement or a breach by any of the Major Shareholders or the Corporation of any of the covenants made by any thereof in this Agreement.

7.2 ONFRD Indemnity

After Closing, ONFRD agrees to indemnify and save harmless each of the Major Shareholders and their Affiliates from and against all Losses and Obligations which they suffer, sustain, pay or incur, directly or indirectly, as a consequence of or in connection with:

- (a) a breach of a representation or warranty made by ONFRD in this Agreement or a breach by ONFRD of a covenant made by it in this Agreement; or
- (b) subject to the Major Shareholders' obligations in respect of the indemnity contained in Section 7.1, any matter or circumstance relating to Corporation Assets or the operation thereof which occurs after the Closing Time or which relates to the Corporation and occurs after the Closing Time;

except any such Losses and Obligations as have been caused by or result from the negligence or wilful misconduct of any such indemnified Person.

7.3 Limitations on Indemnities

- (a) No Claim for performance of an indemnity or in respect of a breach of any covenant, representation or warranty made in this Agreement shall be made or be enforceable, whether by legal proceedings or otherwise, unless written notice of such Claim is given by the party seeking redress to the Party or Parties from whom redress is sought: (i) in respect of a breach of Section [3.2(mm)] within five (5) years of the Closing Date; (ii) in respect of a breach of any of Sections 3.2(u) to (y) inclusive, within the period ending ninety days after the relevant Governmental Authorities shall no longer be entitled to assess liability for tax against the Corporation for any particular taxation year ended on or prior to the Closing Date, having regard without limitation, to any waivers given by the Major Shareholders of the Corporation in respect of any taxation year; and (iii) otherwise within two years of the Closing Date;
- (b) except as otherwise set out herein, the parties' sole remedy for a misrepresentation or breach of a warranty or other agreement contained in this Agreement is limited to the indemnities contained in Article 7 and is limited by the provisions of this Section 7.3;
- (c) ONFRD's Losses hereunder shall be deemed reduced by the amount of any insurance proceeds and any current tax benefits received by ONFRD with respect to such Losses.

7.4 Indemnification Procedure

- (a) For the purposes of this Section 7.4, the term "**Indemnifying Party**" when used in connection with a Claim shall mean the Person having an obligation to indemnify the other Party with respect to such Claim pursuant to this Agreement and the term "**Indemnified Party**" when used in connection with a particular Claim shall mean the Person having the right to be indemnified with respect to such Claim by the other Party pursuant to this Agreement;
- (b) to make claim for indemnification, an Indemnified Party shall notify the Indemnifying Party of its claim under this Section 7.4, including the specific details of and specific basis under this Agreement for its claim (the "**Claim Notice**"). In the event that the claim for indemnification is based upon a claim by a third party against the Indemnified Party (a "**Third Party Claim**"),

the Indemnified Party shall provide its Claim Notice promptly after the Indemnified Party has actual knowledge of the Third Party Claim and shall enclose a copy of all papers (if any) served with respect to the Third Party Claim; provided that the failure of any Indemnified Party to give notice of a Third Party Claim as provided in this Section 7.4 shall not relieve the Indemnifying Party of its obligations under this Agreement except to the extent such failure results in insufficient time being available to permit the Indemnifying Party to effectively defend against the Third Party Claim or otherwise materially prejudices the Indemnifying Party's ability to defend against the Third Party Claim or increases the amount of liability or cost of defence. In the event that the claim for indemnification is based upon an inaccuracy or breach of a representation, warranty, covenant or agreement, the Claim Notice shall specify the representation, warranty, covenant or agreement which was inaccurate or breached;

- (c) the Indemnifying Party shall have the right, by notice to the Indemnified Party given not later than 60 days after receipt of the Claim Notice, to assume the control of the compromise, settlement and defence, compromise or settlement of the Third Party Claim, provided that such assumption shall, by its terms, be without cost to the Indemnified Party. The Indemnified Party is authorized, prior to and during such 60 day period, to file any motion, answer or other pleading that it shall deem necessary or appropriate to protect its interests or those of the Indemnifying Party and that is not prejudicial to the Indemnifying Party;
- (d) upon the assumption of control of any Third Party Claim by the Indemnifying Party as set out in Section 7.4(c), the Indemnifying Party shall diligently proceed with the defence, compromise or settlement of the Third Party Claim at its sole expense, including, if necessary:
 - (i) employment of counsel reasonably satisfactory to the Indemnified Party (confirmation of which by the Indemnified Party shall not be unreasonably withheld or delayed) and, in connection therewith, the Indemnified Party shall cooperate fully, but at the expense of the Indemnifying Party with respect to any out-of-pocket expenses incurred, to make available to the Indemnifying Party all pertinent information and witnesses under the Indemnified Party's control; and
 - (ii) make such assignments and take such other steps as on the advice of counsel for the Indemnifying Party are reasonably necessary to enable the Indemnifying Party to conduct such defence. Notwithstanding any other provision contained herein, the Indemnified Party shall have the right to participate in the negotiation, settlement and defence of any Third Party Claim and under no circumstance shall the Indemnifying Party negotiate, settle, compromise or pay (except in the case of payment of a judgment) any Third Party Claim without the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld or delayed, it being acknowledged and agreed that any withholding or delay of any consent by the Indemnified Party relating to any settlement, compromise or payment shall be deemed reasonable unless such settlement, compromise or payment, as applicable, includes an unconditional release of the Indemnified Party from all liability arising out of such suit;
- (e) should the Indemnifying Party fail to give notice to the Indemnified Party in accordance with Section 7.4(c), the Indemnified Party shall diligently proceed with the defence, compromise or settlement of the Third Party Claim, and, in connection therewith:
 - (i) the Indemnifying Party shall, at its sole expense, cooperate fully to make available to the Indemnified Party all pertinent information and witnesses under the Indemnifying Party's control; and
 - (ii) make such assignments and take such other steps as on the advice of counsel for the Indemnified Party are reasonably necessary to conduct such defence. Notwithstanding any other provision contained herein, the Indemnifying Party

shall have the right to participate in the negotiation, settlement and defence of any Third Party Claim, at its sole expense, and under no circumstance shall the Indemnified Party negotiate, settle, compromise or pay (except in the case of payment of a judgment) any Third Party Claim without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld or delayed; and

- (f) in the case of a claim for indemnification not based upon a Third Party Claim, the Indemnifying Party shall have 60 days from its receipt of the Claim Notice to: (i) cure the Losses and Obligations complained of; (ii) admit its liability for such Losses; or (iii) dispute the claim for such Losses and Obligations. If the Indemnifying Party does not notify the Indemnified Party within such 60-day period that it has cured the Losses and Obligations or that it disputes the claim for such Losses and Obligations, the amount of such Losses and Obligations shall conclusively be deemed a liability of the Indemnifying Party hereunder.

Article 8 TERMINATION

8.1 Termination

If this Agreement is terminated prior to the Closing occurring pursuant to Article 5, the Parties shall be released from all obligations under this Agreement, and each Party shall remain liable for breaches by it of this Agreement occurring prior to such termination. Subject to the foregoing provisions of this Section, following such termination, each Party shall be responsible for the costs and expenses incurred by it in connection with this Agreement and the transactions contemplated hereby.

8.2 Survival

Subject to the limitations and provisions set forth in this Agreement, notwithstanding the occurrence of Closing and the items delivered at Closing pursuant hereto, the representations, warranties, covenants and indemnities contained in this Agreement shall survive the Closing and the delivery of the items delivered at Closing pursuant hereto for the benefit of the Parties in accordance with terms hereof. Notwithstanding any other provision of this Agreement, no limitation in respect of the survival of any provision of this Agreement or the period in respect of which any Claims or other recourse may be made shall apply insofar as the breach of the provision or the matter in respect of which recourse is sought involves fraud on the part of the Party or Parties against whom the provision is sought to be enforced or from whom such recourse is sought. If any document executed at or after Closing, pursuant hereto is inconsistent with the provisions of this Agreement, the provisions of this Agreement shall prevail unless the Parties expressly and explicitly agree to the contrary.

Article 9 NOTICES

9.1 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a Party to any other Party shall be in writing and shall be delivered by hand delivery, facsimile transmission or (provided that the mailing party does not know and should not reasonably have known of any disruption or anticipated disruption of postal service which might affect delivery of the mail) by registered mail (postage prepaid), addressed to the Party to whom the notice is to be given, at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if hand delivered or delivered by facsimile transmission, be deemed to have been given and received on the date on which it was

hand delivered or delivered by facsimile transmission to the address provided herein (if a business day and, if not, the next succeeding business day) and if sent by registered mail be deemed to have been given and received on the third business day at the point of delivery following the date on which it was so sent.

9.2 Address for Service

The address for service of each of the Parties hereto shall be as follows:

if to ONFRD:

Oriental Non-Ferrous Resources Development Inc.
5148 Williams Road
Richmond, British Columbia V7E 1K1
Attention: Sheng Wang, Chief Financial Officer
Facsimile: (604) 773-1339

with a copy to:

Buttonwood Law Corporation
Suite 808, 1090 West Pender Street
Vancouver, British Columbia V6E 2N7
Attention: Mouane Sengsavang
Facsimile: (604) 908-9209

If to GSGL:

Genuine Success Global Limited
P.O. Box 957, Offshore Incorporations Centre
Road Town, Tortola, British Virgin Islands
Attention: Youliang Wang

if to the Major Shareholders and/or the Corporation:

Maple Beauty Global Limited
P.O. Box 957
Offshore Incorporations Centre
Road Town, Tortola, British Virgin Islands
Attention: Feifei Cao

with a copy to:

Room 1601
Building C, Dongfang Mediya Center
Guanghua Road, Beijing, China
Attention: Feifei Cao

or such other address as may be designated by notice to the other Parties.

Article 10
MISCELLANEOUS

10.1 Further Assurances

Each Party shall, from time to time, and at all times hereafter, at the request of another Party, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

10.2 Public Announcements

Until Closing has occurred, no public announcement or press release concerning the sale and purchase of the MBGL Shares shall be made by a Party or its Affiliates, without the prior written consent and joint approval of the other Party, which consent and approval shall not be unreasonably withheld or delayed; provided that nothing contained herein shall prevent either Party at any time furnishing any information to any governmental agency or regulatory authority (including applicable stock exchanges) or to the public if required by Laws or the rules of any applicable stock exchange.

10.3 Amendments and Waiver

No modification of or amendment to this Agreement shall be valid or binding unless set forth in writing and duly executed by both Parties and no waiver of any breach of any term or provisions of this Agreement shall be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided, shall be limited to the specific breach waived. No failure on the part of any Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy in law or in equity or by statute or otherwise conferred.

10.4 Entire Agreement

This Agreement together with the schedules hereto and the agreements and other documents to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, including the Amalgamation Agreement, and there are no warranties, representations or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement, and any document delivered pursuant to this Agreement. No supplement, modification or waiver or termination of this Agreement shall be binding unless executed in writing by the Party to be bound thereby.

10.5 Applicable Law

This Agreement shall be construed and enforced in accordance with, and the rights of the Parties hereto shall be governed by, the laws of the Province of British Columbia and the applicable laws of Canada therein. Each of the Parties hereto hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

10.6 Severability

If any one or more of the provisions or parts thereof contained in this Agreement should be or become invalid, illegal or unenforceable in any respect in any jurisdiction, the remaining provisions or parts thereof contained herein shall be and shall be conclusively deemed to be, as to such jurisdiction, severable therefrom and:

- (a) the validity, legality or enforceability of such remaining provisions or parts thereof shall not in any way be affected or impaired by the severance of the provisions or parts thereof severed; and
- (b) the invalidity, illegality or unenforceability of any provision or part thereof contained in this Agreement in any jurisdiction shall not affect or impair such provision or part thereof or any other provisions of this Agreement in any other jurisdiction.

10.7 Execution In Counterpart

This Agreement may be executed in any number of counterparts with the same effect as if all signatories to the counterparts had signed one document, all such counterparts shall together constitute, and be construed as, one instrument and each of such counterparts shall, notwithstanding the date of its execution, be deemed to bear the date first above written. Delivery of counterparts may be effected by facsimile transmission.

10.8 Benefit of the Agreement

This Agreement shall entire to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the Parties. No Person other than the Parties and their successors and permitted assigns shall be entitled to any rights or benefits hereunder.

10.9 Assignment

This Agreement may not be assigned by any Party without the prior consent of the other Parties.

10.10 No Partnership

It is not the intent or purpose of the Agreement to create, and this Agreement shall not be construed as creating, any association, partnership or syndicate.

10.11 Reliance

The Parties acknowledge and agree that they have entered into this Agreement in reliance upon each of the representations, warranties, covenants and agreements herein of the other party hereto.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.

MAPLE BEAUTY GLOBAL LIMITED

ORIENTAL NON-FERROUS RESOURCES DEVELOPMENT INC.

Per: _____
President

Per: _____
President and Chief
Executive Officer

Witness

Feifei Cao

Witness

Hongbin Wang

Witness

Chunfang Yu

Witness

Qingliang Xu

Witness

Xiaoqin Wang

Witness

Hong Shen

Witness

Tao He

Witness

Zhiyong Gao

GENUINE SUCCESS GLOBAL LIMITED

Per: _____

Name:

Title:

Schedule A

List of the Major Shareholders

| <u>Name of Shareholder</u> | <u>Number of Common Shares Held of</u> | | | <u>Percentage Ownership</u> | <u>Convertible</u> | <u>Total</u> |
|----------------------------|--|---------------|---------------|-----------------------------|--------------------------------|--------------|
| | <u>Maple</u> | <u>Beauty</u> | <u>Global</u> | | <u>Debentures to Be Issued</u> | |
| Feifei Cao | 45,000 | | | 22.5% | 5,625,000 | 5,625,000 |
| Chunfang Yu | 10,000 | | | 5.0% | 1,250,000 | 1,250,000 |
| Qingliang Xu | 10,000 | | | 5.0% | 1,250,000 | 1,250,000 |
| Xiaoqin Wang | 20,000 | | | 10.0% | 2,500,000 | 2,500,000 |
| Hong Shen | 20,000 | | | 10.0% | 2,500,000 | 2,500,000 |
| Tao He | 20,000 | | | 10.0% | 2,500,000 | 2,500,000 |
| Zhiyong Gao | 20,000 | | | 10.0% | 2,500,000 | 2,500,000 |
| Hongbin Wang | 45,000 | | | 22.5% | 5,625,000 | 5,625,000 |

Schedule B

Permitted Encumbrances

Schedule C
Corporation Assets

Schedule D

Approved Capital Commitments and Approved Capital Dispositions

Schedule E

Required Approvals

Schedule F
Insurance Contracts

Schedule G

Share Capital

Authorized Capital of the Corporation

The Corporation is authorized to issue a maximum of 50,000 Shares of a single class each with a par value of US\$1.00.

Issued Capital of the Corporation

The only issued share capital of the Corporation is as follows:

| <u>Shareholder</u> | <u>Number and Class of Shares of the Corporation Held</u> |
|---|---|
| LIU, Zhengxin Room 501, Unit 1, No. 87 Anfeng Street, Daoli District, Harbin City, Heilongjiang Province, PRC | 10,000 Shares |
| CAO, Feifei Room 1602, Unit 2, Building 6, Longxi Peninsula, Qinhuangdao City, Hebei Province, PRC | 45,000 Shares |
| YU, Chunfang No. 502, Gate 5, 80/F, New Wenhua Street, Xicheng District, Beijing, PRC | 10,000 Shares |
| XU, Qingliang No. 36, Group 1, Deli Village, Chengguan Community, Fujin City, Heilongjiang Province, PRC | 10,000 Shares |
| WANG, Xiaoqin Room 105, Building 3, No. 12 Shanghai Road, Gulou District, Nanjing City, Jiangsu Province, PRC | 20,000 Shares |
| SHEN, Hong Room 102, Unit 4, Building 3, No. 46 Qingjing Road, Gulou District, Nanjing City, Jiangsu Province, PRC | 20,000 Shares |
| HE, Tao Room 105, Building 3, No. 12 Shanghai Road, Gulou District, Nanjing City, Jiangsu Province, PRC | 20,000 Shares |
| GAO, Zhiyong Group 1, Dongchang Committee, Dongchang Street, Dongchang District, Tonghua City, Jilin Province, PRC | 20,000 Shares |
| WANG, Hongbin No. 029, Group 5, 18 Committees, Hongqi Street, Sunwu County, Heilongjiang Province, PRC | 45,000 Shares |
| TOTAL: | 200,000 Shares |

Schedule H
Material Contracts

Schedule I

Real Property and Real Property Leases

Schedule J

Form of Share Transfer

TRANSFER

The undersigned, being the owner of _____ Common Shares (the “**Shares**”) of Maple Beauty Global Limited (“**MBGL**”) represented by the certificate(s) registered in the undersigned’s name, hereby sells, transfers and assigns the Shares to _____ (“_____”) in consideration of the issuance by _____ to the undersigned of such number of common shares in the capital of _____, as set forth in the share purchase agreement among Genuine Success Global Limited, Oriental Non-Ferrous Resources Development Inc., MBGL and the shareholders of MBGL, dated _____.

The undersigned represents to _____ that the undersigned has good title to the MBGL Shares, and the MBGL Shares are transferred and assigned to _____ free and clear of all liens, charges, encumbrances and adverse interests.

The undersigned hereby irrevocably constitutes and appoints _____ as the undersigned’s attorney to transfer the MBGL Shares on the books of MBGL with full power of substitution in the premises.

DATED this _____ day of _____, 2018.

Signature

Print Name