



## **INFORMATION CIRCULAR**

### **SOLICITATION OF PROXIES BY MANAGEMENT**

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by or on behalf of the management of **Galore Resources Inc. (the "Company")** for use at the annual and special general meeting (the "Meeting") of the shareholders of the Company (the "Shareholders") to be held via teleconference on **Tuesday, December 22, 2020 at 10:30 a.m., (Vancouver time)** and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting.

**To proactively deal with the unprecedented public health impact of the Coronavirus (COVID-19) and in order to mitigate potential risks to shareholders, and the Company's employees, communities and other stakeholders, and based on government recommendations and mandates to avoid large gatherings, the Meeting will be held electronically by teleconference. Shareholders attending via teleconference will be afforded the opportunity to ask questions of management at the conclusion of the meeting.**

To participate or submit questions during the Meeting, please refer to the following dial-in instructions:

**Canada / USA: 1 – 866 – 512 - 0904**

**Participant Code: 8063245**

### **Shareholders will not be able to attend the Meeting in person.**

The teleconference will allow shareholders to listen to the Meeting and ask questions regardless of their geographic location or the particular circumstances that they may be facing as a result of COVID-19. The Company strongly encourages shareholders to vote in advance of the Meeting in accordance with the instructions provided in this Circular.

The Company is monitoring developments regarding COVID-19. In the event the Company decides any change to the date, time, location or format of the Meeting is necessary or appropriate due to difficulties arising from COVID-19, the Company will promptly notify shareholders of the change by issuing a news release, a copy of which will be available on SEDAR at [www.sedar.com](http://www.sedar.com).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Company. Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Company ("**Common Shares**") pursuant to the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*. The cost of any such solicitation will be borne by the Company.

The Company is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy related materials to registered shareholders or beneficial owners of shares in connection with the Meeting. Unless otherwise stated, the information contained in this Information Circular is given as at November 17, 2020.

## **APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES**

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder's behalf in accordance with the instructions given by the Shareholder in the proxy. The persons named in the enclosed proxy (the "**Management Designees**") have been selected by the directors of the Company. **Shareholders will not be able to attend the Meeting in person and voting is required in advance of the Meeting by proxy.**

To be valid, the proxy must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy). The proxy must then be delivered to the Company's registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775, and outside North America to (416) 263-9524, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting their shares. A Shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the registered Shareholder or by their authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Company's registrar and transfer agent at the foregoing address or the mailing address of the Company, at 19141 Stone Oak Parkway #104, San Antonio, Texas, USA, 78258, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting, or any adjournment thereof. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

## **VOTING OF PROXIES**

### **Voting and Discretion of Proxies**

Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be conducted at the Meeting, or at any adjournment or postponement thereof, in accordance with the instructions of the Shareholder thereon. In the absence of instructions, such Common Shares will be voted in favour of each of the matters referred to in the Notice of Meeting as specified thereon

### **Registered Shareholders**

You are a registered shareholder if you hold your shares in your own name and have a physical share certificate

## Voting by Proxy

When you vote by proxy, you appoint the officers and/or directors of the Company named in the proxy form to vote according to your instructions, or you can appoint someone else to attend the Meeting and vote for you. You can submit your proxy by mail or online as follows:

- The completed proxy must be deposited at the office of Computershare Investor Services, Inc., Proxy Department, 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775, and outside North America to (416) 263-9524, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the meeting.
- To complete your voting instructions online, go to [www.investorvote.com](http://www.investorvote.com). If you are voting online, you will need the control number at the top of the proxy.

## Your Voting Instructions

The persons named in the enclosed form of proxy will vote the shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them.

The enclosed proxy confers discretionary authority upon the Management Designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. **However, if any other matters which are not known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the named persons.**

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast by proxy will be required (an “**ordinary resolution**”), unless the motion requires a “**special resolution**” in which case a majority of 66 <sup>2</sup>/<sub>3</sub>% of the votes cast by proxy will be required.

## BENEFICIAL HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” or “beneficial” shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “Beneficial Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Beneficial Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESP’s and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries for onward distribution to Beneficial Holders.

The Company’s objecting beneficial owners (“**OBOs**”) can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not

assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

### **Voting Instructions**

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

- (a) be given a form of 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 Beneficial Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Holder when submitting the proxy. In this case, the Beneficial Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deposit it with the Company's transfer agent as provided above; or**
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Beneficial Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Beneficial Holders to direct the voting of the shares which they beneficially own. **Beneficial Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

Every nominee has its own instructions on how to return your voting instruction form, but generally you can submit your form by: (i) mail by completing the enclosed voting instruction form, signing and returning it in the envelope provided; (ii) by fax to the number on the form; or (iii) online – please see the enclosed voting instructions form for details.

### **ELECTRONIC DELIVERY OF DOCUMENTS**

Every year, as required by laws governing public companies, the Company delivers documentation to shareholders. In order to make this process more convenient, shareholders may choose to be notified by email when the Company's documentation, including the Meeting Materials, is posted on the Company's website ([www.galorereresources.com](http://www.galorereresources.com)) and accordingly, such documentation will not be sent in paper form by mail.

Delivery in electronic format, rather than paper, reduces costs to the Company and benefits the environment. Shareholders who do not consent to receive documentation through email notification will continue to receive such documentation by mail or otherwise, in accordance with securities laws.

By consenting to electronic delivery, shareholders: (i) agree to receive all documents to which they are entitled electronically, rather than by mail; and (ii) understand that access to the Internet is required to receive a document electronically and certain system requirements must be installed (currently Adobe Acrobat Reader to view Adobe's portable document format ("PDF")). Such documents may include the interim consolidated financial reports, the annual reports (including audited annual consolidated financial statements and MD&A), the notice of annual and/or special meeting and related management information circular and materials, and other corporate information about the Company.

At any time, the Company may elect to not send a document electronically, or a document may not be available electronically. In either case, a paper copy will be mailed to shareholders.

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

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

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or senior officer of the Company since the commencement of the Company's last completed financial year, or of any nominee for election as a director, or of any associate or affiliate of any of such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of common shares, without nominal or par value, of which as at the date hereof **132,798,998** common shares are issued and outstanding.

The holders of common shares of record at the close of business on the record date, set by the directors of the Company to be **November 17, 2020**, are entitled to vote such common shares at the Meeting on the basis of one vote for each common share held.

The Articles of the Company provide that a quorum for the transaction of business at the Meeting is two persons who are, or who represent by proxy, are shareholders who, in the aggregate, hold at least 5% of the shares entitled to vote at the meeting.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company.

The directors have determined that all shareholders of record as of the 17<sup>th</sup> day of November 2020 will be entitled to receive notice of and to vote at the Meeting. Those shareholders so desiring may be represented by proxy at the Meeting.

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

TO THE KNOWLEDGE OF THE COMPANY'S DIRECTORS, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS INFORMATION CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

Additional detail regarding each of the matters to be acted upon at the Meeting is set forth below.

### **I. FINANCIAL STATEMENTS**

The audited financial statements of the Company for the financial year ended March 31, 2020 (the "Financial Statements"), together with the Auditors' Report thereon, will be presented to the shareholders at the Meeting.

The Financial Statements, together with the Auditors' Report thereon, are available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

### **II. ELECTION OF DIRECTORS**

The board of directors of the Company (the "**Board**" or the "**Board of Directors**") currently consists of three (3) directors, all of whom are elected annually. The term of office for each of the present directors of the Company expires at the Meeting. All of the current directors of the Company will be standing for re-election.

It is therefore proposed that the number of directors for the ensuing year be fixed at three (3), subject to such increases as may be permitted by the Articles of the Company. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at three (3).

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next Annual General Meeting of the Company or until his successor is duly elected or appointed pursuant to the Articles of the Company unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company's Articles.

**It is the intention of the management designees, if named as proxy, to vote for the election of the said persons to the Board of Directors, unless the Shareholder has specified in its proxy that its Common Shares are to be withheld from voting on the election of directors. Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following information relating to the nominees for election to the Board of Directors is based on information received by the Company from said nominees.

| NAME, PRESENT OFFICE HELD AND RESIDENCY  | DIRECTOR SINCE  | NUMBER OF SHARES BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY, OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED AT THE DATE OF THIS INFORMATION CIRCULAR | PRINCIPAL OCCUPATION AND IF NOT AT PRESENT AN ELECTED DIRECTOR, OCCUPATION DURING THE PAST FIVE (5) YEARS   |
|--|-----------------|---|---|
| <b>James Michael McMillan</b> <sup>②</sup><br>USA<br>President, CEO & Director | September, 2011 | 5,020,000 (direct)  | President of Equipment Marketing Solutions since 1998, President of J&M McMillan Properties Inc.  |
| <b>Ken Coe</b> <sup>①②</sup><br>B.C.<br>Director                               | March, 2017     | 780,000 (direct)  | Consultant. Former licensed security trader with Yorkton Securities Inc.; past director and President of the Vancouver Security Traders Association |
| <b>Charles G. Troup</b> <sup>①②</sup><br>USA<br>Director                       | April, 2012     | 8,437,850 (direct)  | Retired. Former Controller for Chanoco Corporation, San Antonio, Texas. Private investor in the mining and oil and gas sectors.                     |

(1) Member or proposed member of the compensation committee.

(2) Member or proposed member of the audit committee.

### ***Corporate Cease Trade Orders or Bankruptcies***

To the knowledge of the Company, except as described below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity.

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) 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.

On August 6, 2014, the British Columbia Securities Commission (“Commission”) issued a Cease Trade Order as a result of the Company’s failure to file its annual financial statements and management’s discussion and analysis for the year ended March 31, 2014. On September 3, 2014, the Commission confirmed that the Company had filed all required records and revoked the Cease Trade Order to permit resumption of trading in the securities of Galore.

On September 17, 2020, the British Columbia Securities Commission (“Commission”) issued a Cease Trade Order as a result of the Company’s failure to file its annual financial statements and management’s

discussion and analysis for the year ended March 31, 2020. On September 28, 2020, the Commission confirmed that the Company had filed all required records and revoked the Cease Trade Order to permit resumption of trading in the securities of Galore.

### ***Individual Bankruptcies***

To the knowledge of the Company, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### ***Penalties or Sanctions***

No proposed director of the Company has been subject to 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

## **III SHARE CONSOLIDATION**

In preparation for certain initiatives being considered by the Company, management believes that it would be in the best interests of the shareholders that the Board of Directors be given the authority, **if they deem it appropriate**, to a consolidation of the common shares of the Company (the “**Consolidation**”) on the basis of **up to a maximum of ten** (10) pre-consolidated common shares then issued and outstanding, for **one** (1) post consolidated common share, **or such lesser number of pre-consolidated common shares as may be approved by the Board**, in its sole discretion and, subject to the receipt of any required regulatory approvals, including, if applicable, the approval of the TSX-V. Notwithstanding approval of the proposed Consolidation by shareholders, the Board, in its sole discretion, may revoke the resolution and abandon the Consolidation without further approval or action by or prior notice to shareholders.

Furthermore, each stock option, warrant or other securities of the Company convertible into pre-consolidated Common Shares (the “**Convertible Securities**”) that have not been exercised or cancelled prior to the effective date of the implementation of the Consolidation will be adjusted pursuant to the terms thereof on the same exchange ratio described above and each holder of pre-consolidated Convertible Securities will become entitled to receive post-consolidated Common Shares pursuant to such adjusted terms.

As at the Record Date, there are **132,798,998** Common Shares issued and outstanding, **27,928,668** Warrants outstanding and **16,150,000** outstanding stock options under the Company’s Stock Option Plan (“**SOP**”). Assuming the Board of Directors applies the maximum ratio for the Consolidation and based on the issued and outstanding Common Shares and stock options as at the Record Date, the number of issued and outstanding Common Shares and stock options after completion of the Consolidation will be **13,279,899** Common Shares, **2,792,866** Warrants and **1,615,000** stock options, respectively. At the Meeting, holders of Common Shares will be asked to consider and, if thought fit, pass with or without variation, an ordinary resolution authorizing the Board of Directors, in its sole discretion, if and when they deem it appropriate, but no later than the third business day prior to the record date for the next



annual general meeting of shareholders, or such earlier date as may be mandated by the TSX-V, to amend the Articles to provide for the Consolidation.

**The Company does not intend to change its name in conjunction with the consolidation.**

### **Procedure**

In the event the Consolidation is approved by the shareholders, and implemented by the Board of Directors, the registered holders of Common Shares will be required to exchange the certificates representing their pre-consolidated Common Shares for new certificates representing post-consolidated Common Shares. Following the determination of the Consolidation ratio by the Board, and as soon as possible following the effective date of the Consolidation, the registered holders of Common Shares of the Company will be sent a transmittal letter by the Company's transfer agent, Computershare Trust Company of Canada. The letter of transmittal will contain instructions on how to surrender Common Share certificate(s) representing pre-consolidated Common Shares to the transfer agent. The transfer agent will forward to each registered Shareholder who has sent the required documents a new Common Share certificate representing the number of post-consolidated Common Shares to which the Shareholder is entitled.

Holders of Common Shares will not have to pay a transfer or other fee in connection with the exchange of certificates. Holders of Common Shares should not submit certificates for exchange until required to do so. Until surrendered, each certificate formerly representing Common Shares will be deemed for all purposes to represent the number of Common Shares to which the holder thereof is entitled as a result of the Consolidation.

### **Other Considerations**

The Consolidation will not materially affect the percentage ownership in the Company by the holders of Common Shares even though such ownership will be represented by a smaller number of Common Shares. The Consolidation will proportionately reduce the number of Common Shares held by all the shareholders. There can be no assurance that the market price of the post-consolidated Common Shares will increase as a result of the Consolidation. The marketability and trading liquidity of the post-consolidated Common Shares of the Company may not improve. The Consolidation may result in some shareholders owning "odd lots" of Common Shares which may be more difficult for such shareholders to sell or which may require greater transaction costs per share to sell. The Company shall not be required, upon the Consolidation, to issue fractions of Common Shares or to distribute certificates which evidence fractional shares. Any fractional Common Shares to which a holder of such shares is entitled shall be aggregated to form whole Common Shares with any remaining fractional shares rounded down to the nearest whole Common Share.

The Company's Board of Directors recommends that the shareholders approve the Consolidation.. In order to be effective, the resolution must be approved by the affirmative vote thereof by a majority of the votes cast by the shareholders present in person or represented by proxy at the Meeting ("Ordinary Resolution"). In the event that this Ordinary Resolution is not passed, the Company will not proceed with the Consolidation. In addition thereto, if applicable the Consolidation will be subject to the approval of the TSX-V. Notwithstanding approval of the proposed Consolidation by shareholders, the Board, in its sole discretion, may revoke the Ordinary Resolution and abandon the Consolidation without further approval or action by or prior notice to shareholders. In the absence of contrary direction, the management designees intend to vote proxies in the accompanying form in favour of this Ordinary

Resolution. Under the *Business Corporations Act* (British Columbia) (the “**BCCA**”), Shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

At the Meeting, the following Ordinary Resolution, with or without variation, will be placed before the shareholders, for approval:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the issued and outstanding common shares (the “Common Shares”) of the Company be consolidated (the “Consolidation”) on the basis of every ten (10) pre-consolidated Common Shares for one (1) post consolidated Common Share, or such lesser number of pre-consolidated Common Shares as may be approved by the board of directors of the Company (the “Board”), provided that no fractional Common Shares will be issued in connection with the Consolidation and, in the event that a holder of Common Shares would otherwise be entitled to a fractional Common Share upon completion of the Consolidation, such fraction will be rounded down to the nearest whole number of a Common Share;
2. from and after the effective date of the Consolidation, all outstanding share certificates will thereafter only represent the number of Common Shares to which the holder is entitled after giving effect to the Consolidation;
3. any director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute, or to cause to be executed, whether under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such other documents and instruments, and to do or cause to be done all such other acts and things as, in the opinion of such director or officer, may be necessary or desirable in order to carry out the intent of this resolution, including, without limitation, the determination of the effective date of the consolidation and the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and
4. notwithstanding that this resolution has been duly passed by the holders of the Common Shares, the Board is hereby authorized to abandon or revoke the proposed Consolidation as contemplated by this resolution without further approval of, or notice to, the holders of the Common Shares, should the Board consider it appropriate to do so, in its discretion, at any time prior to the issuance of the Consolidation as contemplated herein; and
5. any of the directors or officers of the Company are, and they are hereby authorized and instructed to sign any document and to do and perform all things necessary or useful, in their discretion, to give effect to the foregoing resolutions.”

To be effective the Consolidation must be approved by a majority, or over fifty percent (50%) of the votes cast by holders of common shares present in person or represented by proxy and entitled to vote at the Meeting.

The Board recommends a vote for the Consolidation. **In the absence of instructions to the contrary, the common shares represented by proxies in favour of management nominees will be voted FOR the special resolution approving the Consolidation.**

#### IV. APPOINTMENT OF AUDITOR

Management proposes the appointment of DeVisser Gray LLP, Chartered Accountants, as Auditors of the Company for the ensuing year, until the next Annual General Meeting of the Members, and that the directors be authorized to fix their remuneration. DeVisser Gray LLP has been the Company's Auditors since July 12, 2013.

**In the absence of instructions to the contrary, the shares represented by proxy will be voted in favour of a resolution to appoint DeVisser Gray LLP, Chartered Accountants, as Auditors of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors, unless the Shareholder has specified in the Shareholder's proxy that the Shareholder's Common Shares are to be withheld from voting on the appointment of auditors.**

#### V. DISINTERESTED SHAREHOLDER APPROVAL OF PRIOR OPTION GRANTS

On November 13, 2018, the Company granted a total of 1,900,000 incentive options to directors, officers and consultants, of which 1,650,000 were granted to insiders. This grant resulted in insiders as a group holding a total number of options, which exceeded 10% of the total number of issued and outstanding shares on a non-diluted basis (the "November 2018 Grants").

On August 13, 2019, the Company granted 425,000 incentive options to a director and officer of the Company who is an insider. This grant resulted in the insider holding a total number of options, which exceeded 5% of the total number of issued and outstanding shares on a non-diluted basis (the "August 2019 Grant").

On May 12, 2020, the Company granted a total of 1,300,000 incentive options to directors and officers of the Company, all of whom are insiders. This grant resulted in insiders as a group holding a total number of options, which exceeded 10% and an insider holding a total number of options, which exceeded 5% of the total number of issued and outstanding shares on a non-diluted basis (the "May 2020 Grants").

TSX Venture Exchange acceptance of the November 2018, August 2019 and May 2020 Grants were conditional upon the disinterested shareholders of the Company ratifying and approving the grants. Particulars of the November 2018, August 2019 and May 2020 Grants are as follows:

| Name of Optionee | Date of Grant     | No. of Optioned Shares | Exercise Price | Expiry Date       |
|------------------|-------------------|------------------------|----------------|-------------------|
| Mike McMillan    | November 13, 2018 | 1,000,000              | \$0.10         | November 13, 2023 |
| Andrew McMillan  | November 13, 2018 | 500,000                | \$0.10         | November 13, 2023 |
| Pamela White     | November 13, 2018 | 150,000                | \$0.10         | November 13, 2023 |
|                  |                   | <b>1,650,000</b>       |                |                   |

| Name of Optionee | Date of Grant   | No. of Optioned Shares | Exercise Price | Expiry Date     |
|------------------|-----------------|------------------------|----------------|-----------------|
| Mike McMillan    | August 13, 2019 | 425,000                | \$0.10         | August 13, 2024 |
|                  |                 | <b>425,000</b>         |                |                 |

| Name of Optionee | Date of Grant | No. of Optioned Shares | Exercise Price | Expiry Date |
|------------------|---------------|------------------------|----------------|-------------|
| Mike McMillan    | May 12, 2020  | 1,000,000              | \$0.10         | May 1, 2025 |
| Pamela White     | May 12, 2020  | 300,000                | \$0.10         | May 1, 2025 |
|                  |               | <b>1,300,000</b>       |                |             |

Accordingly at the Meeting, disinterested shareholders will be asked to consider and, if thought fit, to ratify and approve the following resolutions:

**“BE IT RESOLVED AS A RESOLUTION OF THE DISINTERESTED SHAREHOLDERS THAT:**

1. The previous grant of 1,650,000 incentive options to insiders of the Company, such that the insiders as a group be allowed to holds options in excess of 10% of the Company’s issued share capital be ratified and approved;
2. The previous grant of 425,000 incentive options to an insider of the Company, such that the insider individually be allowed to holds options in excess of 5% of the Company’s issued share capital be ratified and approved;
3. The previous grant of 1,300,000 incentive options insiders of the Company, such that the insiders as a group be allowed to holds options in excess of 10% and an insider individually be allowed to hold options in excess of 5% of the Company’s issued share capital be ratified and approved;
4. Any one director or officer of the Company be and is hereby authorized to do all things and execute all instruments necessary or desirable to give effect to these special resolutions.”

**The insiders listed above are ineligible to vote on the resolutions to ratify and approve the above-noted option extension and grants. Management of the Company recommends that the disinterested shareholders ratify and confirm notification and approval of the above-noted stock option extension and grants.**

**DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION  
(For the financial year ended March 31, 2020)**

For purposes of this Information Circular, Named Executive Officer (“NEO”) of the Company means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as Chief Executive Officer, including an individual performing functions similar to a Chief Executive Officer;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as Chief Financial Officer, including an individual performing functions similar to a Chief Financial Officer;

- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year;
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

### Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table discloses all compensation for each of the two most recently completed financial years, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each Named Executive Officer and director, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given, or otherwise provided to the Named Executive Officer or director for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company.

| Table of compensation excluding compensation securities |      |   |            |                                |                             |                                      |                              |
|---|------|---|------------|--------------------------------|-----------------------------|--------------------------------------|------------------------------|
| Name and position                                       | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of prerequisites (\$) | Value of all other compensation (\$) | Total compensation (\$)      |
| <b>J. Michael McMillan</b><br>President, CEO & Director | 2019 | USD \$144,000 <sup>(1)</sup>                        | Nil        | Nil                            | Nil                         | Nil                                  | USD \$144,000 <sup>(1)</sup> |
|   | 2020 | USD \$144,000 <sup>(2)</sup>                        | Nil        | Nil                            | Nil                         | Nil                                  | USD \$144,000 <sup>(2)</sup> |
| <b>Andrew McMillan</b><br>CFO                           | 2019 | USD \$84,000 <sup>(1)</sup>                         | Nil        | Nil                            | Nil                         | Nil                                  | USD \$84,000 <sup>(1)</sup>  |
|   | 2020 | USD \$84,000 <sup>(2)</sup>                         | Nil        | Nil                            | Nil                         | Nil                                  | USD \$84,000 <sup>(2)</sup>  |
| <b>Kenneth Coe</b><br>Director                          | 2019 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |
|   | 2020 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |
| <b>Charles G. Troup</b><br>Director                     | 2019 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |
|   | 2020 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |
| <b>Lorne Sivertson</b><br>Former Director               | 2019 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |
|   | 2020 | Nil   | Nil        | Nil                            | Nil                         | Nil                                  | Nil                          |

(1) All of which was accrued, plus interest for the year ended March 31, 2019.

(2) All of which was accrued, plus interest for the year ended March 31, 2020.

### Stock options and other compensation securities

No compensation securities were granted or issued to any director and Named Executive Officer by the Company or one of its subsidiaries during the most recently completed financial year for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries other than as set out in the table below. Options held by directors and Named Executive Officers on the last day of the most recently completed financial year end are as set out in the footnotes to the table below:

| Compensation Securities                                    |                               |   |                        |  |  |   |              |
|--|-------------------------------|---|------------------------|--|--|---|--------------|
| Name and position  | Type of compensation security | Number of compensation securities, number of underlying securities, and percentage of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date  |
| <b>James Michael McMillan</b><br>President, CEO & Director | Stock Options                 | 425,000<br>(1)  | Aug 13, 2019           | \$0.10                                   | \$0.035  | \$0.01  | Aug 13, 2024 |
| <b>Andrew McMillan</b><br>CFO                              | Stock Options                 | (2)   | n/a                    | n/a                                      | n/a  | n/a   | n/a          |
| <b>Kenneth Coe</b><br>Director                             | Stock Options                 | (3)   | n/a                    | n/a                                      | n/a  | n/a   | n/a          |
| <b>Charles G. Troup</b><br>Director                        | Stock Options                 | (4)   | n/a                    | n/a                                      | n/a  | n/a   | n/a          |
| <b>Lorne Sivertson</b><br>Former Director                  | Stock Options                 | (5)   | n/a                    | n/a                                      | n/a  | n/a   | n/a          |

- (1) Mr. James Michael McMillan held the following additional incentive stock options as at March 31, 2020: 1,000,000 exercisable at \$0.10 until September 7, 2022; 3,100,000 exercisable at \$0.05 until December 29, 2021; 2,200,000 exercisable at \$0.10 until December 29, 2021; 1,950,000 exercisable at \$0.10 until May 1, 2023; and 1,000,000 exercisable at \$0.10 until November 13, 2023.
- (2) Mr. Andrew McMillan holds the following incentive stock options as at March 31, 2020: 1,000,000 exercisable at \$0.05 until December 29, 2021; 1,000,000 exercisable at \$0.10 until May 1, 2023 and 500,000 exercisable at \$0.10 until November 13, 2023.
- (3) Mr. Coe holds the following incentive stock options as at March 31, 2020: 300,000 exercisable at \$0.05 until March 8, 2022 and 200,000 exercisable at \$0.10 until May 1, 2023.
- (4) Mr. Troup holds no incentive stock options.
- (5) Mr. Sivertson resigned as a director September 28, 2020 and all options held by him expire December 28, 2020.

No compensation security has been re-priced, cancelled and replaced, had its term extended, or otherwise been materially modified, in the most recently completed financial year, including the original and modified terms.

There are no vesting provisions of the compensation securities and there are no restrictions or conditions for converting, exercising or exchanging the compensation securities. Additionally there were no compensation securities exercised by any director or Named Executive Officer of compensation securities during the most recently completed financial year.

## **External Management Companies**

None of the NEOs or directors of the Company have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Company to provide executive management services to the Company, directly or indirectly.

## **Stock option plans and other incentive plans**

The Company adopted an incentive stock option plan (“SOP”), which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with Exchange policies, grant to directors, officers, employees and consultants of the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance does not exceed a fixed total of 24,500,000, which equaled 20% of the Company’s issued share capital at the time of approval of the most current SOP.

Such options are exercisable for a period of up to five years from the date of grant. There currently are no vesting provisions attached to any options granted, other than options issued to Investor Relations consultants and from time to time imposed on certain grants at the discretion of the board. The Company’s most recent SOP was approved by the Company’s shareholders at its Annual and Special General Meeting held November 8, 2018.

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

On September 1, 2016, the Company entered into a management services agreement with the company’s Chief Financial Officer (“CFO”) to provide services at a rate of CDN \$5,000 per month. These fees shall be accrued until sufficient funds are available to the Company for payment and will be recorded on the Company’s books as an account payable. Payment of accrued fees shall be upon the recommendation of the Compensation and Corporate Governance Committee, acting reasonably, to the Board of Directors. Effective September 1, 2017, the agreement with the CFO was amended such that the rate was increased to USD \$7,000 per month.

Additionally, under the amended agreement, if there is a sale, lease or exchange of all or substantially all of the property of the Company to another person or entity, other than in the ordinary course of business of the Company, or there is deemed to be a change of control, which means acquiring an interest in the Company’s shares conferring 50% or more of the votes entitling the purchaser to elect the board of directors of the Company, either of which constitutes a “Transaction”, the CFO will be entitled to receive at the time of closing of the Transaction any accrued fees as well as the yearly amount (12 months equaling USD \$84,000) of the fee for each year of service provided to the Company since January, 2015.

The CFO will also be entitled to receive at the time of closing of the Transaction, five-hundred thousand (500,000) common shares of the Company for every year (September 2015 to September 2016) that he did not receive any compensation for services performed due to the financial condition of the business.

On September 1, 2016, the Company entered into a management services agreement with the company’s Chief Executive Officer (“CEO”) to provide services at a rate of CDN \$12,000 per month. These fees shall be accrued until sufficient funds are available to the Company for payment and will be recorded on the Company’s books as an account payable. Payment of accrued fees shall be upon the recommendation of the Compensation and Corporate Governance Committee, acting reasonably, to the Board of Directors. Effective September 1, 2017, the agreement was amended and services will be provided to the Company at a rate of USD \$12,000 per month.

Additionally, under the amended agreement, if there is a sale, lease or exchange of all or substantially all of the property of the Company to another person or entity, other than in the ordinary course of business of the Company, or there is deemed to be a change of control, which means acquiring an interest in the Company's shares conferring 50% or more of the votes entitling the purchaser to elect the board of directors of the Company, either of which constitutes a "Transaction", the CEO will be entitled to receive at the time of closing of the Transaction any accrued fees as well as the yearly amount (12 months equaling USD \$144,000) of the fee for each year of service the CEO provided to the Company since July, 2012. The CEO will also be entitled to receive at the time of closing of the Transaction, one (1) million common shares of Galore for every year (July 2012 to July 2016) that he did not receive any compensation for services performed due to the financial condition of the business.

The Company has an agreement to pay consulting fees to a related party company owned by the Company's Corporate Secretary ("SEC"), billed at an hourly rate on an as needed basis. Three months' notice is required to terminate the applicable agreement, meaning the Company is committed to paying three months' fees at any time prior to giving notice of termination.

Additionally, if there is a sale, lease or exchange of all or substantially all of the property of the Company to another person or entity, other than in the ordinary course of business of the Company, or there is deemed to be a change of control, which means acquiring an interest in the Company's shares conferring 50% or more of the votes entitling the purchaser to elect the board of directors of the Company, either of which constitutes a "Transaction", SEC will be entitled to receive at the time of closing of the Transaction all outstanding amounts due and payable for past services, plus an amount of compensation equal to \$2,500 for each year of service SEC provided to the Company since 2007.

### **Oversight and Description of Director and Named Executive Officer Compensation**

As set out in the Corporate Governance section set out below, the Company has a Compensation and Corporate Governance Committee (the "CCGC") which, among other matters, is responsible for determining compensation for the Chief Executive Officer and directors of the Company to provide compensation which reflects the responsibilities and risks of public company oversight and management.

The CCGC is made up of Charles Troup and Kenneth Coe. Messrs. Troup and Coe are independent directors. See: "Corporate Governance – Compensation and Corporate Governance Committee" below.

### **Pension Disclosure**

The Company does not provide any pensions to its directors or Named Executive Officers.

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

The following table sets forth details of the Company's compensation plans under which equity securities of the Company were authorized for issuance at the end of the Company's most recently completed financial year.



| <b>Plan Category</b>                                       | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights</b> | <b>Number of securities remaining available for future issuance under equity compensation plans</b> |
|--|--|--|---|
| Equity compensation plans approved by security holders     | 24,500,000   | \$ 0.075   | 9,650,000   |
| Equity compensation plans not approved by security holders | Nil  | Nil  | Nil   |
| <b>Total</b>   | <b>24,500,000</b>  | <b>\$0.075</b>   | <b>9,650,000</b>  |

The Company's equity compensation plan consists only of stock options.

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

None of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, and no associates or affiliates of any of them, is or has been indebted to the Company or its subsidiaries at any time since the beginning of the Company's last completed financial year.

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

No Insider of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

### **CORPORATE GOVERNANCE**

#### **General**

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices ("NI 58-101") prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

#### **Board of Directors**

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

The Board is currently comprised of three (3) directors, of whom each of Kenneth Coe and Charles G. Troup are independent for the purposes of NI 58-101. James Michael McMillan is not independent since he serves as President and Chief Executive Officer of the Company.

#### **Directorships**

Directors of the Company are not directors of any other reporting issuers.

## **Orientation and Continuing Education**

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

## **Other Board Committees**

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

### **AUDIT COMMITTEE**

Under National Instrument 52-110 – Audit Committees ("NI 52-110") reporting issuers are required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee's Charter, composition of the Committee, and the fees paid to the external auditor. The Company provides the following disclosure with respect to its Audit Committee:

#### **The Audit Committee's Charter**

##### *Mandate*

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

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

##### *Composition*

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of

financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

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

### *Meetings*

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

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

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

#### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each Meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

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

#### *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.

*Other*

Review any related-party transactions.

**Composition of Audit Committee**

Following the election of directors pursuant to this Information Circular, the following will be members of the Audit Committee:

|                             |                            |                                     |
|-----------------------------|----------------------------|-------------------------------------|
| Charles G. Troup (Chairman) | Independent <sup>(1)</sup> | Financially literate <sup>(2)</sup> |
| Kenneth Coe                 | Independent <sup>(1)</sup> | Financially literate <sup>(2)</sup> |
| James Michael McMillan      | Not Independent            | Financially literate <sup>(2)</sup> |

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

**Relevant Education and Experience**

The relevant education and/or experience of each member of the Audit Committee is as follows:

Mr. Charles G. Troup holds a Masters Degree in Business Administration from Texas A&M University and for 20 years was the Controller for Chanoco Corporation, San Antonio, Texas, an oil and gas exploration company. Mr. Troup has also been a private investor over the past 30 years, chiefly in the mining and oil and gas sectors. As a former Controller, it is necessary that he have detailed knowledge of the application of accounting principles, the ability to evaluate financial information, as well as understand internal controls and procedures for financial reporting.

Mr. Kenneth Coe is a Former licensed securities trader at Yorktown Securities Inc. from 1981 to 2013. He has over 33 year's experience in financial markets and sound knowledge of the Canadian Junior Mining Industry.

Mr. Michael McMillan is an entrepreneur and private investor. He has been a director of the Company since 2001, CEO since 2012 and President since 2017. He is President of Equipment Marketing Solutions since 1998, and is President of J&M McMillan Properties Inc., a property investment Company.

**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 of Directors.

### 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), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

### Pre-Approval Policies and Procedures

The Audit Committee is authorized by the Board of Directors to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Company. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and if thought fit, approval in writing.

### External Auditor Service Fees

The fees billed by the Company's external auditors in each of the last two financial years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

| FINANCIAL YEAR ENDING<br>MARCH 31 | AUDIT FEES         | AUDIT RELATED FEES | TAX FEES          | ALL OTHER FEES |
|-----------------------------------|--------------------|--------------------|-------------------|----------------|
| 2019                              | \$17,000.00        | Nil                | \$1,200.00        | Nil            |
| 2020                              | \$17,000.00 (est.) | Nil                | \$1,200.00 (est.) | Nil            |

(1) Fees related to the preparation of the Company's T-2 corporate income tax returns and the General Index of Financial Information required by CCRA.

### Exemption

As a TSX Venture Exchange listed issuer, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

### ADDITIONAL INFORMATION

Financial information is provided in the Company's audited annual financial statements and accompanying management's discussion and analysis ("MD&A") for the year ended March 31, 2020. The 2020 audited financial statements and MD&A are available for review on SEDAR at [www.sedar.com](http://www.sedar.com).

Under National Instrument 51-102 – *Continuous Disclosure Obligations*, any person or company who wishes to receive interim financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, Computershare Investor Services, 3<sup>rd</sup> Floor – 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. The Company will

maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or may be obtained by contacting the Company at its mailing address, 19141 Stone Oak Parkway #104, San Antonio, Texas, USA, 78258 or by telephone at (210) 860-9212 to request copies of the Company's financial statements and related MD&A.

### GENERAL

Unless otherwise specified, all matters referred to herein for approval by the Shareholders require a simply majority of the Shareholders voting, in person or by proxy, at the Meeting.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

DATED at Vancouver, British Columbia as of the 17<sup>th</sup> day of November 2020.

BY THE ORDER OF THE BOARD OF DIRECTORS OF **GALORE RESOURCES INC.**

*James Michael McMillan*

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**James Michael McMillan**  
President, CEO and Director