

**CORONADO RESOURCES LTD.**  
2040-885 W. Georgia Street  
Vancouver, BC V6C 3E8  
Tel: (604) 682-6496, Fax: (604) 682-1174

## **NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**Take notice** that the Annual General Meeting of the shareholders (the “**Meeting**”) of Coronado Resources Ltd. (the “**Company**”) will be held at Suite 2040, 885 W. Georgia Street, Vancouver, British Columbia, on May 28, 2018, at 11:00 a.m. (PST), for the following purposes:

1. To receive the consolidated financial statements of the Company for its fiscal year ended February 28, 2017, and the report of the auditors thereon.
2. To fix the number of directors to be elected at the Meeting at four (4) and to elect directors to hold office until the next shareholders’ meeting of the Company.
3. To appoint De Visser Gray LLP as auditor of the Company to hold office until the next Annual General Meeting of the shareholders and to authorize the directors to fix the remuneration to be paid to the auditor.
4. To consider and, if deemed fit, approve an ordinary resolution ratifying and approving the Company’s existing 10% rolling stock option plan.
5. To consider any permitted amendment to or variation of any matter identified in this notice of the Meeting and to transact such other business as may properly come before the Meeting or any adjournment thereof.

A Management Information Circular (“**Information Circular**”) accompanies and is deemed to form part of this notice of the Meeting. The Information Circular contains details of matters to be considered at the Meeting. Additional information is also available free of charge on SEDAR at [www.sedar.com](http://www.sedar.com).

A shareholder who is unable to attend the Meeting in person and who wishes to ensure that such shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy (the “**Proxy**”), or another suitable form of proxy, and deliver it in accordance with the instructions set out in the Proxy and in the Information Circular.

If you have any questions about the procedures required to qualify to vote at the Meeting or about obtaining and depositing the required Proxy, you should contact the Company’s transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by telephone (toll free) at 1-866-732-8683 or by e-mail at [service@computershare.com](mailto:service@computershare.com).

DATED at Vancouver, British Columbia as of the 27<sup>th</sup> day of April, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

*/s/ “Giuseppe (Pino) Perone”*

Giuseppe (Pino) Perone  
Chief Executive Officer

**CORONADO RESOURCES LTD.**  
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## **MANAGEMENT INFORMATION CIRCULAR**

as at April 27, 2018

**This Management Information Circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by the management of Coronado Resources Ltd. (the “Company”) for use at the Annual General Meeting of its shareholders (the “Meeting”) to be held on May 28, 2018, at the time and place and for the purposes set forth in the accompanying notice of the Meeting. Except where otherwise indicated, the information contained herein is stated as at April 27, 2018.**

In this Information Circular, references to “Coronado”, “we” and “our” refer to the Company. “Common Shares” means common shares in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name, “Registered Shareholders” means shareholders whose names appear on the records of the Company as the registered holders of Common Shares and “intermediaries” refers to brokers, investment firms, clearing houses, trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans and similar entities that own securities on behalf of Beneficial Shareholders.

### **GENERAL PROXY INFORMATION**

#### ***Solicitation of Proxies***

The form of proxy accompanying this Information Circular (the “**Proxy**”) is solicited by and on behalf of the management of the Company. The solicitation of Proxies will be primarily by mail, but Proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to Beneficial Shareholders and we will reimburse the intermediaries for their reasonable fees and disbursements in that regard.

#### ***Appointment of Proxyholders***

The individuals named in the accompanying Proxy are the officers of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.** The only methods by which you may appoint a person as proxy are submitting a Proxy by mail, hand delivery, fax, phone or by way of the Internet, as set out on the accompanying Proxy.

#### ***Voting of Proxies and Discretionary Authority***

Unless specifically directed in the Proxy to withhold the Common Shares represented by the Proxy from a ballot or show of hands, the proxies named in the accompanying Proxy shall vote the Common Shares represented by the Proxy on each ballot or show of hands. Where a choice with

respect to any matter to be acted upon has been specified in the Proxy, the Common Shares will be voted in accordance with the specifications so made.

**In the absence of any instructions on the Proxy or if such instructions are unclear, Common Shares represented by the Proxy will be voted IN FAVOUR of each matter identified on the form of proxy, in each case as more particularly described elsewhere in this Information Circular.**

The enclosed Proxy when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other matter of business is properly brought before the Meeting, it is the intention of the persons designated in the enclosed Proxy to vote in accordance with their best judgement on such matter of business. At the time of the printing of this Information Circular, management knows of no such amendment, variation or other matter which may be presented at the Meeting.

### ***Registered Shareholders***

If you are a Registered Shareholder, you may wish to vote by Proxy whether or not you are able to attend the Meeting in person. If you submit a Proxy, you must complete, date and sign the Proxy and then return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America at 1-866-249-7775, outside North America at 416-263-9524, by phone at 1-866-732-8683, by way of the Internet at [www.investorvote.com](http://www.investorvote.com), or by mail or by hand at 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof at which the Proxy is to be used.

### ***Beneficial Shareholders***

The following information is of significant importance to many shareholders of the Company who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder's name on the records of the Company; such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In the U.S., the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

### ***If you are a Beneficial Shareholder***

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy or voting instruction form supplied to you by your broker will be similar to the Proxy provided to Registered Shareholders of the Company. However, its purpose is limited to instructing the intermediaries on how to vote on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in the U.S. and in Canada. Broadridge mails a voting instruction form in lieu of a Proxy provided by the Company. The voting instruction form will name the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than the persons designated in the voting instruction form, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the voting instruction form. The completed voting instruction form must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the Internet, in accordance with Broadridge’s instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although, as a Beneficial Shareholder, you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on your voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy, which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

There are two kinds of beneficial owners: those who object to their name being made known to the issuers of securities which they own (called “OBOs” for Objecting Beneficial Owners); and those who do not object to the issuers of the securities they own knowing who they are (called “NOBOs” for Non-Objecting Beneficial Owners).

The intermediaries (or their service companies) are responsible for forwarding the Meeting materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for a broker/nominee to deliver the Meeting materials to the OBOs. The OBOs will not receive the materials unless the OBO’s broker or nominee assumes the costs of delivery.

The Company has decided to continue to take advantage of those provisions of National Instrument 54-101 - Communication with Beneficial Owners of Securities of Reporting Issuers that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable Voting Instruction Form (the “**VIF**”) from Computershare. These VIFs are to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as fully described on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the Common Shares represented by the VIFs they receive.

**NOBOs should carefully follow the instructions of Computershare, including those regarding when and where to complete the VIFs that are to be returned to Computershare.** Should a NOBO wish to vote at the Meeting in person, the NOBO must insert the names of the NOBO in the space provided and attend the Meeting and vote in person.

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

These shareholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf.

By choosing to send these shareholder materials to you directly, the Company (and not the intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

Beneficial Shareholders with questions respecting the voting of shares held through a stockbroker or other financial intermediary should contact that stockbroker or other intermediary for assistance.

#### ***Revocation of Proxies***

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

- a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder's authorized attorney in writing, or, if the Registered Shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare or at the head office of the Company at Suite 2040, 885 W. Georgia Street, Vancouver, British Columbia, V6C 3E8, or at the address of the Company's Attorney for Service in British Columbia at Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, V7X 1L3, at any time up to 11:00 a.m. (Vancouver Time) two days (excluding Saturdays, Sundays and statutory holidays) preceding the Meeting or, if the Meeting is adjourned, any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting before any vote in respect of which the Proxy is to be used shall have been taken or in any other manner provided by law, or
- (a) personally attending the Meeting and voting the Registered Shareholder's Common Shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

#### **CURRENCY**

All currency amounts in this Information Circular are expressed in Canadian dollars, unless otherwise indicated.

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

Other than as set out herein, no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any proposed nominee for election as a director of the Company, nor 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 matter to be acted on at the Meeting other than the election of directors.

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

The board of directors of the Company (the “**Board**”) has fixed April 23, 2018, as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of, and vote at, the Meeting and any adjournment thereof. Only Registered Shareholders at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Company is authorized to issue an unlimited number of Common Shares without par value. As at April 27, 2018, there were 3,231,411 Common Shares without par value issued and outstanding, each carrying the right to one vote. The Company has no other classes of voting securities.

As at the date of this Information Circular, to the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares other than Alex Guidi who owns approximately 18.09% or 584,613 Common Shares.

### **QUORUM; VOTES NECESSARY TO PASS RESOLUTIONS**

The Company’s Articles provide that a quorum for the transaction of business at any shareholders’ meeting is one (1) shareholder or proxyholder present at the shareholders’ meeting. If a quorum is not present within one-half hour after the time set for the commencement of the Meeting, the Meeting will be adjourned and set over for one week to the same time and place, and thereupon whatever number of Common Shares is represented shall constitute a quorum.

A simple majority (i.e. 50% plus one) of affirmative votes cast at the Meeting is required to pass an ordinary resolution of the Company, whereas a special majority (being 66 2/3%) of affirmative votes cast at the Meeting is required to pass a special resolution of the Company. If there are more nominees for election as directors or appointment of the Company’s auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed.

### **FINANCIAL STATEMENTS**

The audited consolidated financial statements and the related management discussion and analysis of the Company for the year ended February 28, 2017, and the report of the auditor on those statements will be placed before the Meeting.

The audited consolidated financial statements and the report of the auditor, and the related management discussion and analysis are included in the Annual Report for the fiscal year ended February 28, 2017. If a shareholder has previously requested a copy of the annual financial statements and the related management discussion and analysis, such Annual Report will have been mailed to such shareholder, or such shareholder will have received email notification that the financial statements and the related management discussion and analysis for the fiscal year ended February 28, 2017, are available for download without charge from SEDAR at [www.sedar.com](http://www.sedar.com).

## ELECTION OF DIRECTORS

The Board presently consists of four (4) directors. At the Meeting, it is intended that the number of directors be fixed at four (4) and that four (4) directors be elected for the ensuing year. The term of office of each of the four (4) current directors will end at the conclusion of the Meeting. Unless the director's office is earlier vacated in accordance with the provisions of the Business Corporations Act (British Columbia), each director elected will hold office until the conclusion of the next shareholders' meeting of the Company, or until their successor is elected or appointed.

The following table sets out detailed information of management's four (4) nominees including their jurisdiction of residence, the offices they hold within the Company, their principal occupations, the period of time during which each has been a director of the Company, the number of Common Shares of the Company and its subsidiaries beneficially owned by each, directly or indirectly, or over which each nominee exercises control or direction, and the nominees' membership on committees of the Board as at the date of this Information Circular. The Board does not have an executive committee. There is presently one (1) committee of the Board; namely, the Audit Committee.

In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the management of the Company will be voted for the nominees listed in this Information Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

Nominee Position with the Company and Residence <sup>(1)</sup>	Principal Occupation for the Past Five Years <sup>(1)</sup>	Director of the Company since	Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(2)</sup>	Committee Membership
Giuseppe (Pino) Perone <i>CEO, Corporate Secretary and Director</i> British Columbia, Canada <sup>(3)</sup>	CEO, Corporate Secretary and director - Coronado; Corporate Secretary and General Counsel - TAG Oil Ltd. (" <b>TAG</b> "); Corporate Secretary of McorpCX, Inc. (" <b>McorpCX</b> ")	October 6, 2017	18,180	Nil
John Vaccaro <i>Director</i> British Columbia, Canada <sup>(4)</sup>	Director - Coronado; Financial Consultant - Yield Management Consultants (" <b>Yield</b> "); Financial Services - TAG	March 14, 2013	1,072	Audit Committee
Ashley Garnot <i>Director</i> British Columbia, Canada	Director - Coronado; Director - McorpCX; Management Consultant - Coronado; General Manager - TAG	November 8, 2011	33,474	Audit Committee

David Loretto <i>Director</i> British Columbia, Canada	Director - Coronado; Geologist - TAG; Co- Founder - Cascadia 4X4 Ltd. ("Cascadia"); President - DCJL Consulting Ltd. ("DCJL")	April 10, 2015	1,681	Audit Committee
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Notes:

- 1) Information as to residence and principal occupation has been furnished by the respective director individually. See also "Election of Directors - Information Regarding Management's Nominees for Election to the Board" below.
- 2) Information as to Common Shares beneficially owned or controlled has been furnished by the respective director individually. The directors do not hold shares in any subsidiary of the Company.
- 3) On October 6, 2017, Mr. Hugh Rogers resigned as Chief Executive Officer and a director of the Company and was subsequently replaced by Mr. Giuseppe (Pino) Perone. Mr. Perone now serves as Chief Executive Officer, Corporate Secretary and a director of the Company.
- 4) Chairman of the Audit Committee.

Biographical summaries and other required information about each of the nominees for election as directors are set out below in the section entitled "Election of Directors - Information Regarding Management's Nominees for Election to the Board."

**Corporate Cease Trade Orders or Bankruptcies**

To the best of management's knowledge, no proposed director of the Company is, as at the date of this Information Circular, or has been, within the last ten (10) years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

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

To the best of management's knowledge, no proposed director is, as at the date of this Information Circular, or has been within the last ten (10) years, a director or executive officer of any company (including the Company) that, while the proposed director 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.

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

To the best of management's knowledge, no proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **Information Regarding Management's Nominees for Election to the Board**

The following biographical information about management's nominees for election to the Board has been supplied by the respective nominees:

**Giuseppe (Pino) Perone, CEO, Corporate Secretary and Director** Mr. Perone is currently the CEO, Corporate Secretary and a director of Coronado. Mr. Perone holds a B.A. (Distinction) degree from the University of Victoria and an LL.B. from the University of Alberta and is an active member of The Law Society of British Columbia. Mr. Perone has over 10 years of extensive corporate experience that stems from practicing as corporate counsel, as well as serving as an executive and director, for various public and private companies in the resource and technology sectors. Mr. Perone is also currently the Corporate Secretary and General Counsel for TAG.

**John Vaccaro, Director** Mr. Vaccaro has over 25 years of experience in the financial services industry where he directed and provided investment consulting to high net worth individuals as well as corporate and institutional clients. He acted as a senior investment executive with CIBC Wood Gundy from January 2002 to March 2007. Mr. Vaccaro has since established a private client consulting practice in the financial services sector, Yield, and acts as Managing Partner and a consultant for the practice. Mr. Vaccaro is also an active member of the Fellowship of the Canadian Securities Institute and holds a degree from the University of British Columbia in Urban Land Economics with double Majors. Mr. Vaccaro began serving as a director of the Company on March 14, 2013.

**Ashley Garnot, Director** Mrs. Garnot acts as a management consultant for public and private companies in the resource and technology sectors, which includes managing various marketing, accounting and financial matters, and has had experience working in both the branding and real estate industries. Mrs. Garnot holds a Canadian Securities Course Certificate from the Canadian Securities Institute and a Property Management and Real Estate Trading Services diploma from the Sauder School of Business (Real Estate Division). Mrs. Garnot began serving as a director of the Company on November 8, 2011.

**David Loretto, Director** Mr. Loretto holds a B.Sc. (Honours) Geological Sciences degree from Queen's University, and has corporate, financial and operational experience through his work with various junior resource issuers, including his current position with TAG as a geologist. Mr. Loretto is currently the President of DCJL and Co-Founder of Cascadia and began serving as a director of the Company on April 10, 2015.

The Board does not contemplate that any of its nominees will be unable to serve as a director, but if for any reason that should occur, the persons named in the Proxy shall have the right to use their discretion to vote for a properly qualified substitute.

It is expected that the nominees set forth in this Information Circular will, upon their re-election, continue to serve as directors of the Company until the conclusion of the next Annual General Meeting of the Company's shareholders.

### **COMPENSATION OF EXECUTIVE OFFICERS**

Set out below are particulars of compensation paid to the following persons (the "**Named Executive Officers**" or "**NEOs**"):

- (a) the Company's Chief Executive Officer ("**CEO**");
- (b) the Company's Chief Financial Officer ("**CFO**");
- (c) each of the Company's three most highly compensated executive officers, 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 for that financial year; and
- (d) each individual for whom disclosure would have been provided under (c) but for the fact that the individual was not serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at February 28, 2017, the end of the Company's most recently completed financial year, the Company had two (2) Named Executive Officers, whose name and positions held within the Company are set out under "*Compensation of Executive Officers - Summary Compensation Table*" below.

### **Compensation Discussion and Analysis**

#### ***Compensation Philosophy and Objectives***

The primary goal of the Company's executive compensation program is to attract and retain key executives necessary for the Company's long-term success, to encourage executives to further the development of the Company and its operations, and to motivate top quality and experienced executives.

#### ***Compensation Elements***

The key elements of the executive compensation program are: (i) base salary; and (ii) incentive options to purchase Common Shares ("**Options**"). The directors are of the view that both elements of the program should be considered, rather than either element in isolation.

The independent directors of the Company are Messrs. David Loretto and John Vaccaro. These directors assist in recommending to the Board the appropriate compensation for the Company's directors and senior management.

The independent directors of the Company also assist in monitoring compensation of the directors and executive officers of the Company. The Board periodically reviews the compensation paid to directors and management based on such factors as: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general. The determination of appropriate compensation reflects the need to incentivize and compensate the directors and senior management for the time and effort expended in connection with operating and managing the affairs of the Company while taking into account the financial and

other resources of the Company. The Board has not retained any compensation consultants or advisors to assist in determining compensation for any of the Company's directors or officers.

The Board has not undertaken a formal analysis of the implications of the risks associated with the Company's compensation policies and practices and the Company has not adopted a formal compensation policy.

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

### ***Option-Based Awards***

Long-term incentive in the form of Options are intended to align the interests of the Company's directors and its executive officers with those of its shareholders, to provide long term incentive that rewards these individuals for their contribution to the creation of shareholder value, and to reduce the cash compensation the Company would otherwise have to pay. The existing 10% rolling stock option plan of the Company (the "**Stock Option Plan**") is administered by the Board. In establishing the number of Options to be granted to the Named Executive Officers, the Board considers previous grants of Options and the overall number of Options that are outstanding relative to the number of outstanding Common Shares in determining whether to make any new grants of Options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the director or executive officer in determining the level of Option compensation. See "*Compensation of Executive Officers - Stock Option Plan*" for additional information concerning the Stock Option Plan below.

### ***Benefits and Perquisites***

In general, the Company will provide a specific benefit or perquisite only when it provides competitive value and promotes retention of executives, or when the perquisite provides shareholder value, such as ensuring the health of executives. The limited perquisites the Company provides its executives may include reimbursement of out-of-pocket costs, for example, expenses for travel on Company business and such benefits and perquisites as set out, respectively, in the "*Compensation of Executive Officers - Summary Compensation Table*" below.

### **Summary Compensation Table**

The following table (presented in accordance with National Instrument Form 51-102F6 – Statement of Executive Compensation) is a summary of compensation paid to the NEOs for the three (3) most recently completed financial years ended February 28, 2017, February 29, 2016 and February 28, 2015, respectively:

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$)	Option-Based Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans	Long-term Incentive Plans			
Hugh Rogers, Former CEO <sup>(2)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil	42,000.00	42,000.00
	2016	Nil	Nil	Nil	Nil	Nil	Nil	59,193.55	59,193.55
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Barry MacNeil, CFO <sup>(3)</sup>	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	69,000	69,000

Notes:

- 1) The fair value of the option-based awards was determined on the grant date using the Black-Scholes option pricing model with the following assumptions: stock volatility 168%, risk free rate 1.43%, expected life of options three (3) years and dividend rate 0%. Coronado uses the Black-Scholes option pricing model because it is a widely used and generally accepted method of estimating the fair value of stock options for accounting purposes.
- 2) On October 6, 2017, Mr. Hugh Rogers resigned as Chief Executive Officer and a director of the Company and was subsequently replaced by Mr. Giuseppe (Pino) Perone. Mr. Perone now serves as Chief Executive Officer, Corporate Secretary and a director of the Company.
- 3) Mr. Barry MacNeil was employed by the Company as a consultant until March 1, 2015.

**Pension Plan Benefits**

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

**Incentive Plan Awards**

**Outstanding Share-Based Awards and Options-Based Awards**

The following table sets forth details of Options granted to the Named Executive Officers and outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year. No share-based awards, with other than option-like features, have been granted to the Named Executive Officers.

NEO Name and Principal Position	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)
Hugh Rogers, Former CEO	Nil	Nil	Nil	Nil	N/A	N/A

Barry MacNeil, CFO	Nil	Nil	Nil	Nil	N/A	N/A
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***Incentive-Plan Awards – Value Vested or Earned During the Year***

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

<i>NEO Name and Principal Position</i>	<i>Option-Based Awards - Value Vested During The Year (\$)</i>	<i>Share-Based Awards - Value Vested During The Year (\$)</i>	<i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i>
Hugh Rogers, <i>Former CEO</i>	Nil	N/A	N/A
Barry MacNeil, <i>CFO</i>	Nil	N/A	N/A

***Discussion of Plan-Based Awards***

During the financial year ended February 28, 2017, the Company did not grant Options to its NEOs pursuant to the Stock Option Plan. The Board administers the Stock Option Plan, and as such, all proposed Option grants are submitted to the Board for their approval. In considering new grants, the Board considers prior grants made to directors and executive officers.

**Stock Option Plan**

Coronado currently has in place a Stock Option Plan, which is intended to afford persons who provide services to the Company an opportunity to obtain a proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Stock Option Plan permits the granting of Options to directors, senior officers, Employees (as defined by the TSX-V), Management Company Employees (as defined by the TSX-V) and Consultants (as defined by the TSX-V) (collectively the “**Optionees**”) of the Company and its subsidiaries.

The maximum number of Common Shares issuable on exercise of Options outstanding at any time is limited, in the aggregate, to 10% of the issued and outstanding Common Shares.

The number of Common Shares issuable pursuant to Options granted under the Stock Option Plan:

- (a) to any one Optionee, and within a one (1) year period, shall not exceed 5% of the issued and outstanding Common Shares on the grant date on a non-diluted basis;
- (b) to all Insiders (as defined by the TSX-V) as a group, and within a one (1) year period, shall not exceed 10% of the issued and outstanding Common Shares on the grant date on a non-diluted basis;
- (c) to any one Consultant, and within a one (1) year period, shall not exceed 2% of the issued and outstanding Common Shares on the grant date on a non-diluted basis; and
- (d) to all Optionees who undertake Investor Relations Activities (as defined by the TSX-V), and within a one (1) year period, shall not exceed 2% of the issued and outstanding Common Shares on the grant date on a non-diluted basis.

The exercise price of any Options granted will be determined by the Board at the time of grant, provided that the exercise price shall not be less than the discounted market price of the Common Shares at the time of grant, which means that:

- (a) if the Common Shares are listed on the TSX-V, the market price shall be the closing price of the Common Shares on the TSX-V for the last market trading day prior to the date of the grant of the Options less any discount permitted by the TSX-V;
- (b) if the Common Shares are listed on an exchange other than the TSX-V, the market price shall be the closing price of the Common Shares as quoted on such exchange for the last market trading day prior to the date on which the Company announces the grant of the Options, or if the Company does not announce the grant of the Options, the last market trading day prior to the date of the grant of the Options; and
- (c) if the Common Shares are not listed on an exchange, the market price shall be the price per Common Share on the over-the-counter market determined by dividing the aggregate sale price of the Common Shares sold by the total number of such Common Shares so sold on the applicable market for the last day prior to the date of the grant of the Options.

The maximum term of Options granted shall not be more than five (5) years from the date of the grant of the Options.

The expiry date for Options shall be set by the Board at the time of the issue of the Options and shall not be more than five (5) years from the date of the grant of the Options. Options that are cancelled, terminated or expire prior to exercise of all or a portion thereof shall result in the Common Shares that were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Stock Option Plan. If an Optionee ceases to be eligible to be an Optionee under the Stock Option Plan, their Options shall be exercisable as follows:

- (a) in the event of an Optionee's death or disability that the Board considers likely to prevent the Optionee from performing their employment or services, the Optionee's vested Options shall be exercisable at any time up to but not after the earlier of:
  - a. 365 days after the date of death or disability; and
  - b. the expiry date of the Options;
- (b) in the event of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same; and
- (c) in the event of an Optionee's early retirement, voluntary resignation or termination other than for cause, the Optionee's vested Options shall be exercisable at any time up to ninety (90) days (thirty (30) days if the Optionee was engaged in Investor Relations Activities (as defined by the TSX-V)), from the date of such cessation.

Pursuant to the policies of the TSX-V, rolling stock option plans must receive shareholder approval yearly at the annual general meeting. Accordingly, the Company is seeking approval of the Stock Option Plan at the Meeting. See "*Particulars of Other Matters to be Acted Upon – Re-Approval of the Stock Option Plan*" below.

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

Neither the Company, nor its subsidiaries, has a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer following or in connection with any termination

(whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or its subsidiaries, or a change in responsibilities of the NEO following a change in control.

## DIRECTOR COMPENSATION

### **Director Compensation Table**

The following table sets forth all amounts of compensation provided to the directors, who are each not also a Named Executive Officer (each of whose compensation is disclosed above in the “*Compensation of Executive Officers - Summary Compensation Table*” above), for Coronado’s most recently completed financial year ended February 28, 2017:

<i>Director Name</i> <sup>(1)</sup>	<i>Fees Earned</i> (\$)	<i>Share-Based Awards</i> (\$)	<i>Option-Based Awards</i> (\$)	<i>Non-Equity Incentive Plan Compensation</i> (\$)	<i>Pension Value</i> (\$)	<i>All Other Compensation</i> (\$)	<i>Total</i> (\$)
David Loretto	Nil	Nil	Nil	Nil	Nil	12,000	12,000
John Vaccaro	1,250	Nil	Nil	Nil	Nil	Nil	1,250
Ashley Garnot	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

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

### **Discussion of Director Compensation**

The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a Stock Option Plan for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the Company’s shareholders.

### **Outstanding Share-Based Awards and Options-Based Awards**

The following table sets forth details of Options granted to each of the directors who are not Named Executive Officers, and which were outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year. No share-based awards, with other than option-like features, have been granted to these directors.

Director Name	Option-Based Awards				Share-Based Awards	
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)
David Loretto	Nil	Nil	Nil	Nil	N/A	N/A
John Vaccaro	Nil	Nil	Nil	Nil	N/A	N/A
Ashley Garnot	Nil	Nil	Nil	Nil	N/A	N/A

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

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

Director Name	Option-Based Awards - Value Vested During The Year (\$)	Share-Based Awards - Value Vested During The Year (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
David Loretto	Nil	N/A	N/A
John Vaccaro	Nil	N/A	N/A
Ashley Garnot	Nil	N/A	N/A

#### **APPOINTMENT OF AUDITOR**

The management of the Company intends to nominate De Visser Gray LLP (“**De Visser Gray**”) of Vancouver, British Columbia, for re-appointment as auditor of the Company. Proxies given pursuant to the solicitation by the management of the Company will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of De Visser Gray as auditor of the Company to hold office until the close of the next Annual General Meeting of the shareholders of the Company, at a remuneration to be fixed by the directors. De Visser Gray was first appointed as auditor of the Company on July 9, 2010.

#### **AUDIT COMMITTEE DISCLOSURE**

Pursuant to the provisions of National Instrument 52-110 - Audit Committees (“**NI 52-110**”), Coronado’s Audit Committee has adopted a written charter for the Audit Committee (the “**Charter**”) that sets out its mandate and responsibilities. The Charter is attached as Schedule “B” to the Company’s Management Information Circular dated July 29, 2013, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). As the Company is a “venture issuer” (as defined in NI 52-110), it is relying on the exemption provided to it in Section 6.1 of NI 52-110 with respect to audit committee composition and reporting obligations.

## Composition of the Audit Committee

The Audit Committee is presently comprised of Messrs. David Loretto and John Vaccaro and Mrs. Ashley Garnot, of whom all are “financially literate” and of whom Messrs. David Loretto and John Vaccaro are “independent”, within the meanings given to those terms in NI 52-110. Mr. Vaccaro is also the Chairman of the Audit Committee.

## Relevant Education and Experience

The education and experience of each Audit Committee member that is relevant to the performance of their responsibilities as an Audit Committee member can be found above at “*Election of Directors - Information Regarding Management’s Nominees for Election to the Board.*”

## Audit Committee Oversight

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

## Reliance on Certain Exemptions

At no time since the commencement of the Company’s most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), Section 6.1.1(4) of NI 52-110 (Circumstance Affecting the Business or Operations of the Venture Issuer), Section 6.1.1(5) of NI 52-110 (Events Outside Control of Member), Section 6.1.1(6) of NI 52-110 (Death, Incapacity or Resignation) or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading “*The Audit Committee Charter – External Auditors*” in Schedule “B” to the Company’s Management Information Circular dated July 29, 2013, which is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services to ensure auditor independence. Fees incurred with De Visser Gray and BDO Auckland (“**BDO**”) for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended February 29, 2016	Fees Paid to Auditor in Year Ended February 28, 2017
Audit Fees <sup>(1)</sup>	32,777	13,000
Audit-Related Fees <sup>(2)</sup>	22,000	16,700
Tax Fees <sup>(3)</sup>	3,300	3,300
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>58,077</b>	<b>33,000</b>

Notes:

- 1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of Coronado's consolidated financial statements and include both the fees of the Company's principal auditor, De Visser Gray, and its previous New Zealand auditor, BDO. As a result of the sale of the Company's New Zealand subsidiary, Opunake Hydro Limited, the Company did not require BDO to perform the annual audit and quarterly reviews for fiscal 2017. Audit fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- 2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- 3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- 4) "All Other Fees" include all other non-audit services.

## CORPORATE GOVERNANCE DISCLOSURE

### General

Effective June 30, 2005, National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") and National Policy 58-201 - Corporate Governance Guidelines ("**NP 58-201**") were adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices with respect to corporate governance guidelines that they have adopted. NP 58-201 provides guidance on corporate governance practices.

The Board understands that good corporate governance improves corporate performance and benefits all shareholders. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment and includes the holding of an executive officer position.

The Board facilitates its independent supervision over management by conducting a quarterly review of the Company's financial statements and management discussion and analysis as well as requiring material transactions to be approved by the Board prior to the transaction taking place.

The independent members of the Board are Messrs. David Loretto and John Vaccaro. Mr. Giuseppe (Pino) Perone and Mrs. Ashley Garnot are not independent. The Company considers its current Board composition to be sufficient given the current state of the Company's business, but it continues to review the composition of the Board on an annual basis.

Given the size of the Company, the current composition of the Board and the nature of activities to date, the independent members of the Board are not expected to hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. This practice will be reassessed as the Company grows. In order to facilitate open and candid discussion among independent directors, from time to time as circumstances dictate, the independent directors can request a meeting a portion thereof to be restricted to independent directors for the purpose of

discussing matters independently of management. In addition, independent directors are encouraged to remain in communication with one another between meetings as and when they deem it appropriate.

The following table provides details regarding director attendance at Board meetings held during the financial year ended February 28, 2017:

<b>Board Member</b>	<b>Board Meetings Attended</b>
Hugh Rogers	4 of 4, 100%
David Loretto	4 of 4, 100%
John Vaccaro	4 of 4, 100%
Ashley Garnot	4 of 4, 100%

### **Directorships**

There are no members of the Board that are currently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction.

### **Position Descriptions**

The Board has not developed written position descriptions for the Chairman of its only Board committee. The Board believes that the Charter adequately delineates the role of the chair for such committee.

The Board has not developed a written position description for the CEO. Board members rely upon the knowledge and practical experience of the Board and CEO to delineate the responsibilities of the CEO.

### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with: (1) access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and (2) access to management and technical experts and consultants.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with developments and changes in legislation with management's assistance; and to visit the Company's operations.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders and expects management and employees to conduct themselves in an ethical manner at all times. This expectation is communicated to management and employees on an informal basis with a view to promoting a culture of ethical business conduct.

## Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

## Compensation

See “*Compensation of Executive Officers - Compensation Discussion and Analysis - Compensation Elements*” above.

## Other Board Committees

The only Board committee of the Company is the Audit Committee. As the size of the Company's operations does not warrant a larger Board, the Board has determined that additional committees are not necessary at this stage of the Company's development.

## Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal assessments of the Board's effectiveness. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

The Board is of the view that the Company's corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Company has no compensation plans under which equity securities are authorized for issuance, except for the shareholder approved Stock Option Plan.

## Equity Compensation Plan Information

The following table sets out the equity compensation plan information as at February 28, 2017:

Plan Category	Number of Securities to be Issued upon Exercise of Options, Warrants and Rights	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Securityholders	Nil	Nil	566,234
Equity Compensation Plans Not Approved by Securityholders	Nil	Nil	Nil
Total	Nil	Nil	566,234

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

An informed person is one who, generally speaking, is a director or officer or a 10% shareholder of the Company. To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company or a subsidiary of the Company or any associate or affiliate of any informed person or proposed director had any material interest, directly or indirectly, in any transaction or proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries during the year ended February 28, 2017, or has any interest in any material transaction in the current year other than as set out below or elsewhere in this Information Circular.

## **MANAGEMENT CONTRACTS**

Management functions of the Company and its subsidiaries are not, to any substantial degree, performed by anyone other than directors, executive officers or employees of the Company.

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

As at the date of this Information Circular, no executive officer, director, proposed nominee for election as director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company, or any of its subsidiaries, nor are any of these individuals indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company, or any of its subsidiaries.

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

### **Re-Approval of the Stock Option Plan**

The Stock Option Plan is described under the heading “*Compensation of Executive Officers – Stock Option Plan*” above.

The Stock Option Plan and Options thereunder were last approved by the Company's shareholders on February 28, 2017. As at the date of this Information Circular, the Company has 3,231,411 Common Shares issued and outstanding. This means that up to 323,141 Options in the aggregate may be granted under the Stock Option Plan as at the date hereof. There are no options currently outstanding and therefore the number available for grant is 323,141.

At the Meeting, the Company's shareholders will be asked to pass a resolution in substantially the following form:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Stock Option Plan be and the same is hereby ratified, confirmed and approved;
2. the Company be and is hereby authorized to grant Options pursuant to and subject to the terms and conditions of the Stock Option Plan and reserve Common Shares from treasury for issuance pursuant to such Option grants; and
3. any one director or officer of the Company is authorized and directed, on behalf of the Company, to take all necessary steps and proceedings and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things (whether under corporate seal of the Company or otherwise) that may be necessary or desirable to give effect to this ordinary resolution.”

The Board believes the Stock Option Plan is fair and reasonable to the Company's shareholders and in the best interests of the Company. Management of the Company recommends that shareholders vote in favour of the foregoing resolutions to re-approve the Stock Option Plan. **Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote in favour of the foregoing resolutions.**

#### **OTHER MATTERS**

The Board is not aware of any other matters which they anticipate will come before the Meeting as of the date of mailing of this Information Circular. If any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Proxy, subject to instructions on the face of the Proxy to the contrary.

#### **ADDITIONAL INFORMATION**

Financial information is provided in the Company's comparative financial statements and management discussion and analysis for its most recently completed financial year. Additional information is also available on SEDAR at [www.sedar.com](http://www.sedar.com) and may be downloaded free of charge.

The Company will provide to any shareholder, free of charge, upon request to the Company, telephone no. (604) 682-6496 or fax no. (604) 682-1174, a copy of any year end and interim financial statements of the Company and management's discussion and analysis filed with the applicable securities regulatory authorities during the past three (3) years.

#### **BOARD APPROVAL**

The contents of this Information Circular and its distribution to shareholders have been approved by the Board.

**DATED** at Vancouver, British Columbia, April 27, 2018.

/s/ Giuseppe (Pino) Perone

**Giuseppe (Pino) Perone**

**Chief Executive Officer**