



## EURO MANGANESE INC.

### NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** (the "Notice") that an annual general and special meeting (the "Meeting") of holders (the "Shareholders") of common shares (the "Shares") (including common shares held as CHESS Depositary Interests ("CDIs")) of Euro Manganese Inc. (the "Corporation") will be held at the offices of the Corporation **at 1500 - 1040 West Georgia Street, Vancouver, British Columbia V5E 4H8, on Monday, February 11, 2019, at 10:00 a.m.** (Vancouver time). The Meeting is being convened to receive the audited consolidated financial statements of the Corporation for the year ending September 30, 2018, together with the report of the auditors thereon and to transact such other business as more particularly described in the management information circular dated January 4, 2019 (the "Circular") accompanying this Notice.

#### **Matters to Vote On**

Shareholders will be asked to vote on the following matters at the Meeting:

- 1) **Election of Directors.** Shareholders will be asked to elect directors of the Corporation who will serve until the next annual meeting of shareholders. Information respecting the election of directors may be found in the "*Particulars of Matters to be Acted Upon – Election of Directors*" section of the Circular.
- 2) **Appointment of the Auditor.** Shareholders will be asked to appoint PricewaterhouseCoopers LLP as the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration to be paid to the auditor. Information respecting the appointment of auditor may be found in the "*Particulars of Matters to be Acted Upon – Appointment and Remuneration of Auditors*" section of the Circular.
- 3) **Re-Approval of Stock Option Plan.** Shareholders will be asked to re-approve the Corporation's stock option plan in accordance with the requirements of the TSX Venture Exchange. Information respecting the approval of the stock option plan may be found in the "*Particulars of Matters to be Acted Upon – Approval of Stock Option Plan*" section of the Circular.
- 4) **Other Business.** Shareholders may be asked to consider and transact such other matters that may be brought before the Meeting.

#### **Website Where Meeting Materials are Posted**

The Circular, financial statements of the Corporation for the year ended September 30, 2018 ("Financial Statements") and management's discussion and analysis of the Corporation's results of operations and financial condition for the 2018 financial year ("MD&A") may be viewed online via the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com) or on the Corporation's website at [www.mn25.ca](http://www.mn25.ca).

#### **Obtaining Paper Copies of Materials**

Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge upon request to the Corporation's Corporate Secretary at 1500 - 1040 West Georgia Street, Vancouver, British Columbia V5E 4H8, or by telephone at (604) 681-1010.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Corporation by February 7, 2019 to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to Intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, British Columbia) prior to the time set for the Meeting or any adjournments or postponements thereof (the "Proxy Deadline").

### **Voting**

The board of directors of the Corporation (the "Board" or "Board of Directors") has fixed the close of business on January 4, 2019 as the record date (the "Record Date") for the purpose of determining Shareholders entitled to receive notice of, and vote at, the Meeting. The failure of any Shareholder to receive notice of the Meeting does not deprive such Shareholder of the right to vote at the Meeting. Only Shareholders of record at the close of business on January 4, 2019 are entitled to vote at the Meeting.

**All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy. However, a "beneficial" or "non-registered" Shareholder will not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her/its broker. Instead, a beneficial Shareholder may attend the Meeting as proxyholder for a registered Shareholder and vote the common shares in that capacity.**

**Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting in person, or any adjournments or postponements thereof, are requested to complete, date and sign the form of proxy (registered holders) or voting instruction form (beneficial holders).**

**SHAREHOLDERS ARE REMINDED TO REVIEW THE CIRCULAR BEFORE VOTING.**

Dated at Vancouver, British Columbia this 4<sup>th</sup> day of January 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Roman Shklanka*"  
Chairman

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**EURO MANGANESE INC.**

**1500 - 1040 West Georgia Street  
Vancouver, British Columbia V5E 4H8  
Telephone: (604) 681-1010**

**MANAGEMENT INFORMATION CIRCULAR**

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

(Containing Information as at January 4, 2019 unless otherwise stated)

**SOLICITATION OF PROXIES**

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Euro Manganese Inc. (the "Corporation") for use at the annual general meeting (the "Meeting") of Shareholders of common shares in the capital of the Corporation (the "Shares") (including holders of common shares who hold their shares through CHESS Depository Interests ("CDIs")), to be held on Monday, February 11, 2019, at the time and place and for the purposes set forth in the accompanying notice of meeting (the "Notice") or at any adjournment or postponement thereof. It is expected that the solicitation of proxies on behalf of management will be primarily by mail; however, proxies may be solicited personally or by telephone by the regular officers, employees or agents of the Corporation. The cost of soliciting proxies on behalf of management will be borne by the Corporation. The Corporation may also reimburse brokers and other persons holding Shares in their names or in the name of nominees, for their costs incurred in sending proxy materials to beneficial owners and obtaining their proxies or voting instructions.

CHESS Depository Nominees Pty Ltd. ("CDN ") is the Shareholder of record for all Shares beneficially owned by holders of CDIs. Holders of CDIs are entitled to receive notice of the Meeting and attend the Meeting and may direct CDN to vote at the Meeting by using the method described in the special voting instructions for CDI holders below. Holders of CDIs are not directly registered Shareholders and must vote through CDN as described below under the heading "*Special Voting Instructions For CDI Holders*".

**APPOINTMENT OF PROXIES**

The persons named in the accompanying form of proxy (the "Proxy") are representatives of management of the Corporation and are directors and/or officers of the Corporation. **A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR HIM/HER ON HIS/HER BEHALF AT THE MEETING OTHER THAN THE PERSONS NAMED IN THE ENCLOSED PROXY. TO EXERCISE THIS RIGHT, A SHAREHOLDER MAY STRIKE OUT THE NAMES OF THE PERSONS NAMED IN THE PROXY AND INSERT THE NAME OF HIS/HER NOMINEE IN THE BLANK SPACE PROVIDED OR COMPLETE ANOTHER PROXY. A PROXY WILL NOT BE VALID UNLESS IT IS DEPOSITED WITH COMPUTERSHARE, AT ATTENTION: PROXY DEPARTMENT, AT 100 UNIVERSITY AVENUE, 8TH FLOOR, TORONTO, ONTARIO, M5J 2Y1, NOT LESS THAN 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND HOLIDAYS) BEFORE THE TIME OF THE MEETING OR ANY ADJOURNMENT OR POSTPONEMENT THEREOF. ALTERNATIVELY, A PROXY MAY BE SUBMITTED ONLINE, AT WWW.INVESTORVOTE.COM, REGISTERING WITH THE CONTROL NUMBER PROVIDED ON THEIR FORM OF PROXY, OR PROXIES MAY BE FAXED TO 1-866-249-7775 (WITHIN NORTH AMERICA) OR 1-416-263-9524 (INTERNATIONAL) BY SUCH TIME, IN WHICH EVENT ALL PAGES OF A PROXY SHOULD BE RETURNED.**

The Proxy must be signed by the Shareholder or by his/her attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer. Only Registered Shareholders (as defined below) are entitled to sign and deposit a Proxy.

### **NON-REGISTERED HOLDERS**

Only those Shareholders whose names appear on the central security register of the Corporation (the "Registered Shareholders"), or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Shares beneficially owned by a holder (a "Non-Registered Holder") are registered either:

- (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant.

As well, all holders of CDIs are Non-Registered Holders. See *"Special Voting Instructions For CDI Holders"*.

In accordance with the requirements of NI 54-101, the Corporation has distributed copies of this Circular and the Notice (together, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- A. be given a voting instruction form which must be completed and signed by the Non-Registered Holder in accordance with the directions on the voting instruction form (which may in some cases permit the completion of the voting instruction form by telephone); or
- B. be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Shares beneficially owned by the Non-Registered Holder, but which is otherwise uncompleted. This Proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the form of Proxy and deposit it with Computershare, as described above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Shares they beneficially own. Should a Non-Registered Holder who receives either a Proxy or a voting instruction form wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the Proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. ***In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.***

### **REVOCATION**

A Registered Shareholder who has given a Proxy may revoke the Proxy by:

- (a) completing and signing a Proxy bearing a later date and depositing it with Computershare as described above;
- (b) depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing: (i) at the registered office of the Corporation at any time up to and including the last

business day preceding the day of the Meeting, or any adjournment or postponement of the Meeting, at which the Proxy is to be used, or (ii) with the chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment or postponement of the Meeting; or

- (c) in any other manner permitted by law.

A Beneficial Shareholder may revoke a voting instruction form or a waiver of the right to receive meeting materials and to vote given to an Intermediary at any time by written notice to the Intermediary, except that an Intermediary may not be required to act on a revocation of a voting instruction form or of a waiver of the right to receive meeting materials and to vote that is not received by the Intermediary in accordance with the internal procedures of such Intermediary.

### **VOTING OF PROXIES**

The management representatives designated in the enclosed Proxy will vote or withhold from voting the Shares in respect of which they are appointed by Proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the Proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly. **In the absence of such instructions, such Shares will be voted by the management representatives: (i) FOR the election of each of the individual nominees named in this Circular as directors of the Corporation; (ii) FOR the appointment of PricewaterhouseCoopers LLP as auditor of the Corporation and the authorization of the directors of the Corporation to fix the auditor's remuneration; and (iii) FOR the re-approval of the Corporation's stock option plan.**

The enclosed Proxy confers discretionary authority upon the management representatives designated in the Proxy with respect to amendments to or variations of matters identified in the notice of Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Circular, management of the Corporation know of no such amendments, variations or other matters.

Voting by proxy may also occur over the Internet. The enclosed Proxy or voting instruction form you may receive from your broker or other Intermediary contains details on how to vote over the Internet.

### **SPECIAL VOTING INSTRUCTIONS FOR CDI HOLDERS**

CDI holders may attend the Meeting; however, they are unable to vote in person at the Meeting. Each CDI represents one Share. Therefore, each CDI holder will be entitled to one vote for every CDI that they hold. In order to have votes cast at the Meeting on their behalf, CDI holders must complete, sign and return the enclosed CDI Voting Instruction Form in accordance with the instructions below.

CDI Voting Instruction Forms may be lodged in one of the following ways:

#### **In Person**

Hand deliver your completed, signed and dated CDI Voting Instruction Form to:

Computershare Investor Services Pty Limited  
Yarra Falls, 452 Johnston Street  
Abbotsford VIC 3067

#### **Mail**

Complete, sign and date the CDI Voting Instruction Form and sent it to:

Computershare Investor Services Pty Limited  
GPO Box 242  
Melbourne VIC 3001

## **Fax**

Complete, sign and date the CDI Voting Instruction Form and fax it to: 1800 783 447 within Australia or +61 3 9473 2555 outside Australia

## **Internet**

Lodge online at [www.investorvote.com.au](http://www.investorvote.com.au)

Completed CDI Voting Instruction Forms must be provided to Computershare Investor Services Pty Limited no later than 10:00 a.m. (Vancouver time) on February 5, 2018, or four full business days before any adjourned or postponed Meeting, in accordance with the instructions on that form. The CDI voting deadline is two business days prior to the date that Proxy Forms are due so that CDN may vote the Common Shares underlying the applicable CDIs.

A CDI holder may revoke a CDI Voting Instruction Form by giving written notice to CDN, or by submitting a new CDI Voting Instruction Form bearing a later date, well in advance of the Meeting.

## **BACKGROUND INFORMATION FOR CDI HOLDERS**

CDI holders should note that the Corporation has been granted certain waivers from the Listing Rules of the Australian Securities Exchange (the "ASX"). In particular, the Corporation has received the following waivers.

1. A waiver from ASX Listing Rule 14.2.1 which requires a notice of meeting to include a form of proxy which allows a security holder to vote for, against or abstain from voting on each resolution. Under applicable Canadian securities laws, the form of proxy to be provided must only allow security holders to vote in favor of, or to withhold their vote in respect of, a resolution to elect a director or in respect of appointment of auditor, but not to vote against it. The Corporation's waiver from ASX Listing Rule 14.2.1 only applies to the extent necessary to permit it to comply with the proxy requirements under applicable Canadian securities laws and for so long as such laws prevent the Corporation from permitting Shareholders to vote against a resolution to elect a director or appoint an auditor.
2. A waiver from ASX Listing Rule 14.3 to the extent necessary to permit the Corporation to accept nominations for the election of directors in accordance with the applicable Canadian securities laws. Under ASX Listing Rule 14.3, an ASX listed entity must accept nominations for the election of directors up to 35 business days before the date of the meeting at which directors may be elected, unless the entity's constitution provides otherwise. Sections 188 and 189 of the *Business Corporations Act* (British Columbia) (the "BCBCA") provides that a reasonable opportunity must be allowed for nominations. The waiver is granted to the extent necessary to permit the Corporation to comply with the BCBCA.

## **ADVANCE NOTICE PROVISIONS**

Pursuant to the Corporation's Articles, a shareholder of the Corporation wishing to nominate an individual to be a director, other than pursuant to a requisition of a meeting made pursuant to the BCBCA or a shareholder proposal made pursuant to the provisions of the BCBCA, is required to comply with the Advance Notice Provisions in the articles that provides that, in the case of an annual meeting of shareholders, such as the Meeting, notice to the Corporation must be made not less than thirty-five (35) days nor more than sixty-five (65) days prior to the date of the annual meeting of shareholders; provided, however, that in the event the annual meeting is to be held on a date that is less than fifty (50) days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the tenth (10th) day following such public announcement.

The foregoing is merely a summary of the Advance Notice Provisions in the Corporation's articles, is not comprehensive and is qualified by the full text of such provisions.

## **FORWARD-LOOKING STATEMENTS**

Certain statements in this Circular that are not statements of historical fact, including statements relating to each as more particularly described herein, may constitute "forward-looking statements". Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Corporation's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this Circular, such statements use such words as "may", "will", "expect", "believe", "plan", "intend", "should", "anticipate" and other similar terminology. These statements reflect current assumptions and expectations regarding future events and operating performance as of the date of this Circular. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such results will be achieved. A number of factors could cause actual results to vary significantly from the results discussed in the forward-looking statements. Although the forward-looking statements contained in this Circular are based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with such forward-looking statements. All forward-looking statements are made as of the date of this Circular, and the Corporation assumes no obligation to update or revise them to reflect new events or circumstances, unless required by law. Accordingly, readers should not place undue reliance on forward-looking statements.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The authorized share capital of the Corporation consists of an unlimited number of Shares. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at January 4, 2019 (the "Record Date"). As at the Record Date, the Corporation has 170,709,600 Shares issued and outstanding, each Share carrying the right to one vote.

Each Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. All such holders of record of Shares on the Record Date are entitled either to attend and vote in person the Shares held by them or, provided a completed and executed proxy shall have been delivered to the Corporation's transfer agent, Computershare Investor Services Inc., within the time specified in the Notice of Meeting, to attend and to vote by proxy the Shares held by them.

To the knowledge of the directors and executive officers of the Corporation, as of the date hereof, no person or Corporation beneficially owns, controls or directs, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to all outstanding Shares.

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

Except as otherwise disclosed herein, none of:

- (a) the directors or senior officers of the Corporation at any time since the beginning of the last financial year of the Corporation;
- (b) the proposed nominees for election as a director of the Corporation; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting other than the election of directors.

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

### **1. ELECTION OF DIRECTORS**

The size of the Corporation's board of directors (the "Board" or the "Board of Directors") is currently fixed at eight (8) directors (each a "Director"). It is proposed that the number of Directors be fixed at eight (8). The persons whose names

are set forth in the table below are currently Directors. Those persons named below are the eight (8) proposed nominees of management for election as directors of the Corporation for the ensuing year.

The Board recommends that Shareholders vote in favour of the eight proposed nominees of management whose names are set forth in the table below. Shareholders have the option to (i) vote for all of the directors of the Corporation listed in the table below; (ii) vote for some of the directors and withhold for others; or (iii) withhold for all of the directors. Unless the Shareholder has specifically instructed in the enclosed form of proxy that the Shares represented by such Proxy are to be withheld or voted otherwise, the persons named in the accompanying Proxy will vote FOR the election of each of the proposed nominees set forth below as directors of the Corporation.

Each Director is elected annually and holds office until the next annual meeting of Shareholders or, if his office is earlier vacated, until his successor is duly elected in accordance with the Articles of the Corporation.

#### INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT

The following table sets out the names of the persons nominated by Management for election as a Director, the province or state and country in which he is ordinarily resident, the positions and offices which each presently holds with the Corporation, the period of time for which he has been a Director of the Corporation, their respective principal occupations or employment and the number of Shares of the Corporation which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. The information as to Shares beneficially owned, directly or indirectly or over which control or direction is exercised, not being with the knowledge of the Corporation, has been furnished by the respective nominees individually.

The nominees for the office of Director and information concerning them as furnished by the individual nominees are as follows:

Name, Province and Country of Ordinary Residence and Positions Held with the Corporation	Present Principal Occupation and/or Past Principal Occupation Within the Previous Five Years	Director Since <sup>(1)</sup>	No. of Shares Beneficially Owned, Directly or Indirectly
Roman Shklanka <sup>(2)</sup> BC, Canada Non-executive Chairman, Chairman	From September 2004, served as a director and Executive Chairman of Pacific Imperial Mines Ltd.; and from January 2009 to July 2015, served as a director of Delta Gold Corp.	November 25, 2014	10,453,335
Marco Antonio Romero <sup>(3)</sup> BC, Canada Director, Chief Executive Officer and President	President and CEO of the Corporation since September 2015; President and CEO and a director of Delta Gold Corp. from January 2009 to July 2015; President and CEO of Polaris Materials Corporation from 1999 to 2008, and a director from of Polaris Materials Corporation from 1999 to 2017.	November 25, 2014	9,628,000
John Webster <sup>(2) (3)</sup> BC, Canada Director	Retired in June 2014 after 30 years with PricewaterhouseCoopers LLP; a director of Eldorado Gold Corporation and chair of its audit committee.	September 14, 2015	967,499
David Bruce Dreisinger <sup>(2)</sup> BC, Canada Director	Professor at the University of British Columbia since 1984; President of Dreisinger Consulting, providing consulting services on major hydrometallurgical projects and plants; a director of Polymet Mining Corp. since October 2003, Search Minerals Inc. since July 2009, and LeadFX Inc. since June 2017; Vice President Metallurgy of Camrova Resources Inc. since July 2004; Vice President Metallurgy of Search Minerals Inc. from July 2009; from May 2009 to January 2018, held position of Vice President Metallurgy with TriMetals Mining Inc.; and from September 2012 to December 2014, held position of Vice President Metallurgy with Clifton Star Resources Inc.	September 14, 2015	737,499



Name, Province and Country of Ordinary Residence and Positions Held with the Corporation	Present Principal Occupation and/or Past Principal Occupation Within the Previous Five Years	Director Since <sup>(1)</sup>	No. of Shares Beneficially Owned, Directly or Indirectly
Harvey Neil McLeod <sup>(3)</sup> BC, Canada Director	Vice President Marketing and Principal in, Klohn Crippen Berger, a worldwide geoscience, environmental and engineering consulting firm.	September 14, 2015	4,154,000
Daniel Joseph Rosický Prague, Czech Republic Director	From 1998, senior partner with PRK Partners s.r.o., a leading Czech corporate law firm.	January 11, 2016	2,197,252
Jan Votava Mělník, Czech Republic Director, Managing Director of Mangan Chvaletice s.r.o., the Corporation's wholly-owned subsidiary.	Managing Director of Mangan, from October 1, 2017; From 2006 to September 2017, held managerial roles including Head of Transformation Team for Europe, Technical Director for Central Europe, as well as Executive Chairman and Managing Director for the Czech Republic for LafargeHolcim, a global building materials company.	September 21, 2017	272,998
Gregory Pentland Martyr NSW, Australia Director	Since 2017, has served as Executive Director of Carbon Fibre Development Technologies Pty Ltd., a manufacturer of carbon fibre industrial scale products; from 2011 to 2016, served as Managing Director with Standard Chartered Bank, ultimately as the Global Head of Advisory, Mining and Metals.	March 20, 2018	268,888

**Note:**

- (1) Each current director's term expires at the Meeting.  
(2) Member of the Audit Committee.  
(3) Member of the Governance, Compensation, Nominating & Sustainability Committee.

As a group, the proposed directors beneficially own, control or direct, directly or indirectly, 28,679,471 Shares, representing approximately 16.8% of the issued and outstanding Shares as of the date hereof.

The current members of the Audit Committee are: John Webster (Chair), Roman Shklanka and David Dreisinger. The members of the Governance, Compensation, Nominating & Sustainability Committee are: Harvey McLeod (Chair), John Webster and Marco Romero.

The Board is currently constituted with 6 independent directors, being Roman Shklanka, John Webster, David Dreisinger, Harvey McLeod, Daniel Rosický and Gregory Martyr, and 2 directors who are not independent, being Marco Romero and Jan Votava.

Following the Meeting, the committees are expected to be reconstituted by the Board.

### **Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions**

Other than as disclosed below, no other individual set forth in the above table is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any Corporation (including the Corporation) that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days that was issued while such individual was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant Corporation access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after such individual ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while such proposed director was acting in the capacity as director, chief executive officer or chief financial officer.

Dr. Roman Shklanka was a director of the Pacific Imperial Mines Ltd. when it was the subject of a Cease Trade Order issued by the British Columbia Securities Commission on November 8, 2008 (the "British Columbia Cease Trade Order") and the Alberta Securities Commission on February 9, 2009 for failure to file financial statements and management's discussion and analysis for the year ended June 30, 2008 (the "Alberta Cease Trade Order"). The financial statements have since been filed and, as a result, the British Columbia Cease Trade Order was revoked on June 25, 2010 and the Alberta Cease Trade Order was revoked on September 8, 2010.

No individual set forth in the above table (or any personal holding company of any such individual) is, as of the date of this Circular, or has been within ten (10) years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while such individual 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.

No individual as set forth in the above table (or any personal holding company of any such individual) has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such individual.

No individual set forth in the above table (or any personal holding company of any such individual) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **Advance Notice Provision**

The Corporation's articles contain advance notice provisions (the "Advance Notice Provision"), which require that advance notice be given to the Corporation in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to: (i) a requisition of a meeting made pursuant to the provisions of the BCBCA; or (ii) a Shareholder proposal made pursuant to the provisions of the BCBCA.

Among other things, the Advance Notice Provision fixes a deadline by which holders of Shares must submit director nominations to the Corporation prior to any annual or special meeting of Shareholders and sets forth the minimum information that a Shareholder must include in the notice to the Corporation for the notice to be in proper written form.

The Advance Notice Provision will allow the Corporation to receive adequate prior notice of director nominations, as well as sufficient information on the nominees. The Corporation will thus be able to evaluate the proposed nominees' qualifications and suitability as directors. It will also facilitate an orderly and efficient meeting process.

The Corporation did not receive notice of a nomination in compliance with the Advance Notice Provision, and as such, any nominations other than nominations by or at the direction of the Board or an authorized officer of the Corporation will be disregarded at the Meeting.

## **2. APPOINTMENT AND REMUNERATION OF AUDITORS**

At the Meeting, the Board proposes to appoint PricewaterhouseCoopers LLP ("PwC"), Chartered Professional Accountants, of Suite 1400, 250 Howe St, Vancouver, BC, V6C 3S7, as auditor of the Corporation and to authorize remuneration to be fixed by the Board. PwC will hold office until the next annual general meeting of the Shareholders or until its successor is appointed.

**The Board recommends that Shareholders vote in favour of the appointment of PwC as auditor of the Corporation. In the absence of contrary instructions, the persons named in the accompanying Proxy intend to vote any Shares represented by such Proxies FOR the re-appointment of PwC as auditor of the Corporation for the ensuing year.**

### **3. APPROVAL OF STOCK OPTION PLAN**

The Corporation's stock option plan (the "Stock Option Plan") dated October 27, 2015 as amended and restated on February 21, 2018 and subsequently amended on June 11, 2018, is a "rolling" stock option plan. Under the policies of the TSX Venture Exchange (the "TSXV"), a rolling stock option plan must be re- approved by shareholders on a yearly basis. Accordingly, Shareholders will be asked to pass an ordinary resolution to re-approve the Stock Option Plan. Certain details of the Stock Option Plan are set forth below.

The Stock Option Plan is presently administered by the Board of Directors. Options may be granted to purchase Shares on terms that the Board may determine, with recommendations from the Corporate Governance, Compensation, Nominating & Sustainability Committee and subject to limitations of the Stock Option Plan and the requirements of applicable regulatory authorities. The Corporate Governance, Compensation, Nominating & Sustainability Committee is mandated to review and make recommendations to the Board regarding the remuneration of executive officers, the granting of stock options to directors, executive officers, employees and consultants of the Corporation, as well as regarding remuneration and compensation policies, including the Stock Option Plan.

Individual grants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, the importance of his or her position and contribution to the Corporation. The Board of Directors may make amendments to the Stock Option Plan, subject to any necessary shareholder and regulatory approvals.

The purpose of the Stock Option Plan is to allow the Corporation to grant options to directors, officers, employees and consultants, as additional compensation and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons with that of the Corporation's shareholders.

Under the Stock Option Plan, options will be exercisable over periods as determined by the Board and are required to have an exercise price no less than the closing market price of the Shares on the trading day immediately preceding the day of the grant. Pursuant to the Stock Option Plan, the Board may from time to time authorize the issue of options to directors, senior officers, employees and consultants of the Corporation and its subsidiaries or employees of companies providing management or consulting services to the Corporation or its subsidiaries. The maximum number of Shares that may be reserved for issuance under outstanding stock options is 10% of the Corporation's issued and outstanding Shares on a non-diluted basis, as constituted on the date of any grant of options under the Stock Option Plan. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed (without the requisite disinterested shareholder approval) 5% of the issued Shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan permits the Board to specify a vesting schedule in its discretion, subject to any regulatory imposed minimum vesting requirements, if any. Unless otherwise specified by the Board at the time of granting an option, and subject to the other limits on option grants set out in the Stock Option Plan, all options granted under the Stock Option Plan shall vest and become exercisable in full upon grant, except options granted to consultants performing investor relations activities, which options must vest in stages over twelve months with no more than one-quarter of the options vesting in any three-month period.

The Stock Option Plan provides that in the event of a triggering event ("Triggering Event"), defined therein and including a change of control, proposed dissolution, liquidation or wind-up of the Corporation, proposed merger or amalgamation or take-over of the Corporation, or a sale of substantially all of the Corporation's assets, all options vested may thereupon be exercised in whole or in part by the option holder. The Board may also accelerate the expiry date of outstanding options in connection with a Triggering Event by giving written notice to the option holders in question of not less than 10 days prior to the consummation of a triggering event so as to permit the option holder the opportunity to exercise the vested portion of the options prior to such termination. Upon the giving of such notice and subject to any necessary regulatory approvals, all options or portions thereof granted under the Stock Option Plan which the Corporation proposes to terminate will become immediately exercisable notwithstanding any contingent vesting provision to which such options

may have otherwise been subject. The Stock Option Plan also contains adjustment provisions with respect to outstanding options in cases of share reorganizations, special distributions and other corporation reorganizations.

The Stock Option Plan provides that on the death or disability of an Option Holder, all options will expire at the earlier of 365 days after the date of death or disability and the expiry date of such options. Unless the Board determines otherwise, options held by or exercisable by a personal representative of the deceased or disabled Option Holder will, during the period prior to their termination, continue to vest in accordance with any vesting schedule to which such Options are subject. Where an optionee is terminated for cause or voluntarily resigns, any outstanding options (whether vested or unvested) are cancelled as of the date of termination. If an optionee retires or is otherwise terminated by the Corporation other than for cause, then all vested options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 30 days after the optionee ceases its office, employment or engagement with the Corporation.

In accordance with good corporate governance practices and as recommended by National Policy 51-201 *Disclosure Standards*, the Corporation imposes black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board. In order to ensure that holders of outstanding options are not prejudiced by the imposition of such black-out periods, the Stock Option Plan contains a provision to the effect that any outstanding options with an expiry date occurring during a management imposed black-out period or within five trading days thereafter will be automatically extended to a date that is 10 trading days following the end of the black-out period.

At the Meeting, Shareholders will be asked to vote on the following ordinary resolution, with or without variation:

**"BE IT RESOLVED**, as an ordinary resolution, that the Corporation's 10% rolling stock option plan is ratified, confirmed and approved, including the reserving for issuance under the stock option plan at any time of a maximum of 10% of the issued and outstanding common shares of the Corporation, subject to regulatory approval, and any unallocated options or other entitlements thereunder, be and are hereby confirmed, ratified and approved in their entirety, all as more particularly described in the Corporation's information circular dated January 4, 2019."

**The Board recommends that Shareholders vote in favour of the Stock Option Plan. In the absence of contrary instructions, the persons named in the accompanying Proxy intend to vote any Shares represented by such Proxies held by them FOR the re-approval of the Stock Option Plan.**

### **Voting Exclusion Statement**

Pursuant to one of the conditions upon which a waiver from ASX Listing Rule 10.11 is granted, the Corporation will disregard any votes cast in favour of the above resolution by or on behalf of a director of the Corporation (except one who is ineligible to participate in the Stock Option Plan) or a related party of that person (or those persons).

However, the Corporation need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

### **Equity Compensation Plans**

The following table provides information as of September 30, 2018 regarding the number of Shares to be issued pursuant to the Stock Option Plan. The Corporation does not have any equity compensation plans that have not been approved by Shareholders.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	12,525,000	\$0.15	3,525,960
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>12,525,000</b>	<b>\$0.15</b>	<b>3,525,960</b>

#### 4. OTHER MATTERS

Management of the Corporation knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice. However, if any other matter properly comes before the Meeting, the form of proxy furnished by the Corporation will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

#### **COMPENSATION DISCUSSION AND ANALYSIS**

The following section describes the significant elements of the Corporation's executive and director compensation programs, with particular emphasis on the compensation payable to: (i) the President and Chief Executive Officer of the Corporation; (ii) the Chief Financial Officer and Corporate Secretary of the Corporation; (iii) the Vice President, Project Development of the Corporation; and (iv) the Managing Director of Mangan Chvaletice s.r.o, who were determined to be "Named Executive Officers" or "NEOs." "Named Executive Officer" means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the Corporation, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended September 30, 2018, the Corporation had the following NEOs: Marco A. Romero, President and Chief Executive Officer; Pierre F. Massé, Chief Financial Officer and Corporate Secretary; Thomas Glück, Vice President, Project Development; and (iv) Jan Votava, the Managing Director of Mangan Chvaletice s.r.o.

#### **Compensation Governance**

##### *Responsibilities of the Governance, Compensation, Nominating and Sustainability Committee (the "GCNS Committee")*

Effective December 14, 2017, the Board established the GCNS Committee to assist it in fulfilling its responsibilities pertaining to compensation matters including the Corporation's compensation policies and practices. Prior to this date, all compensation matters were the responsibility of the Board. As they relate to compensation matters, the GCNS Committee, under the supervision of the Board, has responsibility for:

- ensuring levels of executive compensation that are competitive and motivating in order to attract, hire, hold and inspire the Corporation's President and CEO, CFO, other officers and certain key employees and for recommending compensation for directors;

- reviewing and approving corporate goals and objectives relevant to the President and CEO's and CFO's compensation;
- periodically reviewing the terms of the Corporation's executive compensation programs to determine if they are properly coordinated and achieving their desired purpose;
- evaluating executive officer performance in light of such corporate goals and objectives, and making recommendations to the Board with respect to their compensation levels based on such evaluation;
- reviewing recommendations from the President and CEO regarding the appointment, compensation and other terms of employment of the CFO, and other officers, and making recommendations to the Board regarding the same; and
- administering and interpreting the Corporation's security-based compensation arrangements and its policies respecting the grant of Options and or other security-based compensation arrangements and reviewing and recommending to the Board grants of such security-based compensation and terms thereof.

The GCNS Committee also has the responsibility for approving compensation for executive officers of the Corporation who are also members of the Board. The GCNS Committee is composed of a minimum of three directors, the majority of whom shall be independent directors. Current members of the GCNS Committee include Harvey N. McLeod, John Webster, and Marco Romero, with Messrs. McLeod and Webster being independent directors within the meaning of NI 52-110. Harvey N. McLeod is the current chair of the committee. Pursuant to the mandate and terms of reference of the GCNS Committee, meetings are to take place at least twice per year and at such other times as the Chair of the GCNS Committee may determine. Each of the members of the GCNS Committee has business and other experience which is relevant to their work on the GCNS Committee and, in the case of Mr. Marco Romero, has served on a compensation committee of another public Canadian company. By virtue of their differing professional backgrounds, business experience, knowledge of the Corporation's industry, knowledge of corporate governance practices and, where appropriate, service on compensation committees of other reporting issuers and experience interacting with external consultants and advisors, the members of the GCNS Committee are able to make decisions on the suitability of the Corporation's compensation policies and practices.

#### *Compensation Consultants*

Pursuant to its mandate, the GCNS Committee has the authority to retain external legal counsel, consultants or other advisors to assist it in fulfilling its responsibilities, including a compensation consultant, at the expense of the Corporation. Any other work or services performed by such compensation consultant at the request of management must, however, be pre-approved by the GCNS Committee.

Prior to the establishment of the GCNS Committee in December 2017, the Corporation retained Roger Gurr & Associates in early November 2017 to provide advice relating to compensation of a new officer position. Further, on May 7, 2018, the Corporation engaged Roger Gurr & Associates to review the Corporation's non-executive director compensation and provide recommendations thereon in anticipation of listing the Shares on the TSXV and ASX and to ensure compliance with applicable rules of both jurisdictions.

#### *Executive Compensation-Related Fees*

For the two most recently completed financial years ended September 30, 2018, fees billed to the Corporation by the above-named consultant for services related to determining compensation for any of the Corporation's directors and executive officers included \$16,100 in the financial year ended September 30, 2018 and nil for the financial year ended September 30, 2017.

### **Executive Compensation Discussion and Analysis**

#### *Compensation Philosophy*

In assessing the compensation of its directors and executive officers, including the NEOs, the Corporation does not currently have in place any formal objectives, criteria or analysis. Compensation payable to executive officers and directors is currently reviewed and recommended by the Corporation's GCNS Committee, and ultimately approved by the

Board, on an annual basis. The Corporation has not established any specific performance criteria or goals to which total compensation or any significant element of total compensation to be paid to any NEO is dependent. NEOs' performance is reviewed in light of the Corporation's objectives from time to time and such officers' compensation is also compared to that of executive officers of companies of similar size and stage of development in the mineral exploration industry.

Overall compensation for the Corporation's NEOs during the fiscal year ended September 30, 2018 included base salaries and stock option grants, with the primary element of the Corporation's compensation program being base salary. The Corporation's view is that a competitive base salary is a necessary element for attracting and retaining qualified executive officers. The amount payable to an executive officer as base salary is determined primarily by the level of responsibility and the importance of the position to the Corporation, and the range of salaries offered by companies in a similar stage of development within the mining industry. During the fiscal year ended September 30, 2018, no annual incentive or cash bonuses were paid to NEOs, however, on recommendation of the GCNS Committee, the Corporation granted stock options to NEOs, Board members, employees and certain consultants.

Though the Corporation does not have pre-existing performance criteria, objectives or goals, it is anticipated that the Corporation's GCNS Committee will be reviewing all compensation policies in place and considering recommending to the Board the adoption of formal compensation guidelines based on a "pay for performance" approach which aims to design compensation elements with the following objectives:

- develop compensation programs that facilitate the attraction, retention and motivation of experienced and talented executives;
- align overall compensation with the overall performance of the Corporation; and encourage a long-term view to shareholder value creation, with a portion of each executive's variable pay will being equity-based and encourage executives to have a significant personal financial interest in the Corporation.

Accordingly, salaries will generally be targeted near market median levels, while variable compensation opportunities (short and long-term incentives) will be structured to provide above-market total compensation for high levels of corporate performance and will include bonuses awarded by the Board and stock option granted by the Board, both in its sole discretion, to executive officers, including NEOs, after consultation with the Corporation's GCNS Committee.

#### *Elements of Executive Compensation*

At the start of the financial year ended September 30, 2018, two of the NEOs were party to employment agreements, which were superseded with new employment agreements, effective January 1, 2018. Additionally, during the financial year ended September 30, 2018, the Corporation entered into employment agreements with two new NEOs.

##### *(i) Marco Romero – President and CEO*

Mr. Marco Romero was party to an employment agreement, dated February 1, 2016 with the Corporation, which set out the terms of Mr. Romero's employment as President and CEO of the Corporation. Mr. Romero did not receive any remuneration for his services, either as a consultant or employee from November 24, 2014 to January 31, 2016. Under the terms and conditions of the February 1, 2016 agreement, Mr. Romero was to provide services as CEO, at a rate of \$21,000 per month commencing on that date, and for the year ended September 30, 2016, an amount of \$168,000 was accrued but remained unpaid at year end. For the year ended September 30, 2017, an amount of \$252,000 was accrued and paid, along with the \$168,000 owing from the prior year. Mr. Romero's employment agreement could be terminated, by either party, by providing written notice of no less than one month before the effective date of termination and contained no provision for change of control or severance.

Effective January 1, 2018, Mr. Romero entered into a new employment agreement with the Corporation, setting out the terms of Mr. Romero's employment as President and CEO of the Corporation. Under the terms and conditions of the new employment agreement, Mr. Romero is paid an annual salary of \$300,000 commencing January 1, 2018. Any additional remuneration paid to Mr. Romero may be paid by a combination of cash bonuses, stock options, or Shares of the Corporation, at the Board's sole discretion. Upon the Corporation's termination of the agreement for cause, Mr. Romero shall not be entitled to reasonable written notice of termination or pay in lieu of notice of termination, or any other compensation or damages for severance. The Corporation may terminate Mr. Romero's employment without cause

at any time by providing Mr. Romero with twelve months written notice of termination or pay in lieu of notice of termination equivalent to twelve months based on his base salary. Additionally, upon a termination without cause, all unvested stock options become vested. Mr. Romero may terminate the employment agreement by providing not less than six weeks advance written notice of the effective date of his intended resignation, which the Corporation may waive or reduce this notice requirement at its sole and absolute discretion. Upon a change of control, as it is defined in the employment agreement, the Corporation will pay Mr. Romero a lump sum amount equal to twenty-four months of his base salary, plus the immediate and accelerated vesting of all unvested stock options, provided that the Corporation or any successor corporation or person terminates Mr. Romero's employment within twelve months of the change of control, or Mr. Romero's job duties are fundamentally and unilaterally changed by the Corporation within twelve months of the change of control and Mr. Romero resigns and terminates the agreement as a result of such change in writing within twelve months of the change of control.

During the fiscal year ended September 30, 2018, Mr. Romero was granted the following stock options: (1) December 14, 2018 grant to purchase 75,000 Shares of the Corporation at an exercise price of \$0.11 per Share; and (2) February 21, 2018 grant to purchase 250,000 Shares of the Corporation at an exercise price of \$0.20 per Share. During the fiscal year ended September 30, 2017, Mr. Romero was granted the following stock options: (1) April 6, 2017 grant to purchase 125,000 Shares of the Corporation at an exercise price of \$0.10 per Share; and (2) September 22, 2017 grant to purchase 250,000 Shares of the Corporation at an exercise price of \$0.11 per Share. Each grant has an expiry of ten years, and each vested one-third upon the date of grant, one-third upon the first anniversary of the date of grant, and one-third upon the second anniversary of the date of grant.

(ii) *Pierre F. Massé – Vice President Finance and Chief Financial Officer and Corporate Secretary*

Mr. Pierre F. Massé was party to an employment agreement, dated January 5, 2016, with the Corporation, which set out the terms of Mr. Massé's employment as CFO of the Corporation. Under the terms and conditions of the agreement, Mr. Massé was to provide services as part-time CFO, at a rate of \$150 per hour for as long as the Corporation remained a private company. The remuneration was split into a minimum base salary of \$1,000 per month less applicable deductions, and an equity portion payable in the Shares through the issue of warrants at one-fifth of \$0.01 per Share (as adjusted to reflect a five for one share split on March 20, 2018), with the number of warrants being equal to a) the difference between the value of services rendered during each quarter and the cumulative monthly base salary for the quarter, divided by b) the difference between the Corporation's most recent Share issue price less the warrant's exercise price of one-fifth of \$0.01 per Share (as adjusted to reflect the Share Split). Upon the Corporation raising a cumulative of \$3 million in equity, the agreement permitted Mr. Massé the right to request a cash payment for all his services, a right which he never exercised. Mr. Massé's employment agreement could be terminated, by either party, by providing written notice of no less than one month before the effective date of termination and contained no provision for change of control or severance.

Effective January 1, 2018, Mr. Massé entered into a new employment agreement with the Corporation, setting out the terms of Mr. Massé's employment as CFO of the Corporation. Under the terms and conditions of the new employment agreement, Mr. Massé is paid an annual salary of \$240,000 commencing January 1, 2018. Any additional remuneration paid to Mr. Massé may be paid by a combination of cash bonuses, stock options, or Shares of the Corporation, at the Board's sole discretion. Upon the Corporation's termination of the agreement for cause, Mr. Massé shall not be entitled to reasonable written notice of termination or pay in lieu of notice of termination, or any other compensation or damages for severance. The Corporation may terminate Mr. Massé's employment without cause at any time by providing Mr. Massé with twelve months written notice of termination or pay in lieu of notice of termination equivalent to twelve months based on his base salary. Additionally, upon a termination without cause, all unvested stock options become vested. Mr. Massé may terminate the employment agreement by providing not less than six weeks advance written notice of the effective date of his intended resignation, which the Corporation may waive or reduce this notice requirement at its sole and absolute discretion. Upon a change of control, as it is defined in the employment agreement, the Corporation will pay Mr. Massé a lump sum amount equal to twenty-four months of his base salary, plus the immediate and accelerated vesting of all unvested stock options, provided that the Corporation or any successor corporation or person terminates Mr. Massé's employment within twelve months of the change of control, or Mr. Massé's job duties are fundamentally and unilaterally changed by the Corporation within twelve months of the change of control and Mr. Massé resigns and terminates the agreement as a result of such change in writing within twelve months of the change of control.



On November 1, 2018, concurrent with the appointment of Fausto Taddei as Vice President Corporate Development and Corporate Secretary, Mr. Massé's ceased to be Corporate Secretary of the Corporation, remaining as Vice President Corporate Finance & Chief Financial Officer.

During the fiscal year ended September 30, 2018, Mr. Massé was granted stock options (on February 21, 2018) to purchase 250,000 Shares of the Corporation at an exercise price of \$0.20 per Share. During the fiscal year ended September 30, 2017, Mr. Massé was granted the following stock options: (1) April 6, 2017 grant to purchase 125,000 Shares of the Corporation at an exercise price of \$0.10 per Share; (2) September 22, 2017 grant to purchase 250,000 Shares of the Corporation at an exercise price of \$0.11 per Share. Each grant has an expiry of ten years, and each vested one-third upon the date of grant, one-third upon the first anniversary of the date of grant, and one-third upon the second anniversary of the date of grant.

*(iii) Jan Votava – Managing Director of Mangan Chvaletice s.r.o.*

Mr. Jan Votava is party to an employment agreement, dated October 1, 2017, with the Corporation, which sets out the terms of Mr. Votava's employment as Managing Director of Mangan, the Corporation's sole subsidiary. Under the terms and conditions of the agreement, Mr. Votava is paid a base annual salary of 4,467,912 Czech Republic Koruna (estimated to be \$266,900 at the Czech Koruna to CAD exchange of 16.74 as of January 4, 2019), and a quarterly amount of €8,022 (estimated to be \$12,300 at the CAD to Euro exchange of 1.5278 as of January 4, 2019) payable by the issuance of the Shares, based on a price per share determined based on: the last arm's length financing at which the Shares were issued; or the volume weighted average price for the 20 trading days prior to the date of issuance, if the Shares are traded on an exchange or quotation system. Additionally, Mr. Votava is entitled to an amount of €86,000 (estimated to be \$131,400 at the CAD to Euro exchange of 1.5278 as of January 4, 2019) payable by the issuance of the Shares (on the same basis as described above) and a cash bonus of €129,000 (estimated to be \$197,100 at the CAD to Euro exchange of 1.5278 as of January 4, 2019) upon the achievement of each of the following milestones:

- acquisition or long-term leasing of all land required for the Chvaletice Manganese Project;
- issuance of an Environmental Impact Assessment permit and all ancillary permits required to construct the Chvaletice Manganese Project production and processing facilities;
- acceptance and approval of the Chvaletice Manganese Project feasibility study by the Corporation's board; and
- achievement of commercial production.

Pursuant to an amending agreement dated December 10, 2018, it was agreed that any amounts to be paid to Mr. Votava in the previous paragraph by the issuance of Shares would be paid in Cash commencing with the quarter ended September 30, 2018, provided that Mr. Votava commit to purchasing Shares of the Company on the open market within two weeks of payment of such amounts, and provided there were no blackouts imposed by the Corporation.

Any additional remuneration paid to Mr. Votava, including stock options, is at the Board's sole discretion. During the fiscal year ended September 30, 2018, Mr. Votava was granted stock options (on February 21, 2018) to purchase 250,000 Shares of the Corporation at an exercise price of \$0.20 per Share. During the fiscal year ended September 30, 2017, Mr. Votava was granted stock options (on September 22, 2017) to purchase 250,000 Shares of the Corporation at an exercise price of \$0.11 per Share. Each grant has an expiry of ten years, and each vested one-third upon the date of grant, one-third upon the first anniversary of the date of grant, and one-third upon the second anniversary of the date of grant.

Mr. Votava may terminate the employment agreement by providing not less than two months advance written notice of the effective date of his intended resignation. Upon the Corporation's termination of the agreement for cause, Mr. Votava shall not be entitled to reasonable written notice of termination or pay in lieu of notice of termination, or any other compensation or damages for severance. The Corporation may terminate Mr. Votava's employment without cause at any time by providing Mr. Votava with severance equivalent to twelve months. Additionally, upon a termination without cause, all unvested stock options become vested. Upon a change of control, the Corporation will pay Mr. Votava a lump sum amount equal to twenty-four months of his base salary, plus the immediate and accelerated vesting of all unvested stock options. Change in control under Mr. Votava's employment agreement is defined as a merger, change in the ownership structure or similar organizational change of the Corporation which leads to a substantial change in Mr. Votava's duties and responsibilities.

*(iv) Thomas Glück – Vice President, Project Development*

Effective January 1, 2018, Thomas Glück entered into an employment agreement with the Corporation, setting out the terms of Mr. Glück's employment as Vice President, Development of the Corporation. Under the terms and conditions of the new employment agreement, Mr. Glück is paid an annual salary of \$215,000 commencing January 1, 2018. Additionally, upon the achievement of each of specified milestones, Mr. Glück shall be entitled to the following bonuses, payable by a combination of cash, stock options or Shares of the Corporation, at the Corporation's sole discretion:

- a one-time bonus equivalent to 50% of his base salary, upon acceptance and approval of the Chvaletice Manganese Project feasibility study by the Corporation's board by December 31, 2019; and
- a one-time bonus equivalent to 50% of his base salary, upon achievement of commercial production, as defined in the employment agreement, by December 31, 2021.

Any additional remuneration paid to Mr. Glück may be paid by a combination of cash bonuses, stock options, or Shares of the Corporation, at the Board's sole discretion. During the fiscal year ended September 30, 2018, Mr. Glück was granted stock options (on February 21, 2018) to purchase 250,000 Shares of the Corporation at an exercise price of \$0.20 per Share. During the fiscal year ended September 30, 2017, during which time Mr. Glück was a consultant to the Corporation, he was granted the following stock options: (1) April 6, 2017 grant to purchase 225,000 Shares of the Corporation at an exercise price of \$0.10 per Share; and (2) September 22, 2017 grant to purchase 250,000 Shares of the Corporation at an exercise price of \$0.11 per Share. Each grant has an expiry of ten years, and each vested one-third upon the date of grant, one-third upon the first anniversary of the date of grant, and one-third upon the second anniversary of the date of grant.

Upon the Corporation's termination of the agreement for cause, Mr. Glück shall not be entitled to reasonable written notice of termination or pay in lieu of notice of termination, or any other compensation or damages for severance. The Corporation may terminate Mr. Glück's employment without cause at any time by providing Mr. Glück with: (1) three months written notice of termination or pay in lieu of notice of termination equivalent to three months based on his base salary, if terminated within the first year of employment; (2) six months written notice of termination or pay in lieu of notice of termination equivalent to six months based on his base salary, if terminated within the second year of employment; and (3) twelve months written notice of termination or pay in lieu of notice of termination equivalent to twelve months based on his base salary, if terminated within or after the third year of employment. Mr. Glück may terminate the employment agreement by providing not less than six weeks advance written notice of the effective date of his intended resignation, which the Corporation may waive or reduce this notice requirement at its sole and absolute discretion. Upon a change of control, as it is defined in the employment agreement, the Corporation will pay Mr. Glück a lump sum amount equal to eighteen months of his base salary, plus the immediate and accelerated vesting of all unvested stock options, provided that the Corporation or any successor corporation or person terminates the Mr. Glück's employment within six months of the change of control, or Mr. Glück's job duties are fundamentally and unilaterally changed by the Corporation within six months of the change of control and Mr. Glück resigns and terminates the agreement as a result of such change in writing within six months of the change of control.

*New Elements of Executive Compensation*

Effective November 1, 2018, Fausto Taddei was appointed Vice President Corporate Development and Corporate Secretary and entered into an employment agreement with the Corporation, setting out the terms of his employment. Under the terms and conditions of the new employment agreement, Mr. Taddei is paid an annual salary of \$240,000 commencing November 1, 2018. Any additional remuneration paid to Mr. Taddei may be paid by a combination of cash bonuses, stock options, or Shares of the Corporation, at the Board's sole discretion.

Upon the Corporation's termination of the agreement for cause, Mr. Taddei shall not be entitled to reasonable written notice of termination or pay in lieu of notice of termination, or any other compensation or damages for severance. The Corporation may terminate Mr. Taddei's employment without cause at any time by providing Mr. Taddei with twelve months written notice of termination or pay in lieu of notice of termination equivalent to twelve months based on his base salary. Additionally, upon a termination without cause, all unvested stock options become vested. Mr. Taddei may terminate the employment agreement by providing not less than six weeks written advance notice of the effective date

of his intended resignation, which the Corporation may waive or reduce this notice requirement at its sole and absolute discretion. There are no change of control provisions in Mr. Taddei's employment agreement.

During the fiscal year ended September 30, 2018, during which time Mr. Taddei was a consultant to the Corporation, he was granted the following stock options: (1) February 21, 2018 to purchase 100,000 Shares of the Corporation at an exercise price of \$0.20 per Share; and (2) August 15, 2018 grant to purchase 400,000 Shares of the Corporation at an exercise price of \$0.25 per Share. Each grant has an expiry of ten years, and each vested one-third upon the date of grant, one-third upon the first anniversary of the date of grant, and one-third upon the second anniversary of the date of grant.

#### *Compensation Benchmarking*

The Corporation does not have a compensation peer group against which to benchmark market-competitive levels of executive compensation. Given the small number of executive officers as at the date of this Circular, the GCNS Committee has not mandated the development of a peer group for compensation benchmarking purposes at this time.

#### *Managing Compensation Risk*

At this time, the Corporation does not use any specific practices to identify and mitigate compensation policies and practices that could encourage an NEO or individual at a principal business unit or division to take inappropriate or excessive risks. The Board believes that the Corporation's compensation program for its existing executive officers are designed to provide executive incentives for the achievement of near-term and long-term objectives, without motivating such individuals to take inappropriate or excessive risk. The Board will provide regular oversight of the Corporation's risk management practices and may delegate to the GCNS Committee the responsibility to provide risk oversight of compensation policies and practices and to identify and mitigate compensation policies and practices that could encourage inappropriate or excessive risk taking by the executive team.

The Corporation's Security Trading Policy contains specific prohibitions hedging and against derivative Trading. Specifically, no director, NEO or employee is permitted to reduce or limit such person's economic risk with respect to such person's holdings, ownership or interest in or to the Corporation's securities. Prohibited activities include engaging in short selling, the purchase of financial instruments or the taking of any speculative or derivative positions, including without limitation, prepaid variable forward contracts, instruments for the short sale or purchase or sale of call or put options, equity swaps, spread bets, collars or units of exchangeable funds or other derivative securities that are designed to or that may reasonably be expected to have the effect of hedging or offsetting a decrease in the market value of any of the Corporation's securities. All directors, NEOs and employees are provided with a copy the Corporation's Security Trading Policy upon the start of their directorship or employment with the Corporation and are required to acknowledge having read and understood the policy.

#### *Share-based and Option-based Awards*

The Corporation has in effect a 10% rolling stock option plan, details of which are summarized under "Approval of Stock Option Plan" in this Circular. The Stock Option Plan is presently administered by the Board, and options may be granted by Board with recommendations from the GCNS Committee, subject to the limitations of the Stock Option Plan and the requirements of applicable regulatory authorities.

Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Corporation, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Corporation's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Corporation in compensating, attracting, retaining and motivating the officers, directors and employees of the Corporation and to closely align the personal interests of such persons to the interests of the shareholders.

## Summary Compensation Table

The following table contains information about the compensation to, or earned by, individuals who were, as at the end of the financial year ended September 30, 2018, NEOs within the meaning of NI 51-102. The NEOs of the Corporation as at September 30, 2018 were Marco A. Romero, President and CEO of the Corporation, Pierre F. Massé, CFO and Corporate Secretary of the Corporation, Thomas Glück – Vice President, Project Development of the Corporation, and Jan Votava – Managing Director of Mangan Chvaletice s.r.o.

Name and Principal Position	Year	Salary (CAD\$)	Share-based Awards (CAD\$)	Option-based Awards (CAD\$)	Non-equity Incentive Plan Compensation (CAD\$)		Pension Value (CAD\$)	All Other Compensation (CAD\$)	Total Compensation (CAD\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Marco Romero <sup>(1)</sup> <i>President and CEO</i>	2018	\$288,000	Nil	\$38,950 <sup>(3)</sup>	Nil	Nil	Nil	Nil	\$326,950
	2017	\$252,000 <sup>(2)</sup>	Nil	\$26,123 <sup>(4)</sup>	Nil	Nil	Nil	Nil	\$278,123
	2016	\$168,000 <sup>(2)</sup>	Nil	\$14,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	\$182,000
Pierre Massé <i>CFO and Corporate Secretary</i>	2018	\$266,263	Nil	\$33,500 <sup>(3)</sup>	Nil	Nil	Nil	Nil	\$299,763
	2017	\$238,687 <sup>(6)</sup>	Nil	\$26,123 <sup>(4)</sup>	Nil	Nil	Nil	Nil	\$264,810
	2016	\$136,837 <sup>(6)</sup>	Nil	\$14,000 <sup>(5)</sup>	Nil	Nil	Nil	Nil	\$150,837
Jan Votava <sup>(1) (7)</sup> <i>Managing Directors of Mangan Chvaletice s.r.o.</i>	2018	\$316,505 <sup>(8)</sup>	N/A	\$33,500 <sup>(3)</sup>	Nil	Nil	Nil	\$58,506 <sup>(9)</sup>	\$408,511
	2017	N/A	N/A	\$17,957 <sup>(4),(10)</sup>	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Thomas Glück <sup>(11)</sup> <i>Vice President, Project Development</i>	2018	\$161,250	Nil	\$33,500 <sup>(3)</sup>	Nil	Nil	Nil	Nil	\$194,750
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2016	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- Messrs. Romero and Votava are also directors of the Corporation and do not receive any additional remuneration from the Corporation pertaining specifically to their role as directors.
- Mr. Romero did not receive any compensation prior to the beginning of February 2016. Commencing February 1, 2016, Mr. Romero was entitled to a monthly remuneration of \$21,000. The amount accrued during the year ended September 30, 2016 remained unpaid as at that date, and was paid to Mr. Romero, along with his regular monthly remuneration, in the year ended September 30, 2017.
- For the year ended September 30, 2018, the "grant date fair value" of options granted to NEO's during the year was determined by using the Black-Scholes model for valuing options, as determined by the Corporation to be the most appropriate valuation method. The following weighted average assumptions were used for the purposes of valuing options granted to NEOs: (i) expected life of 9 years; (ii) risk-free rate of 2.20%; (iii) annualized volatility of share price of 67%; and (iv) a dividend rate of 0%.
- For the year ended September 30, 2017, the "grant date fair value" of options granted to NEO's during the year was determined by using the Black-Scholes model for valuing options, as determined by the Corporation to be the most appropriate valuation method. The following weighted average assumptions were used for the purposes of valuing options granted to NEOs: (i) expected life of 9 years; (ii) risk-free rate of 1.45%; (iii) annualized volatility of share price of 60%; and (iv) a dividend rate of 0%.
- For the year ended September 30, 2016, the "grant date fair value" of options granted to NEO's during the year was determined by using the Black-Scholes model for valuing options, as determined by the Corporation to be the most appropriate valuation method. The following weighted average assumptions were used for the purposes of valuing options granted to NEOs: (i) expected life of 9 years; (ii) risk-free rate of 0.46%; (iii) annualized volatility of share price of 100%; and (iv) a dividend rate of 0%.
- Mr. Massé was appointed CFO and Corporate Secretary of the Corporation on January 5, 2016, with remuneration of \$150 per hour, payable in a combination of a fixed \$1,000 per month with the balance payable in Shares through the exercise of warrants to purchase Shares at one-fifth of \$0.01 per Share. The remuneration for Fiscal 2017 is a combination of \$12,000 in cash and the remaining \$226,687 paid by way of issuing a total of 2,172,045 warrants valued at prices ranging from \$0.10 to \$0.11 per share. The remuneration for Fiscal 2016 is a combination of \$9,000 in cash and the remaining \$127,837 paid by way of issuing a total of 1,532,945 warrants valued at prices ranging from \$0.08 to \$0.10 per share.
- Mr. Votava was appointed a Director of the Corporation on September 21, 2017 and on October 1, 2017, was appointed Managing Director of Mangan Chvaletice s.r.o.
- Mr. Votava's salary for the year ended September 30, 2018 includes: his base salary of 4,467,912 Czech Republic Koruna (\$267,420 based on the average Czech Koruna to CAD exchange of 16.71 for the year ended September 30, 2018); and four quarterly amounts of €8,022 each, having an aggregate value of \$49,085 based on the CAD to Euro exchange rate at the time each payment was made. The first three quarterly €8,022 payments, having an aggregate value

of \$37,146, were paid by issuance of 222,998 Shares at an average price of \$0.17 per Share. For the quarter ended September 30, 2018, the €8,022 (\$12,295) payment was paid in cash.

9. Other compensation to Mr. Votava includes the value of social and medical contributions made during the year by the Corporation, as required by Czech law.
10. The value of Option based awards for Mr. Votava for fiscal 2017 represents the estimated fair value of 250,000 stock options granted to him on September 22, 2017, upon being appointed a director of the Corporation.
11. Mr. Glück was appointed Vice President, Project Development on January 1, 2018.

### **Incentive Plan Awards**

The following table sets out, for each NEO, all outstanding Option-based Awards and Share-based Awards as at the end of the financial year ended September 30, 2018.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options #	Option exercise price (CAD\$)	Option-expiry date	Value of unexercised in-the-money options <sup>(6)</sup> (CAD\$)	Number of shares or units of shares that have not vested #	Market or payout value of Share-based Awards that have not vested (CAD\$)	Market or payout value of vested Share-based Awards not paid out or distributed (CAD\$)
Marco Romero, <i>President and CEO</i>	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	75,000 <sup>(4)</sup>	\$0.11	Dec. 14, 2027	\$10,500			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2027	\$12,500			
Pierre Massé, <i>CFO and Corporate Secretary</i>	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2027	\$12,500			
Jan Votava <sup>(7)</sup> <i>Managing Directors of Mangan Chvaletice s.r.o.</i>	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000	Nil	Nil	Nil
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2027	\$12,500			
Thomas Glück <sup>(8)</sup> <i>Vice President, Project Development</i>	75,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$12,750	Nil	Nil	Nil
	225,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$33,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2027	\$12,500			

Notes:

1. Vest as to one-third on grant date of May 16, 2016, one-third on May 16, 2017, and one-third on May 16, 2018.
2. Vest as to one-third on grant date of April 6, 2017, one-third on April 6, 2018, and one-third on April 6, 2019.
3. Vest as to one-third on grant date of September 22, 2017, one-third on September 22, 2018, and one-third on September 22, 2019.
4. Vest as to one-third on grant date of December 14, 2017, one-third on December 14, 2018, and one-third on December 14, 2019.
5. Vest as to one-third on February 21, 2018, one-third on February 21, 2019, and one-third on February 21, 2020.
6. Market value of Shares for purposes of determining the value of unexercised in-the-money options is \$0.25 per Share, based on the Share price for the initial public offering of Shares completed on October 2, 2018.
7. Stock options granted to Mr. Votava prior to the start of his employment on October 1, 2017 were granted in his capacity as director of the Corporation.
8. Stock options granted to Mr. Glück prior to the start of his employment on January 1, 2018 were granted in his capacity as a consultant to the Corporation.

The following table sets out, for each NEO, the value vested or earned from incentive plan awards during the financial year ended September 30, 2018.

Name	Option-based awards – Value vested during the year <sup>(4), (5)</sup> (CAD\$)	Share-based Awards – Value vested during the year (CAD\$)	Non-equity incentive plan compensation – Value earned during the year (CAD\$)
Marco Romero <sup>(1)</sup> <i>President and CEO</i>	\$23,834	Nil	Nil
Pierre Massé <sup>(1)</sup> <i>CFO and Corporate Secretary</i>	\$23,834	Nil	Nil

Name	Option-based awards – Value vested during the year <sup>(4), (5)</sup> (CAD\$)	Share-based Awards – Value vested during the year (CAD\$)	Non-equity incentive plan compensation – Value earned during the year (CAD\$)
Jan Votava <sup>(2)</sup> <i>Managing Directors of Mangan Chvaletice s.r.o.</i>	\$11,667	Nil	Nil
Thomas Glück <sup>(3)</sup> <i>Vice President, Project Development</i>	\$22,167	Nil	Nil

Notes:

- Options vested during the year ended September 30, 2018 for each of Messrs. Romero and Massé include 66,670 Options to purchase shares at \$0.08 per Share which vested on May 16, 2018, 41,665 Options to purchase shares at \$0.10 per Share which vested on April 6, 2018, and 83,335 Options to purchase shares at \$0.11 per Share which vested on September 21, 2018.
- Options vested during the year ended September 30, 2018 for Mr. Votava include 83,335 Options to purchase shares at \$0.11 per Share which vested on September 21, 2018.
- Options vested during the year ended September 30, 2018 for Mr. Glück include 25,000 Options to purchase shares at \$0.08 per Share which vested on May 16, 2018, 75,000 Options to purchase shares at \$0.10 per Share which vested on April 6, 2018, and 83,335 Options to purchase shares at \$0.11 per Share which vested on September 21, 2018.
- The market value of the Shares vested on May 16, 2018 and April 6, 2018, for purposes of determining the value of option-based awards for options, is \$0.20 per Share based on the Share price of the most recent private placement financing prior to vesting of such options.
- The market value of the Shares vested on September 21, 2018, for purposes of determining the value of option-based awards for options, is \$0.25 per Share based on the price of the initial public offering completed on October 2, 2018.
- Other options issued during the year, of which one-third vested at the time of grant, were granted at the estimated fair value of the options, and accordingly would have no value at the time of vesting.

### **Pension Plan Benefits**

The Corporation does not have a defined benefit or a defined contribution pension plan that provide for payments or benefits to the NEOs or directors at, following, or in connection with retirement.

### **Deferred Compensation Plans**

The Corporation does not have a deferred compensation plan.

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

During the year ended September 30, 2018, the Corporation entered into new employment agreements with each of its NEOs. Such employment agreements include termination provisions for several scenarios, including a "Change of Control" (as defined in each respective employment agreement). See "*Executive Compensation Discussion and Analysis – Elements of Executive Compensation*". The following table summarizes the compensation that would be payable to each such NEO should their employment with the Corporation be terminated.

Termination Type	Severance	Bonus	Share Awards	Benefits
Termination for Cause	None	None	All Share-based Awards expire on the termination date.	None
Death	None	None	Unvested Options continue to vest in accordance with any vesting schedule to which such Options are subject.  Vested stock options become exercisable on or before the date which is the earlier of one year following the date of death and the applicable expiry date.	None
Disability	None	None	Unvested Options continue to vest in accordance with any vesting schedule to which such Options are subject.  Vested stock options become exercisable on or before the date which is the earlier of one year following the termination of employment due to disability and the applicable expiry date.	None
Termination without Cause	Corporation to provide 12 months written notice of termination or pay in lieu of notice of termination equivalent to 12 months based on the NEO's base salary applicable statutory deductions. <sup>(1)</sup>	None	All unvested stock options become immediately vested and exercisable.  Executives have 30 days to exercise vested Options.	None
Termination Subsequent to Change of Control or Resignation for Good Reason <sup>(2)</sup> within 12 Months of a Change in Control	Payment equal to 24 months' salary. <sup>(3)</sup>	None	Unvested Options vest immediately.  Options are exchanged for new incentive stock options of another corporation or are terminated. If terminated, executives have 10 days to exercise vested options prior to termination of Options. <sup>(4)</sup>	None

Notes:

1. For Mr. Glück, in the event of termination without cause, Corporation is to provide: three months written notice of termination or pay in lieu of notice of termination equivalent to three months if termination is within the first year of employment; six months written notice of termination or pay in lieu of notice of termination equivalent to six months if termination is within the second year of employment; or twelve months written notice of termination or pay in lieu of notice of termination equivalent to twelve months if termination is within or after the third year of employment.
2. Resignation for good reason defined as the NEOs job duties being fundamentally and unilaterally changed by the Corporation.
3. For Mr. Glück, a payment equal to 18 months' salary in the event of change of control.
4. Upon a change of control, the GCNS Committee or the Board may cause all or a portion of the Options granted to holders to be terminated or may cause such Options to be exchanged for incentive stock options of another corporation in such ratio and at such exercise price as the GCNS Committee or Board deems appropriate, acting reasonably. In the event that the GCNS Committee or Board wishes to cause all or a portion of the Options to terminate on the occurrence of a change of control, or any other Triggering Event as defined under the Stock Option Plan, it must give 10 days' written notice prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination.

Each of the employment agreements for the NEOs also contain non-solicitation, non-competition, non-disparagement and confidentiality provisions which will apply on a termination of employment with the Corporation. Non-competition and non-solicitation restrictions apply for a period of one year from the date the executive's employment with the Corporation ceases, and the confidentiality provisions apply, subject to certain exceptions, for an indefinite period of time following the termination of employment of an executive.

### *Estimated Incremental Payments*

Estimated incremental amounts payable to NEOs under the termination scenarios outlined in the table below, assuming such triggering events occurred on September 30, 2018, are as follows:

Name	Disability /Death <sup>(1)</sup> (CAD)	Resignation <sup>(2)</sup> (CAD)	Termination with Cause (CAD)	Termination without Cause <sup>(3),(4)</sup> (CAD)	Change of Control with Termination <sup>(3),(5)</sup> (CAD)
Marco A. Romero	\$77,500	\$77,500	Nil	\$410,750	\$710,750
Pierre F. Massé	\$74,000	\$74,000	Nil	\$340,250	\$580,250
Jan Votava <sup>(1)</sup>	\$27,500	\$27,500	Nil	\$313,336 <sup>(6)</sup>	\$579,173 <sup>(6)</sup>
Thomas Glück	\$62,750	\$62,750	Nil	\$147,750	\$416,500

Notes:

1. Represents value of Option-based awards vested as at September 30, 2018, based on market value of Shares at September 30, 2018 of \$0.25 per Share.
2. Assumes the exercise of all vested Option-based awards as at September 30, 2018 concurrent with resignation of NEO.
3. Assumes the exercise of all vested and unvested Option-based awards as at September 30, 2018, based on market value of Shares at September 30, 2018 of \$0.25 per Share, and having values of \$110,750 for Mr. Romero, \$100,250 for Mr. Massé, \$47,500 for Mr. Votava, and \$94,000 for Mr. Glück.
4. Assumes pay in lieu of notice of termination equivalent to 12 months on termination without cause for Messrs. Romero, Massé and Votava, and pay in lieu of notice of termination equivalent to three months on termination without cause for Mr. Glück.
5. Assumes payments equal to 24 months on a change of control with termination for Messrs. Romero, Massé and Votava, and a payment equal to 18 months on a change of control with termination for Mr. Glück.
6. Payments due to Mr. Votava on a termination without cause or a change of control with termination, are based on 12 months and 24 months, respectively of his annual salary of 4,467,912 Czech Republic Koruna, converted to Canadian dollars at September 30, 2018 at the rate of 16.807 Czech Koruna to one Canadian dollar.

## Director Compensation

The following table contains information about the compensation provided to directors of the Corporation for the financial year ended September 30, 2018:

Name	Fees earned (CAD\$) <sup>(2)</sup>	Share-based Awards (CAD\$)	Option-based Awards <sup>(1)</sup> (CAD\$)	Non-equity Incentive Plan Compensation (CAD\$)	Pension Value (CAD\$)	All Other Compensation (CAD\$)	Total Compensation (CAD\$)
Roman Shklanka, Non-Executive Chairman	\$22,500	Nil	\$45,650	Nil	Nil	Nil	\$68,150
Harvey N. McLeod	\$22,500	Nil	\$42,583	Nil	Nil	Nil	\$65,083
John Webster	\$26,250	Nil	\$48,033	Nil	Nil	Nil	\$74,283
Daniel Rosický	\$15,000	Nil	\$33,500	Nil	Nil	Nil	\$48,500
David B. Dreisinger	\$18,750	Nil	\$38,950	Nil	Nil	Nil	\$57,700
Gregory Martyr <sup>(3)</sup>	\$11,667	Nil	\$66,667	Nil	Nil	Nil	\$78,334

Notes:

1. For the year ended September 30, 2018, the "grant date fair value" of options granted to NEO's during the year was determined by using the Black-Scholes model for valuing options, as determined by the Corporation to be the most appropriate valuation method. The following weighted average assumptions were used for the purposes of valuing options granted to NEOs: (i) expected life of 9 years; (ii) risk-free rate of 2.20%; (iii) annualized volatility of share price of 67%; and (iv) a dividend rate of 0%.
2. Represents fees earned by directors from January 1, 2018 to September 30, 2018. Up to June 30, 2018, two-thirds of such directors' fees were paid in Shares, including: \$10,000 to Roman Shklanka (50,000 Shares); \$10,000 to Harvey McLeod (50,000 Shares); \$11,667 to John Webster (58,332 Shares); \$6,667 to Daniel Rosický (33,332 Shares); \$8,333 to David Dreisinger (41,666 Shares); and \$4,444 to Gregory Martyr (22,221 Shares).
3. Mr. Gregory Martyr was appointed to the Board on March 20, 2018.

Prior to January 1, 2018, no base annual retainer or fees for attendance at Board and Board committee meetings were awarded to, earned by, paid to, or payable to the directors. Effective, January 1, 2018, the GCNS Committee recommended, and the Board approved, the following interim compensation for non-executive directors of the Corporation, pending receipt of the Corporation's compensation consultant's review and recommendations: an annual retainer of \$20,000; \$5,000 per annum to be paid to the Chairman of the Board and the Chairman of each sub-committee of the Board; and an additional \$5,000 per annum to any member of a sub-committee of the Board; with such fees to be paid two-thirds in equity and one-third in cash. Commencing July 1, 2018, all directors' fees are being paid in cash by the Corporation. In May 2018, the Corporation engaged a compensation consultant to review non-executive director compensation and provide recommendations thereon in anticipation of listing the Shares on the TSXV and ASX and



to ensure compliance with applicable rules of both jurisdictions. However, as of the date of this Circular, the consultant's recommendations have not yet been approved by the GCNS Committee or the Board.

As senior officers of the Corporation and its subsidiary, Messrs. Romero and Votava did not and will not receive compensation for their service as directors. Compensation information for Messrs. Romero and Votava are presented in the section relating to executive compensation above.

The following table sets out, for each director, all outstanding Option-based Awards and Share-based Awards as at the end of the financial year ended September 30, 2018.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options #	Option exercise price (CAD\$)	Option-expiry date	Value of unexercised in-the-money options <sup>(7)</sup> (CAD\$)	Number of shares or units of shares that have not vested #	Market or payout value of Share-based Awards that have not vested (CAD\$)	Market or payout value of vested Share-based Awards not paid out or distributed (CAD\$)
Roman Shklanka, Non-Executive Chairman	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	200,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$30,000			
	300,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$42,000			
	75,000 <sup>(4)</sup>	\$0.11	Dec. 14, 2027	\$10,500			
	300,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2028	\$15,000			
Harvey N. McLeod	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	125,000 <sup>(4)</sup>	\$0.11	Dec. 14, 2027	\$17,500			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2028	\$12,500			
John Webster	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	200,000 <sup>(4)</sup>	\$0.11	Dec. 14, 2027	\$28,000			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2028	\$12,500			
Daniel Rosický	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2028	\$12,500			
David B. Dreisinger	200,000 <sup>(1)</sup>	\$0.08	May 16, 2026	\$34,000	Nil	Nil	Nil
	125,000 <sup>(2)</sup>	\$0.10	April 6, 2027	\$18,750			
	250,000 <sup>(3)</sup>	\$0.11	Sept. 22, 2027	\$35,000			
	75,000 <sup>(4)</sup>	\$0.11	Dec. 14, 2027	\$10,500			
	250,000 <sup>(5)</sup>	\$0.20	Feb. 21, 2028	\$12,500			
Gregory Martyr	500,000 <sup>(6)</sup>	\$0.20	Mar. 20, 2028	\$25,000	Nil	Nil	Nil

Notes:

1. Vest as to one-third on grant date of May 16, 2016, one-third on May 16, 2017, and one-third on May 16, 2018.
2. Vest as to one-third on grant date of April 6, 2017, one-third on April 6, 2018, and one-third on April 6, 2019.
3. Vest as to one-third on grant date of September 22, 2017, one-third on September 22, 2018, and one-third on September 22, 2019.
4. Vest as to one-third on grant date of December 14, 2017, one-third on December 14, 2018, and one-third on December 14, 2019.
5. Vest as to one-third on February 21, 2018, one-third on February 21, 2019, and one-third on February 21, 2020.
6. Vest as to one-third on March 20, 2018, one-third on March 20, 2019, and one-third on March 20, 2020.
7. Market value of Shares for purposes of determining the value of unexercised in-the-money options is \$0.25 per Share, based on the Share price for the initial public offering of Shares completed on October 2, 2018.

The following table sets out, for each Director, the value vested or earned from incentive plan awards during the financial year ended September 30, 2018.

Name	Option-based awards – Value vested during the year <sup>(3)</sup> <sup>(4)</sup> (CAD\$)	Share-based Awards – Value vested during the year (CAD\$)	Non-equity incentive plan compensation – Value earned during the year (CAD\$)
Roman Shklanka <sup>(1)</sup> Non-Executive Chairman	\$28,667	Nil	Nil
Harvey N. McLeod <sup>(2)</sup>	\$23,834	Nil	Nil
John Webster <sup>(2)</sup>	\$23,834	Nil	Nil
Daniel Rosický <sup>(2)</sup>	\$23,834	Nil	Nil
David B. Dreisinger <sup>(2)</sup>	\$23,834	Nil	Nil
Gregory Martyr <sup>(5)</sup>	Nil	Nil	Nil

Notes:

- Options vested during the year ended September 30, 2018 for Dr. Shklanka include 66,670 Options to purchase shares at \$0.08 per Share which vested on May 16, 2018, 66,665 Options to purchase shares at \$0.10 per Share which vested on April 6, 2018, and 100,000 Options to purchase shares at \$0.11 per Share which vested on September 21, 2018.
- Options vested during the year ended September 30, 2018 for each of Messrs. McLeod, Webster, Rosický and Dreisinger include 66,670 Options to purchase shares at \$0.08 per Share which vested on May 16, 2018, 41,665 Options to purchase shares at \$0.10 per Share which vested on April 6, 2018, and 83,335 Options to purchase shares at \$0.11 per Share which vested on September 21, 2018.
- The market value of the Shares vested on May 16, 2018 and April 6, 2018, for purposes of determining the value of option-based awards for options, is \$0.20 per Share based on the Share price of the most recent private placement financing prior to vesting of such options.
- The market value of the Shares vested on September 21, 2018, for purposes of determining the value of option-based awards for options, is \$0.25 per Share based on the price of the initial public offering completed on October 2, 2018.
- Other options issued during the year to all directors (including Gregory Martyr), of which one-third vested at the time of grant, were granted at the estimated fair value of the options, and accordingly would have no value at the time of grant.

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

Since the beginning of the last fiscal year of the Corporation, none of the executive officers, directors or employees or any former executive officers, directors or employees of the Corporation or any proposed nominee for election as a director of the Corporation or any of their respective associates is or has been indebted to the Corporation or has been indebted to any other entity where that indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

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

For purposes of the following discussion, "Informed Person" means (a) a Director or Executive Officer of the Corporation; (b) a Director or Executive Officer of a person or company that is itself an Informed Person or a subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Corporation, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the notes to the Corporation's financial statements for the financial year ended September 30, 2018, none of:

- the Informed Persons of the Corporation;
- the proposed nominees for election as a director of the Corporation; or
- any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Corporation or in a proposed transaction which has materially affected or would materially affect the Corporation or any subsidiary of the Corporation.

## **CORPORATE GOVERNANCE**

The Board of Directors is committed to sound corporate governance practices and believes that they enhance the Corporation's performance by contributing to effective and efficient decision-making, are essential to retaining the trust of shareholders, attracting the right people to the organization, and maintaining its social license in the communities in which it operates.

The Corporation is incorporated in the Province of British Columbia, Canada and its shares were listed on the TSXV on October 2, 2018. Accordingly, the Board seeks to apply the corporate governance practices and procedures set out in National Policy 58-201 – *Corporate Governance Guidelines* ("NP 58-201") (published by the British Columbia Securities Commission and other Canadian corporate securities regulators) where possible, having regard to the Corporation's size and the nature of its operations. These corporate governance principles and practices are generally in compliance with, but may depart, from those generally applicable to ASX-listed companies under the Corporate Governance Principles and Recommendations' (Third Edition) ("ASX Recommendations") published by the ASX Corporate Governance Council. The Corporation was officially admitted to the ASX on September 28, 2018 and adopted the ASX Recommendations in August 2018 in preparation for listing on ASX. The Corporation has prepared a Corporate Governance Statement setting out its "if not why not" report in relation to those matters of corporate governance where the Corporation's practice departs from the ASX Recommendations, to the extent that they are currently applicable to the Corporation. A copy of the Corporation's Corporate Governance Statement dated December 10, 2018, as lodged on the ASX announcement platform, is also available on its website: <https://www.mn25.ca>.

The Corporation's approach to issues of corporate governance is designed with a view to ensuring that the business and affairs of the Corporation are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or at meetings held as required. Frequency of meetings may be increased, and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks which the Corporation faces. The directors are kept informed of the Corporation's business and affairs at these meetings as well as through reports and discussions with management on matters within their particular areas of expertise.

### **Board of Directors**

The Board of Directors currently consists of eight members, a majority of whom are independent. Mr. Marco A. Romero is not independent as he is the President and CEO of the Corporation, and Mr. Jan Votava is not independent as he is Managing Director of Mangan, the Corporation's wholly-owned subsidiary. Dr. Roman Shklanka, and Messrs. David B. Dreisinger, Daniel J. Rosický, Harvey N. McLeod, Gregory Martyr and John Webster are independent for the purposes of NI 58-101.

Roman Shklanka is non-Executive Chairman of the Board and is independent. In accordance with the mandate of the Chairman, the Chairman presides at all meetings of the Board and, unless otherwise determined, and at all meetings of shareholders. Among other things, the Chairman is to endeavour to fulfill his Board responsibilities in a manner that will ensure that the Board is able to function independently of Management and is to consider and allow for, when appropriate, a meeting of independent directors, so that Board meetings can take place without Management being present. The Chairman is responsible in ensuring that reasonable procedures are in place to allow directors to engage outside advisors at the expense of the Corporation in appropriate circumstances.

The following directors of the Corporation currently hold directorships in the following reporting issuers (or equivalent in a foreign jurisdiction) as noted below:

<b>Name</b>	<b>Name of Reporting Issuer</b>
Roman Shklanka	Pacific Imperial Mines Ltd. (TSX-V)
John Webster	Eldorado Gold Corporation (TSX, NYSE)
David B. Dreisinger	Search Minerals Inc. (TSX-V) Polymet Mining Corp. (TSX, NYSE) LeadFX Inc. (TSX)

### *Board Meetings*

The non-Executive Chairman is primarily responsible for the agenda and for supervising the conduct of each meeting of the Board. Any director may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for the meeting. Materials for each meeting are distributed to the Board in advance of the meeting. The following table sets out the summary of the attendance record of each director for all Board and subcommittee meetings held since the beginning of the financial year ended September 30, 2018.

<b>Name of Director</b>	<b>Board Meetings Attended</b>	<b>Audit Committee Meetings Attended <sup>(1)</sup></b>	<b>Governance, Compensation, Nominating and Sustainability Committee Meetings Attended <sup>(2)</sup></b>
Roman Shklanka	4 of 5	3 of 4	N/A
Marco Romero	5 of 5	N/A	3 of 3
Harvey McLeod	5 of 5	N/A	3 of 3
John Webster	5 of 5	4 of 4	3 of 3
Daniel Rosický	5 of 5	N/A	N/A
David B. Dreisinger	5 of 5	4 of 4	N/A
Jan Votava	5 of 5	N/A	N/A
Gregory Martyr <sup>(3)</sup>	3 of 3	N/A	N/A

Notes:

1. The Audit Committee was constituted by the Board at its meeting of December 14, 2017 and is comprised of Messrs. Webster (Chair), Shklanka and Dreisinger.
2. The Governance, Compensation, Nominating and Sustainability Committee was constituted by the Board at its meeting of December 14, 2017 and is comprised of Messrs. McLeod (Chair), Webster and Romero.
3. Mr. Martyr was appointed on March 20, 2018.

### *Meetings of Independent Directors*

The independent directors do not hold regularly scheduled meetings; however, the Board Mandate permits the independent directors to hold a separate meeting of the independent directors, if and when the need arises. The Board ensures open and candid discussion among its independent directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is addressed in accordance with the BCBCA and the Board Mandate. The Board may determine that it is appropriate to hold an in-camera session excluding a director with a conflict of interest or perceived conflict of interest or such director may consider that it is appropriate to recuse himself from considering and voting with respect to the matter under consideration.

### **Board Mandate**

The Board has adopted a written mandate (the "Board Mandate") in which it assumes responsibility for the stewardship of the Corporation. The Board Mandate provides that the principal mandate is to oversee the management of the business and affairs of the Corporation and monitor the performance of management. The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit Committee, and the Governance, Compensation, Nominating and Sustainability Committee (the "GCNS Committee"). The Board Mandate is attached to this Prospectus as Schedule "C".

The Board Mandate charges the Board with responsibility for, among other things: (i) overseeing the development and approval of the mission of the Corporation, its goals and objectives, and the strategy by which these objectives will be reached; (ii) bringing objectivity and a breadth of judgment to the strategic planning process and ultimately approving the strategy developed by Management as it evolves; (iii) monitoring Management's success in implementing strategies and monitoring the Corporation's progress towards achieving its goals; revising and altering direction in light of changing circumstances; (iv) reviewing and approving transactions that are either material or not in the ordinary course of business; (v) understanding and overseeing the principal risks associated with the Corporation's business and regularly monitoring the systems in place to manage those risks effectively; (vi) overseeing Management; (vii) reviewing a succession plan on a regular basis addressing the policies and principles for selecting a successor to the Chief Executive Officer and other key senior management positions; (viii) determining compensation; (ix) ensuring that the Corporation has policies in place to ensure effective and timely communication and disclosure to the shareholders of the Corporation, other stakeholders and the public in general; (x) monitoring the Corporation's compliance with applicable laws and corporate governance regulations; (xi) establishing the Corporation's Code of Conduct and Business Ethics and monitoring compliance thereof with the objective of promoting a culture of integrity throughout the Corporation; (xii) ensuring that the Corporation has in place effective control and information systems so that it can track those criteria needed to monitor the implementation of the Corporation's strategy; and (xiii) reviewing and approving financial information.

The Board Mandate sets forth procedures relating to the Board's operations such as director qualifications, director nomination, evaluations, and delegation to committees of the Board. The Board Mandate also sets forth expectations of Directors including: attendance at meetings; preparedness for meetings; being current and knowledgeable of the Corporation's operations, activities, and industry; confidentiality; the requirement to disclose any conflict of interest to the Chairman of the Board or the Chair of the GCNS Committee, should one arise; and refraining from voting on any issue when a conflict of interest exists.

The Board may at any time retain and terminate external legal counsel, consultants or other advisors at the expense of the Corporation to assist it in fulfilling its responsibilities and to set and pay the respective reasonable compensation of these advisors.

### **Position Descriptions**

The Board has not developed written position descriptions for the Chairman of the Board, the Chair of the Audit Committee, or the Chair of the GCNS Committee. The role of the Chairman of the Board, the Chair of the Audit Committee,

and the Chair of the GCNS Committee is well understood by each individual and is based on customary practices for such a position.

#### *Chief Executive Officer*

The Board has developed and adopted a written position description for the CEO whose primary responsibility is to provide effective leadership and vision for the Corporation to grow value responsibly, and in a profitable and sustainable manner.

The CEO's position description sets forth specific duties including, but not limited to: (i) providing leadership and vision to manage the Corporation, motivating employees and advisors to achieve optimum performance, while maintaining a healthy, productive and supportive environment; (ii) supporting and assisting the Board so it can best discharge its duties; (iii) providing full, plain and timely disclosure of all materials matters affecting the Corporation to the Board; (iv) ensuring compliance and implementation of the strategies, policies, and objectives approved by the Board; (v) striving to create shareholder value, while ensuring the Corporation and its employees maintain high ethical, moral, environmental, social, technical, and professional standards; (vi) ensuring that the Corporation and its employees and contractors treat local residents and communities in which it operates with respect, and ensuring that the Corporation contributes to the well-being and improvement of the communities in which it operates; (vii) building, preserving and protecting the Corporation's reputation and assets; (viii) serving as the Corporation's principal external spokesperson; and (ix) providing general supervision and management of the day-to-day affairs of the Corporation.

#### **Audit Committee**

See "Audit Committee Information" below for further details.

#### **Governance, Compensation, Nominating and Sustainability Committee**

The GCNS Committee is composed of a minimum of three directors, the majority of whom shall be independent directors. Current members of the GCNS Committee include Harvey N. McLeod, John Webster, and Marco Romero, with Messrs. McLeod and Webster being independent directors. Harvey N. McLeod is the current chair of the committee.

Pursuant to the mandate and terms of reference of the GCNS Committee, meetings are to take place at least twice per year and at such other times as the Chair of the GCNS Committee may determine. The GCNS Committee, under the supervision of the Board, has responsibility for:

1. monitoring and assessing the functioning of the Board, committees of the Board, and the individual members of the Board;
2. ensuring the Board, directors and management adopt and observe good corporate governance practices;
3. establishing a process for identifying, recruiting, appointing, and providing ongoing development for directors;
4. ensuring levels of executive compensation that are competitive and motivating in order to attract, hire, hold and inspire the Corporation's President and CEO, CFO and other executive officers and certain key employees, and for recommending compensation for directors;
5. establishing, monitoring, managing and coordinating the sustainable development strategy of the Corporation and its implementation based on very high ethical and moral standards, as approved by the Board of Directors; and
6. monitoring, managing and coordinating sustainability matters, including environmental, health and safety and social matters, policies and programs, and overseeing performance in such areas based on very high standards, as approved by the Board of Directors.

As they relate to compensation, the GCNS Committee's responsibilities include, among other things, reviewing and recommending to the Board all compensation arrangements for the executive officers and directors of the Corporation, including stock option grants. The GCNS Committee also has the responsibility for approving compensation for executive officers of the Corporation who are also members of the Board.

To determine the recommended compensation levels, the GCNS Committee will review compensation paid to directors and executive officers of companies of similar size and stage of development in the mineral exploration industry and

determine compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and executive officers while taking into account the financial and other resources of the Corporation. In setting the compensation, the GCNS Committee will annually review the performance of the executive officers in light of the Corporation's objectives and consider other factors that may have impacted the success of the Corporation in achieving its objectives. For further information regarding the how the Corporation determines compensation for its directors and executive officers, refer to "*Compensation Discussion and Analysis*".

Responsibilities of the GCNS Committee, as they relate to orientation and continuing education, nominations of directors, and Director assessments, are further outlined below in "*Orientation and Continuing Education*," "*Nomination of Directors*," and "*Director Assessments*" below.

### **Orientation and Continuing Education**

In conjunction with the GCNS Committee, the Board oversees the establishment of suitable orientation programs for new Directors and continuing education opportunities for all Directors. New directors are provided with corporate policies, historical information about the Corporation, management reports, Chvaletice Manganese Project site visits, as well as information on the Corporation's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. Each Director will have access to an electronic Board Manual, updated annually, containing relevant management information, historical public information and the Terms of References for the Directors and for the Committees of the Board. The Board believes that these procedures will prove to be a practical and effective approach in light of the Corporation's particular circumstances, including the size of the Corporation, anticipated limited turnover of the directors and the experience and expertise of the members of the Board.

The Corporation also encourages Directors to attend, enrol or participate in courses and/or seminars dealing with financial literacy, corporate governance and related matters. Each director of the Corporation has the responsibility for ensuring that he maintains the skill and knowledge necessary to meet his obligations as a director.

### **Ethical Business Conduct**

The Board has adopted a Code of Ethics and Business Conduct (the "Code") for the directors, officers, employees and consultants of the Corporation and its subsidiary. The Corporation makes the Code available to all such individuals who are required to read the Code and acknowledge that they will abide by the Code.

In accordance with the Code, directors, officers, employees and consultants of the Corporation and its subsidiary are encouraged to raise questions regarding the application of any requirement under the Code with their immediate supervisor or the Chairman of the Audit Committee. All violations of a law or the Code are to be promptly reported to Chairman of the Audit Committee and reporting by an individual of a violation will be kept confidential unless required by law. Individuals who breach the Code may be subject to disciplinary action, including dismissal. The Board monitors compliance with the Code by, among other things, obtaining reports from the Chair of the Audit Committee, and reviews and approves changes to the Code it considers appropriate, at least annually.

The Board takes steps to ensure that directors, officers and other employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer or other employee of the Corporation has a material interest, which include ensuring that directors, officers and other employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from their superior or manager or the Chair of the Audit Committee regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to directors, officers and other employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

The Corporation has adopted a written "Whistleblower Policy" wherein employees and consultants of the Corporation are provided with the mechanics by which they may raise concerns with respect to falsification of financial records, unethical conduct, harassment, theft, and violation of the Code, or any other "wrong-doing" in a confidential, anonymous process. The Whistleblower Policy provides employees and contractors with information regarding who to contact with a

complaint, how the Corporation will respond to a complaint, and timeframes for the Corporation to respond. The Corporation will respect the confidentiality of any whistle blowing complaint received by the Corporation where the complainant requests that confidentiality.

The Corporation has adopted an insider trading policy to summarize the insider trading restrictions to which directors, officers and certain employees are subject under applicable securities legislation, and to set forth a policy governing investing in shares of the Corporation and the reporting thereof which is consistent with the applicable legislation (the "Insider Trading Policy"). All directors, officers and employees of the Corporation will be subject to certain trading prohibitions relating to investments in the Corporation's securities. The Corporation may impose black-out periods during which certain persons will be prohibited from buying, selling or otherwise effecting transactions in any securities of the Corporation, even though the trading window would otherwise be open. The Insider Trading and Reporting Policy also summarizes the applicable legislation on insider reporting obligations.

The Corporation has also adopted a disclosure policy to complement the Insider Trading Policy (the "Disclosure Policy"). The Disclosure Policy outlines the Corporation's approach to disclosure of material information and maintaining the confidentiality of information. The objective of the Disclosure Policy is to ensure that communications to the investing public about the Corporation are timely, factual and accurate and broadly disseminated in accordance with all applicable legal and regulatory requirements. Its goal is to raise awareness of the Corporation's approach to disclosure among the Board, senior management, employees and consultants.

### **Nomination of Directors**

The GCNS Committee is responsible for recruiting and identifying individuals qualified to become new Board members and making recommendations to the Board regarding new director nominees. In making such recommendations, the GCNS Committee considers the competencies and skills that the Board considers to be necessary for the Board as a whole to possess, for each existing director to possess, the competencies and skills which each new nominee to the Board is expected to bring; and whether the proposed nominee to the Board will be able to devote sufficient time and resources to the Corporation.

The GCNS Committee may also recommend for approval by the Board the removal of a director from the Board or a committee thereof if he or she is no longer qualified or able to serve as a director or for any other appropriate reason. The size of the Board will be reviewed on a regular basis. The Board will take into account the number of directors required to carry out the Board's duties effectively, and to maintain a diversity of views and experience.

In addition, the GCNS Committee has been delegated the responsibility of, among other things: (i) making recommendations to the Board regarding director remuneration; (ii) evaluating the effectiveness of the Board as a whole as well as its committees; (iii) monitoring conflicts of interest of both the Board and management; (iv) conducting periodic reviews of the Corporation's corporate governance policies and making policy recommendations aimed at enhancing Board and committee effectiveness; (v) annually reviewing the Board and committee mandates and position descriptions of the Chairman and the CEO, and recommending to the Board any necessary changes; (vi) reviewing and recommending to the Board the appropriate structure, size, composition, mandate and members for Board committees, and the procedures to ensure that the Board and its committees function independently of management; (vii) providing the Board with updates on developments in corporate governance; (viii) conducting periodic reviews of the relationship between management and the Board; and (ix) reviewing monitoring and making recommendations regarding new director orientation and ongoing development of existing directors.



## **Director Assessments**

Through the GCNS Committee, the Board assesses the overall effectiveness of (i) the Board as a whole, (ii) individual directors (including the Chairman, and any Lead Director, if appointed) and (iii) each of the committees (other than the GCNS Committee which shall be evaluated by the full Board) from a corporate governance perspective and compliance with the relevant mandate, charter or terms of reference as applicable. In connection with such evaluations, each director will be required to provide his or her assessment of the effectiveness of the Board and each committee as well as the performance of the individual directors, annually. Such evaluations take into account the competencies and skills each director is expected to bring to his or her particular role on the Board or on a committee, as well as any other relevant facts.

The Audit Committee must also assess, on an annual basis, its effectiveness.

## **Term Limits**

The Corporation has not implemented a policy mandating term limits for directors, which the Board believes is in the best interest of the Corporation. The Corporation values the comprehensive knowledge of the Corporation and its operations that long serving directors possess and the contribution that this makes to the Board as a whole. Tenure will be determined on the basis of contribution and continued evidence of the exercise of independent judgment.

## **Diversity and Representation of Women on the Board and in Executive Officer Roles**

The Board has adopted a Diversity Policy in which it sets forth its goal of striving to create an inclusive culture in which diversity is valued and sought after. A copy of this policy can be found on the Corporation's website at [www.mn25.ca](http://www.mn25.ca). The Board recognizes that having diversity, including gender diversity, throughout the organization, including on the executive team and the Board, gives the Corporation access to a far wider and deeper talent pool, enhances and improves decision making, enables the Corporation to attract and retain the best talent to build a highly engaged workforce, better positions the Corporation to deliver on its business objectives, and assists the Corporation in adapting to and understanding the communities in which it does business. The GCNS Committee annually reviews the Diversity Policy and assesses its effectiveness in promoting diversity, including policies with respect to the representation of women on the Board and in executive officer positions. The Corporation does not otherwise have a formal policy for the nomination of women to the Board.

The Board believes that experiential, demographic and personal attributes are essential in creating an appropriate balance of skills, experience, independence and knowledge on the Board and the executive team. These attributes, which specifically include gender diversity, are factored into the recruitment and decision-making process when new Board and executive appointments are made. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, candidates are considered on a merit-based system, having due regard to the benefits of diversity and the needs of the Board. These same criteria are used for assessing the composition of the senior management team or identifying suitable management candidates.

Given its current size and stage of development, the Corporation does not believe that it is in its best interests to set any specific targets or quotas for recruiting women for Board positions as such targets or quotas may have the effect of unduly restricting its commitment to selecting the most capable nominee.

Currently, the Board is comprised of all male directors; however, the Board will seek out female nominees for future Board vacancies, provided that any such nominee meets the needs of the Corporation in relation to attributes and skills.

Consistent with the Corporation's approach to diversity at the Board level, the Corporation's hiring practices of executive officers include consideration of diversity across a number of areas, including gender. Currently, no executive officer positions are held by women and the Corporation does not have a target number of women executive officers. The Corporation considers the number of women in executive officer positions and the desirability of achieving an appropriate level of representation in its hiring practices by reference to its Diversity Policy. However, given the small size of its executive team, the Corporation believes that implementing targets for the number of women in executive positions would not be appropriate at this time, as the Corporation's focus is on selecting the most capable candidates available.

## **AUDIT COMMITTEE INFORMATION**

The Audit Committee provides assistance to the Board in fulfilling its obligations relating to the integrity of the internal financial controls and financial reporting of the Corporation. The external auditors of the Corporation report directly to the Audit Committee. The Audit Committee's primary duties and responsibilities include: (i) reviewing and reporting to the Board on the annual audited financial statements (including the auditor's report thereon) and unaudited interim financial statements and any related management's discussion and analysis, if any, and other financial disclosure related thereto that may be required to be reviewed by the Audit Committee pursuant to applicable legal and regulatory requirements; (ii) reviewing material changes in accounting policies and significant changes in accounting practices and their impact on the financial statements; (iii) overseeing the audit function, including engaging in required discussions with the Corporation's external auditor and reviewing a summary of the annual audit plan at least annually, overseeing the independence of the Corporation's external auditor, and pre-approving any non-audit services to the Corporation; (iv) reviewing at least annually, the Corporation's policies for risk assessment and risk management; (v) reviewing with management and the Corporation's external auditors, at least annually, the integrity of the internal controls over financial reporting and disclosure; (vi) reviewing management reports related to legal or compliance matters that may have a material impact on the Corporation and the effectiveness of the Corporation's compliance policies; and (vii) establishing whistleblowing procedures and investigating any complaints or concerns it deems necessary.

The full text of the Audit Committee charter is set out in Schedule A to this Circular.

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

The Audit Committee is currently comprised of three directors, being John Webster, David B. Dreisinger, and Roman Shklanka, each of whom are "independent" directors within the meaning of National Instrument 52-110 - *Audit Committees* ("NI-52-110"). John Webster is the current chair of the Audit Committee.

### **Relevant Education and Experience**

Each of John Webster, David B. Dreisinger, and Roman Shklanka, are "financially literate" within the meaning of NI 52-110. Each member of the Audit Committee has a good command of IFRS and has the ability to understand a set of financial statements that presents a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. Each of the members of the Audit Committee has had several years of experience as a senior executive and a member of the board of directors of significant business enterprises in which he has assumed substantial financial and operational responsibility. In the course of these duties, the members have gained an understanding of the accounting principles used by the Corporation; an ability to assess the general application of such principles in connection with the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

John Webster is a senior finance professional who spent over 30 years with PricewaterhouseCoopers until his retirement in 2014. His former roles include BC Managing Partner, Assurance Leader in Romania and head of the firm's mining practice in Canada. He has extensive experience as audit partner and advising private and listed clients, and he has valuable international experience with mine development projects. He is currently a director of Eldorado Gold Corporation.

Dr. Roman Shklanka is a geologist, mine finder and company builder who was instrumental in several important discoveries across the world. His corporate development experience includes Chairman, Director and co-founder of Sutton Resources, Canico Resource Corp, Polaris Materials, International Barytex, Kobex Resources, Delta Gold and Pacific Imperial Mines. He previously held various senior exploration positions with Placer Dome more than 20 years, including VP Exploration. He was inducted into the Canadian Mining Hall of Fame in 2009.

Dr. David Dreisinger is a Professor and Chairholder of the Industrial Research Chair in Hydrometallurgy at the University of British Columbia. He has published over 300 papers and is co-inventor of 21 U.S. patents for work in hydrometallurgical research. He runs an active international consulting practice focused on various major hydrometallurgical projects and

plants. His experience includes director positions at PolyMet Mining, Search Minerals, LeadFX and officer positions with Camrova Resources, Clifton Star Resources and South American Silver.

### Audit Committee Oversight

At no time since incorporation was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Corporation's Board of Directors.

### Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on:

- (a) the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110; or
- (b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*) of NI 52-110; or
- (c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*) of NI 52-110; or
- (d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*) of NI 52-110; or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*).

### Pre-Approval Policies and Procedures

The Audit Committee charter requires that the Audit Committee pre-approve any services and fees to be provided by the auditor of the Corporation for the performance of any non-audit services that the Corporation deems advisable in accordance with applicable legal and regulatory requirements. The pre-approval requirement is waived with respect to the provision of such non-audit services if: the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than twenty percent of the total amount of fees paid by the Corporation to its external auditors during the fiscal year in which the non-audit services are provided; such services were not recognized by the Corporation at the time of the engagement to be non-audit services; and such services are promptly brought to the attention of the Audit Committee by the Corporation and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Committee. The Audit Committee is permitted to delegate pre-approval authority to one or more of its members; however, the decision of any member of the Audit Committee to whom such authority has been delegated must be presented to the full Audit Committee at its next scheduled meeting.

### External Auditor Service Fees

The following table provides information about the fees billed to the Corporation, for professional services rendered by PricewaterhouseCoopers LLP, Chartered Professional Accountants, during the financial years ended September 30, 2018 and 2017:

	2018	2017
	(\$)	(\$)
Audit Fees <sup>(1)</sup>	44,100	32,235
Audit Related Fees <sup>(2)</sup>	34,650	-
Tax Fees <sup>(3)</sup>	-	-
All Other Fees <sup>(4)</sup>	160,100	-
<b>Total:<sup>(5)</sup></b>	<b>238,850</b>	<b>32,235</b>

Notes:

<sup>(1)</sup> Audit fees were for professional services rendered by the Corporation's auditors for the audit of the Corporation's annual consolidated financial statements.

<sup>(2)</sup> Audit related fees were for services related to limited procedures performed by the Corporation's auditors related to interim reports as well as services provided in connection with statutory and regulatory filings.

- (3) Tax fees are for tax compliance, tax advice and tax planning.
- (4) All other fees for services performed by the Corporation's auditors, includes work performed by PricewaterhouseCoopers LLP in connection with the Corporation's listing on the TSXV and work performed by PricewaterhouseCoopers Securities Ltd. as Investigating Accountants in connection with the Corporation's listing on the ASX.
- (5) These fees only represent professional services rendered and do not include any out-of-pocket disbursements or fees associated with filings made on the Corporation's behalf. These additional costs are not material as compared to the total professional services fees for each year.

## **MANAGEMENT CONTRACTS**

Except as otherwise disclosed herein, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and executive officers of the Corporation.

## **ADDITIONAL INFORMATION**

Copies of this Circular, the comparative audited annual financial statements of the Corporation for the year ended September 30, 2018, and management discussion and analysis for the year ended September 30, 2018 may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com) or free of charge from the Corporation upon request, at 1500 - 1040 West Georgia Street, Vancouver, British Columbia V5E 4H8, by telephone at (604) 681-1010, or by email at [info@mn25.ca](mailto:info@mn25.ca), and such documents will be sent by mail or electronically by email as may be specified at the time of the request. Financial information on the Corporation is provided in the Financial Statements and the MD&A.

## **BOARD APPROVAL**

The contents of this Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board of Directors.

Dated at Vancouver, British Columbia this 4<sup>th</sup> day of January 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

**Signed "*Roman Shklanka*"**  
**Chairman**

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**SCHEDULE "A"**  
**AUDIT COMMITTEE CHARTER**

**EURO MANGANESE INC.**

**Mandate**

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

- a) Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- b) Review and appraise the performance of the Company's external auditors.
- c) Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.
- d) Provide guidance to the Company's management team and, in particular, the Chief Financial Officer, on appropriate disclosure, accounting and risk management practices and procedures.

**Composition**

The Committee shall be comprised of three Directors as determined by the Board of Directors, all of whom shall be "independent" directors as defined in section 1.4 of National Instrument 52-110 and free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

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

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

**Meetings**

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

**Responsibilities and Duties**

To fulfill its responsibilities and duties, the Committee shall:

### **Documents/Reports Review**

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

### **External Auditors**

- a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than twenty percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and

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

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

## **5. Financial Reporting Processes**

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

## **6. Risk Management**

- 1) To review, at least annually, and more frequently, if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
- 2) To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
- 3) To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

## **7. Other**

- 1) Review and approve any related-party transactions and material asset dispositions.

## **SCHEDULE "B"**

### **GOVERNANCE, COMPENSATION, NOMINATING AND SUSTAINABILITY COMMITTEE CHARTER**

#### **GENERAL**

The Governance, Compensation, Nominating and Sustainability Committee (the "Committee"), under the supervision of the Board, has responsibility:

7. monitoring and assessing the functioning of the Board, committees of the Board, and the individual members of the Board;
8. ensuring the Board, directors and management adopt and observe good corporate governance practices;
9. establishing a process for identifying, recruiting, appointing, and providing ongoing development for directors;
10. ensuring levels of executive compensation that are competitive and motivating in order to attract, hire, hold and inspire the Company's Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, President and other executive officers (collectively, the "Management") and certain key employees and non-executive officers below the vice-president level (collectively, the "Non-Management Officers") and for recommending compensation for directors;
11. establishing, monitoring, managing and coordinating the sustainable development strategy of the Company and its implementation based on very high ethical and moral standards, as approved by the Board of Directors.
12. monitoring, managing and coordinating sustainability matters, including environmental, health and safety and social matters, policies and programs and oversees performance in such areas based on very high standards, as approved by the Board of Directors

#### **COMPOSITION**

The Committee shall be comprised of a minimum of three (3) members, the majority of whom shall be "independent" directors as defined in section 1.4 of National Instrument 52-110.

The Committee shall meet as often as the Chair shall determine to be necessary or appropriate, but at least twice during each year, and more frequently if deemed necessary by the Chair of the Committee or requested by the Board.

#### **Committee Duties and Responsibilities**

Subject to the powers and duties of the Board, the Board hereby delegates to the Committee the following powers and duties to be performed by the Committee on behalf of and for the Board:

- a) establish qualifications and skills necessary for an effective Board and for the various committees of the Board, including but not limited to factors such as professional experience, areas of competency, skill and expertise, personal character, potential



conflicts of interest, diversity, and other commitments, such as service on other boards, all in the context of the needs of the Board and the Company as a whole;

- b) determine the number of independent directors who should sit on the Board and review the size, composition, mandate/charter and performance of the Board and the various committees of the Board, and make recommendations for appointment, removal of directors or other adjustment as appropriate;
- c) establish and oversee orientation of new directors and ongoing education of directors;
- d) review and approve corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those corporate goals and objectives and determine (or make recommendations to the Board with respect to) the CEO's compensation level based on this evaluation;
- e) make recommendations to the Board with respect to officer and director compensation, incentive compensation plans and equity-based plans;
- f) review and monitor the sustainability (including environmental, health and safety) policies, systems and activities of the Company on behalf of the Board and seek assurance that the Company is in compliance with applicable laws, regulations and the conditions of applicable permits and licences;
- g) review quarterly and special environmental, health and safety reports prepared by management to advise the Board whether the Company is taking all necessary action in respect of those matters;
- h) review results of environment, health and safety audits conducted by management and outside advisors;
- i) at the request of the Board, ensuring that principle areas of sustainability (including environmental, health and safety) risk and potential impacts are identified by management;
- j) review the assumptions and methodology underpinning of the Company's mineral reserve and mineral resource estimates, and satisfy itself that the judgement exercised was reasonable; and, if satisfactory, recommend Board approval of technical reports and annual mineral reserve and mineral resource estimates;
- k) review technical and operational matters on behalf of the Board.

The Committee shall also periodically, or at least annually:

- a) assess the overall effectiveness of (i) the Board as a whole, (ii) individual directors (including the Chair, and any Lead Director, if appointed) and (iii) each of the committees (other than the Committee which shall be evaluated by the full Board) from a corporate governance perspective and compliance with the relevant mandate, charter or terms of reference as applicable;
- b) review compliance with applicable securities and corporate legislation, and stock exchange policies;
- c) review the Company's corporate governance policies, including without limitation any mandate, charter, terms of reference, policy or code that comprises the Company's Corporate Governance Policies, the Company's performance in respect of such policies, and any matters arising pursuant to such policies, as well as any waivers from compliance granted to officers or directors, and make recommendations to the Board as appropriate;

- d) recommend to the Board for approval, and periodically review, the process for the determination of the independence of the directors, and financial literacy and financial expertise of directors as necessary, in accordance with applicable securities laws and regulations, including any stock exchange upon which the Company's shares are listed;
- e) review and address all complaints to the Board, except those to be reviewed by the Audit Committee;
- f) ensure that any issues relating to corporate governance which are identified by the directors involving management are resolved with management;
- g) be responsible for ensuring all public disclosure requirements concerning the Company's corporate governance system are observed;
- h) with the CEO, develop or review position descriptions for the CEO, President, CFO and COO, if applicable, defining limits to management's authority; and
- i) undertake such other initiatives as are necessary or desirable to provide effective corporate governance for the Company.

The Committee shall have authority to engage outside consultants to review corporate governance, nominating and sustainability issues as appropriate, and shall have the sole authority to engage search firms to assist in the identification of director candidates and the sole authority to set the fees and other retention terms of such firms (subject to any annual spend limitations specified by the Board).

The Committee shall have the right to conduct a portion of each meeting without the presence of non-independent directors and management and may invite other directors and/or management to attend Committee meetings.

The Committee shall also have such other powers and duties as are delegated to it by the Board from time to time.

The Committee shall conduct a periodic self-assessment of its performance and report the results of such assessment to the Board.

## SCHEDULE "C" BOARD MANDATE

### GENERAL

The Board of Directors (the "Board") of Euro Manganese Inc. ("EMI" or the "Company") is responsible for the stewardship and the general supervision of the management of the business and affairs of EMI in order to ensure the long-term financial strength of EMI and the creation of enduring and sustainable shareholder value. The Board seeks to discharge such responsibility by reviewing, discussing and approving EMI's strategic plans and organizational structure, and by supervising management to oversee that the strategic planning and organizational structure enhance and preserve the business of EMI and its underlying value.

The Board shall be constituted always of a majority of "independent" directors as such term is defined in section 2. (QUALIFICATION OF DIRECTORS).

### 1. DUTIES AND RESPONSIBILITIES OF THE BOARD

The Board discharges its responsibility for overseeing the management of EMI's business by delegating to EMI's senior officers the responsibility for day-to-day management of EMI. The Board discharges its responsibilities both directly and by delegation through its standing committees, namely the Audit Committee and the Governance, Compensation Nominating, and Sustainability Committee.

The principal duties and responsibilities of the Board include:

- i. **Strategic Planning.** Assisting in the development of and regularly reviewing and monitoring the Company's long-term goals and the strategic planning process which takes into consideration.
  - a. opportunities and risks of the business and provides objectivity and judgement to the process. The Board is responsible for the approval of and for monitoring the process on at least an annual basis.
- ii. **Performance Review.** Regularly reviewing the short and long-term performance of the Company. The Board shall review and consider for approval all significant amendments or departures proposed by management from established strategy, capital and operating.
  - a. budgets, matters of policy or corporate structure, outside of the ordinary course of business.
- iii. **Budgeting.** Reviewing and approving the Company's annual budgets, including capital expenditures.
- iv. **Risk Management.** Understanding and overseeing the principal risks associated with the Company's business and regularly monitoring the systems in place to manage those risks effectively.
- v. **Reviewing Material Transactions.** Reviewing and approving transactions that are either material or not in the ordinary course of the Company's business.
- vi. **CEO Appointment and Evaluation.** Appointing a Chief Executive Officer ("CEO") of the Company, approving the CEO's compensation and establishing and administering appropriate processes to measure the CEO's performance in carrying out the Company's stated objectives, in conjunction with and on the recommendation of the Compensation Committee.
- vii. **Succession Planning.** Establishing and administering a plan for the succession of the CEO and senior management.
- viii. **Determining Compensation.** Upon the recommendation of the Compensation Committee, approving the appointment and compensation of senior management and approving the compensation of the directors of the Company ("Directors").
- ix. **Management.** Establishing limits of authority to be delegated to senior management and appropriate evaluation criteria for the CEO and senior management.

- x. **Director Nomination.** Requiring that a plan be in place for the nomination of the Chairman of the Board and Directors, including those Directors who are independent in accordance with applicable securities laws and stock exchange requirements ("Independent Directors"), in conjunction with the Corporate Governance and Nominating Committee.
- xi. **Internal Controls.** In conjunction with the Audit Committee, regularly reviewing and monitoring the effectiveness of the Company's internal controls and management information systems.
- xii. **Disclosure Policy.** If and when warranted, overseeing the adoption of a disclosure policy for fair, accurate, transparent and timely public disclosure to all stakeholders, consistent with obligations of confidentiality.
- xiii. **Reserves and Resources.** Reviewing any reserve or resource reports prepared by the Company or the Reserve & Resource Panel. The Reserve & Resource Panel may be constituted at the discretion of the Board and will consist of certain Independent Directors who possess experience with or a working knowledge of estimating reserves and resources.
- xiv. **Shareholder Communication.** Reviewing the Company's communication policy and requiring that it be in compliance with applicable law and the regulations and guidelines of applicable securities regulatory authorities and the stock exchanges on which the Company's securities trade.
- xv. **Shareholder Feedback.** Establishing measures for shareholders to provide feedback to the Board or the Independent Directors directly.
- xvi. **Corporate Governance.** Monitoring the Company's compliance with the law and the corporate governance regulations and guidelines as required by the securities regulatory authorities and the stock exchanges on which the Company's securities trade, in conjunction with the Corporate Governance and Nominating Committee.
- xvii. **Code of Conduct and Business Ethics.** Establishing and regularly reviewing the Company's Code of Conduct and Business Ethics and regularly monitoring compliance thereof with the objective of promoting a culture of integrity throughout the Company.
- xviii. **Integrity.** To the extent feasible, satisfying itself as to the integrity of the CEO and other executive officers and that the CEO and other executive officers are creating a culture of integrity through the Company.
- xix. **By-laws.** If required, adopting, amending or repealing the By-laws of the Company, in accordance with applicable law.
- xx. **Financial Disclosure.** Reviewing and approving in advance prescribed public disclosure documents including, but not limited to, the quarterly and annual Financial Statements of the Company and associated Management's Discussion and Analysis, the Annual Information Form and Management Proxy Circular, in conjunction with the Committees of the Board as applicable.
- xxi. **Committees of the Board.** Upon the recommendation of the Nominating, Governance, Compensation and Sustainability Committee, establishing the Committees and selecting Independent Directors to act on the Committees. The Board shall establish the following standing Committees of the Board:
  - i. Audit Committee,
  - ii. Governance, Compensation, Nominating and Sustainability Committee,
  - iii. From time to time the Board may create other Committees or ad hoc committees to oversee specific issues or projects on behalf of the Board.
- xxii. **Terms of Reference.** Establishing, approving and annually reviewing the Terms of Reference for itself and its Committees, setting out duties and responsibilities including organizational and administrative procedures, in conjunction with the Corporate Governance and Nominating Committee.
- xxiii. **Evaluation of Board and Committees.** Regularly evaluating the effectiveness of the Board, its Committees and the members thereof, in conjunction with the Corporate Governance and Nominating Committee.
- xxiv. **Meetings with Management.** Encouraging the CEO to bring into Board meetings, managers who can provide additional insight into the items being discussed because of personal involvement in those areas, and/or employees who have the potential to take on greater responsibilities within the Company and whom the CEO believes should be given more exposure to the Board.

- xxv. **Continuing Education.** In conjunction with the Corporate Governance and Nominating Committee, overseeing the establishment of suitable orientation programs for new Directors and continuing education opportunities for all Directors such as receipt of management reports, third party presentations and mine site visits. Each Director will have access to an electronic Board Manual, updated annually, containing relevant management information, historical public information and the Terms of References for the Directors and for the Committees of the Board.
- xxvi. **Regulatory Compliance.** Ensuring that processes are in place to address applicable regulatory, corporate, securities and other compliance matters in a timely manner.
- xxvii. **Goodwill.** Enhancing the reputation, goodwill and image of the Company.
- xxviii. **General.** Making other corporate decisions required to be made by the Board, or as may be reserved by the Board, to be made by itself, from time to time and not otherwise delegated to a Committee or to the management of the Company.

## 2. QUALIFICATION OF DIRECTORS

The Board shall be constituted always of a majority of “independent” directors as this term is defined in NI 58-101-*Disclosure of Corporate Governance Practices* and National Policy 58-201-*Corporate Governance Guidelines* and under applicable securities laws and the rules of any stock exchange on which EMI’s securities are listed for trading.

## 3. EXPECTATIONS OF A DIRECTOR

- i. **Commitment and Attendance.** All Directors are expected to maintain a high attendance record at meetings of the Board (including in-camera meetings) and meetings of the Committees of which they are members. Directors are expected to participate on Committees of the Board and become familiar with the Terms of Reference for each Committee on which they serve.
- ii. **Preparation for Meetings.** All Directors are expected to prepare in advance of meetings of the Board and its Committees and be willing to fully and frankly participate in the deliberations of the Board and its Committees with the intent to make informed decisions. Directors are expected to review the agenda and related materials circulated in advance of the meeting and are encouraged to contact the Chair of the Board, the CEO or any other appropriate person to discuss agenda items prior to the meetings.
- iii. **Knowledge of Operations.** All Directors are expected to be knowledgeable about the Company’s operations, activities and industry and to gain and maintain a reasonable understanding of the current regulatory, legislative, business, social and political environments within which the Company operates.
- iv. **Other Directorships and Significant Activities.** Each Director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director’s time and availability for his or her commitment to the Company. No Director should serve on a board of a competitor of the Company or of a regulatory body with oversight of the Company. Directors should advise the Chair of the Corporate Governance and Nominating Committee prior to accepting membership on any other public company boards of directors. All Directors should disclose any conflict of interest on any issue to the Chair of the Board or the Chair of the Corporate Governance and Nominating Committee as soon as it arises. Directors must refrain from voting on any issue when a conflict of interest exists.
- v. **Contact with Management and Employees.** Directors should become familiar with senior management and their roles, and have access to them. Directors should be available to management and the Board as a resource and use their abilities, knowledge and experience for the benefit of the Company.
- vi. **Speaking on behalf of the Company.** Directors are required to adhere to the Company’s Disclosure Policy, if and when one is developed.
- vii. **Confidentiality.** The proceedings and deliberations of the Board and its Committees are confidential. Each Director shall maintain the confidentiality of the information received in connection with his or her service as a Director.

- viii. **General.** Directors are expected to perform such other duties as may be assigned to the Director by the Board from time to time or as may be required by applicable regulatory authorities or legislation.

#### **4. OUTSIDE ADVISORS**

The Board or the Independent Directors, with approval of the Chairman of the Board, may, at the expense of the Company, engage such outside advisors as may be reasonable or desirable to the Board or the Independent Directors in the performance of Directors' duties.

#### **5. LIMITATION ON THE BOARD'S DUTIES**

Nothing in these Terms of Reference is intended or may be construed as imposing on any member of the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the Directors are subject under applicable law. These Terms of Reference are not intended to change or interpret the constating documents of the Company or any federal, provincial, state or exchange law, regulation or rule to which the Company is subject, and these Terms of Reference should be interpreted in a manner consistent with all such applicable laws, regulations and rules. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to shareholders, competitors, employees or other persons, or to any other liability whatsoever.

EMN  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

### Lodge your vote:



**Online:**  
[www.investorvote.com.au](http://www.investorvote.com.au)



**By Mail:**  
Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

### For all enquiries call:

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## CDI Voting Instruction Form

**XX**



Vote online, 24 hours a day, 7 days a week:

**[www.investorvote.com.au](http://www.investorvote.com.au)**

*Your secure access information is:*

**Control Number: 999999**

**SRN/HIN: I9999999999**

**PIN: 99999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

**For your vote to be effective it must be received by 10.00am (Vancouver time) on Tuesday, February 5, 2019**

### How to Vote on Items of Business

Each CHESS Depositary Interest (CDI) is equivalent to one share of Company Common Stock, so that every 1 (one) CDI registered in your name at January 4, 2019 entitles you to one vote.

You can vote by completing, signing and returning your CDI Voting Instruction Form. This form gives your voting instructions to CHESS Depositary Nominees Pty Ltd, which will vote the underlying shares on your behalf. You need to return the form no later than the time and date shown above to give CHESS Depositary Nominees Pty Ltd enough time to tabulate all CHESS Depositary Interest votes and to vote on the underlying shares.

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the Australian registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Only duly authorised officer/s can sign on behalf of a company. Please sign in the boxes provided, which state the office held by the signatory, ie Sole Director, Sole Company Secretary or Director and Company Secretary. Delete titles as applicable.

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** ➔

MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030



**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

## CDI Voting Instruction Form

Please mark ☒ to indicate your directions

### STEP 1 CHESS Depositary Nominees Pty Ltd will vote as directed

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#### Voting Instructions to CHESS Depositary Nominees Pty Ltd

I/We being a holder of CHESS Depositary Interests of Euro Manganese Inc. hereby direct CHESS Depositary Nominees Pty Ltd to vote the shares underlying my/our holding at the Annual General Meeting of Euro Manganese Inc. to be held at the Offices of Euro Manganese Inc., 1500 - 1040 West Georgia Street, Vancouver, British Columbia V5E 4H8 Canada on Monday, February 11, 2019 at 10:00am (Vancouver Time) and at any adjournment or postponement of that meeting.

By execution of this CDI Voting Form the undersigned hereby authorises CHESS Depositary Nominees Pty Ltd to appoint such proxies or their substitutes to vote in their discretion on such business as may properly come before the meeting.

### STEP 2 Items of Business

#### 1. Election of Directors

	For	Abstain*
01. Roman Shklanka	<input type="checkbox"/>	<input type="checkbox"/>
02. Marco Antonio Romero	<input type="checkbox"/>	<input type="checkbox"/>
03. John Webster	<input type="checkbox"/>	<input type="checkbox"/>
04. David Bruce Dreisinger	<input type="checkbox"/>	<input type="checkbox"/>
05. Harvey Neil McLeod	<input type="checkbox"/>	<input type="checkbox"/>
06. Daniel Joseph Rosický	<input type="checkbox"/>	<input type="checkbox"/>
07. Jan Votava	<input type="checkbox"/>	<input type="checkbox"/>
08. Gregory Pentland Martyr	<input type="checkbox"/>	<input type="checkbox"/>

#### 2. Appointment of Auditors

Appointment of PricewaterhouseCoopers LLP, Chartered Professional Accountants as Auditors of the Corporation for the ensuing year and authorizing the Directors to fix their remuneration.

For Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>
--------------------------	--------------------------

#### 3. Approval of Stock Option Plan

That the Corporation's 10% rolling stock option plan is ratified, confirmed and approved, including the reserving for issuance under the stock option plan at any time of a maximum of 10% of the issued and outstanding common shares of the Corporation, subject to regulatory approval, and any unallocated options or other entitlements thereunder, be and are hereby confirmed, ratified and approved in their entirety, all as more particularly described in the Corporation's information circular dated January 4, 2019.

For Against Abstain\*

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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\* Under Canadian securities laws, the form of proxy to be provided must only allow security holders to vote in favour of, or to withhold their vote in respect of, a resolution to elect a director or in respect of appointment of auditor, but not to vote against it. For further information, see "Background Information for CDI Holders" in the Corporation's Management Information Circular.

### SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact  
Name

Contact  
Daytime  
Telephone

Date / /

EMN

999999A

Computershare +