

# GALORE

## RESOURCES INC.

### 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 at **Suite 1300 – 925 West Georgia Street, Vancouver, British Columbia on Thursday, November 8, 2018 at 10:30 a.m., (Vancouver time)** and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting. 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 October 4, 2018.

#### 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.

**A Shareholder has the right to designate a person (who need not be a Shareholder), other than the Management Designees to represent the Shareholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the proxy the name of the person to be designated, and by deleting from the proxy the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company.** Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder’s shares are to be voted. The nominee should bring personal identification with them to the Meeting.

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 at the Meeting will be by a show of hands, each registered Shareholder and each proxyholder (representing a registered or unregistered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the Management Designees, if named as proxyholder, will vote in favour of the matters set out therein.**

**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. If other matters properly come before the Meeting, then the Management Designees intend to vote in a manner which in their judgment is in the best interests of the Company.**

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast 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 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.

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. Should a Beneficial Holder who receives one of the above forms wish to vote at the Meeting in person, the Beneficial Holder should strike out the names of the Management Designees named in the form and insert the Beneficial Holder's name in the blank space provided. **In either case, 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.**

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

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 **122,546,603** 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 October 4, 2018, 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 4<sup>th</sup> day of October, 2018 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, 2018 (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 five (5) 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 five (5), 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 five (5).

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> USA President, CEO & Director	September, 2011	5,000,000 (direct)	President of Equipment Marketing Solutions since 1998, President of J&M McMillan Properties Inc.
<b>Ken Coe</b> B.C. 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>Tex C. Enemark</b> <sup>①②</sup> B.C. Director	March, 2005	369,500 (direct)	Consultant. Past-President and CEO of the Mining Association of BC and former Deputy Minister for Consumer and Corporate Affairs for the province of BC.
<b>Lorne Sivertson</b> <sup>①②</sup> B.C. Director	September, 2007	99,167 (indirect)	President of Sivertson & Associates Consulting. Past President of Columbia Power Corporation and past Senior V.P. of Canadian Western Bank.
<b>Charles G. Troup</b> <sup>①②</sup> USA Director	April, 2012	9,358,850 (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.

### ***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 securityholder in deciding whether to vote for a proposed director.

## **III. 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.**

#### **IV. AMENDMENT TO THE STOCK OPTION PLAN**

In 2016, the Company adopted and received shareholder approval to a new stock option plan (the "Plan") which provides that options may be granted of up to an aggregate of 21,467,000 shares, which represented 20% of the Company's issued and outstanding shares at the time of adoption of the Plan. Since the adoption of the Plan in 2016, the Company's issued and outstanding share capital has increased to 122,546,603 shares. Management wishes to approve certain amendments to the terms and conditions of the Plan to provide the maximum flexibility in the granting of incentive stock options to directors, officers, employees and consultants.

Accordingly, shareholder approval by way of an ordinary resolution of disinterested shareholders will be sought at the Meeting for amendments to the Plan which increases the aggregate number of optioned shares that may be issuable pursuant to options granted under the Plan to **24,500,000**, representing approximately 20% of the Company's current issued and outstanding share capital.

In addition, Management wishes to allow for an exception to the limits on the shares issuable on exercise of options as set out in Section 3.2 of the Plan, which currently restricts the number of options which can be granted to any one Optionee, as well as to all Insiders as a group. Currently the Plan states: "The number of Shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements at any time:

- (a) to all Insiders shall not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company); and
- (b) to any one Optionee shall not exceed 5% of the total number of issued and outstanding shares on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company)."

Furthermore, the Plan states that:

"The number of Shares which may be issuable under the Plan and all of the Company's other previously established or proposed share compensation arrangements, within a 12 month period:

- (a) to all Insiders shall not exceed 10% of the total number of issued and outstanding shares on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company);
- (b) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis (unless otherwise approved by the disinterested shareholders of the Company);"

Management therefore seeks approval of the disinterested shareholders to allow the Company to exceed the limitations as set out above for any future option grants.

This increase in the number of options permitted and other exceptions to the Plan are highlighted in the copy of the amended Plan that will be made available for review at the meeting. The purpose of these amendments and exceptions is to provide the maximum flexibility in the granting of incentive stock options to directors, officers, employees and consultants.

Accordingly, shareholder approval by way of an ordinary resolution of the disinterested shareholders of the Company will be sought at the Meeting for the following:

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

1. the Company's stock option plan be amended to provide that the aggregate number of optioned shares that may be issuable pursuant to options granted will not exceed **24,500,000** shares, representing approximately 20% of the Company's currently issued and outstanding share capital and include other amendments as required.
2. the Company be authorized to grant options to any one optionee, within a 12 month period, or at any point in time, in excess of 5% the Company's issued and outstanding shares **[in this regard, the approval of disinterested shareholders is being sought such that an aggregate of 24,500,000 shares may be reserved for issuance to insiders of the Company under the Plan]**; and
3. the Company be authorized to grant options to insiders as a group, within a 12 month period, or at any point in time, in excess of 10% of the Company's issued and outstanding shares **[in this regard, the approval of disinterested shareholders is being sought such that an aggregate of up to 24,500,000 options may be granted within a 12 month period to insiders of the Company as a group under the Plan]**.

**The insiders who are ineligible to vote in order to ratify and approve the above-noted resolutions are the directors and officers of the Company, namely, James Michael McMillan, President, CEO & director, Andrew McMillan, CFO, Pamela White, Corporate Secretary, Kenneth Coe, director, Charles G. Troup, director, Tex C. Enemark, director and Lorne Sivertson, director. Management of the Company recommends that the disinterested shareholders ratify and confirm notification and approval of the above-noted stock option extension and grants.**

**Management of the Company recommends that the disinterested shareholders approve these amendments and exceptions, the purpose of which is to assist the Company in attracting, retaining and motivating directors, officers, employees and consultants and to closely align the personal interests of such directors, officers, employees and consultants with the interests of the Company and its shareholders.**



**V. DISINTERESTED SHAREHOLDER APPROVAL OF PRIOR OPTION GRANTS AND EXTENSIONS**

On September 7, 2017, 1,000,000 stock options exercisable at \$0.10 which were held by an optionee (who is also an insider of the Company) were scheduled to expire and the Company sought TSX Venture Exchange acceptance to an extension of the expiry date of these options for a further 5 years, expiring September 7, 2022. The extension of these options resulted in the optionee holding a total number of options which exceeded 5% of the total number of issued and outstanding shares on a non-diluted basis (the “September 2017 Extension”).

In addition, on May 1, 2018, the Company granted a total of 4,400,000 incentive options to directors, officers and consultants, of which 4,300,000 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 “May 2018 Grants”).

TSX Venture Exchange acceptance of the September 2017 Extension and the May 2018 Grants were conditional upon the disinterested shareholders of the Company ratifying and approving the extension and the grant. Particulars of the September 2017 Extension and the May 2018 Grants are as follows:

<b>Name of Optionee</b>	<b>Date of Expiry</b>	<b>No. of Optioned Shares</b>	<b>Exercise Price</b>	<b>Extended Expiry Date</b>
Mike McMillan	September 7, 2017	1,000,000	\$0.10	September 7, 2022

<b>Name of Optionee</b>	<b>Date of Grant</b>	<b>No. of Optioned Shares</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Mike McMillan	May 1, 2018	1,950,000	\$0.10	May 1, 2023
Drew McMillan	May 1, 2018	1,000,000	\$0.10	May 1, 2023
Tex Enemark	May 1, 2018	600,000	\$0.10	May 1, 2023
Lorne Sivertson	May 1, 2018	500,000	\$0.10	May 1, 2023
Pamela White	May 1, 2018	50,000	\$0.10	May 1, 2023
Ken Coe	May 1, 2018	200,000	\$0.10	May 1, 2023
		<b>4,300,000</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 extension of the expiry date of 1,000,000 incentive options held by optionee, such that the optionee be allowed to holds options in excess of 5% of the Company’s issued share capital be ratified and approved;
2. The grant of 4,300,000 incentive options 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;

3. 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, 2018)**

For purposes of this Information Circular, “Named Executive Officer” 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>James Michael McMillan</b> President, CEO & Director	2017	\$84,000	Nil	Nil	Nil	Nil	\$84,000
	2018	\$166,338 <sup>(1)</sup>	Nil	Nil	Nil	Nil	\$166,338
<b>Andrew McMillan</b> CFO	2017	\$35,000	Nil	Nil	Nil	Nil	\$35,000
	2018	\$87,037 <sup>(2)</sup>	Nil	Nil	Nil	Nil	\$87,037

(1) Of which \$12,000 was paid and \$154,338 was accrued for the year ended March 31, 2018.

(2) Of which \$5,000 was paid and \$82,037 was accrued for the year ended March 31, 2018.

### 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. 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> President, CEO & Director	Stock Options	Nil <sup>(1)</sup>	n/a	n/a	n/a	n/a	n/a
<b>Andrew McMillan</b> CFO	Stock Options	Nil <sup>(2)</sup>	n/a	n/a	n/a	n/a	n/a
<b>Kenneth Coe</b> Director	Stock Options	Nil <sup>(3)</sup>	n/a	n/a	n/a	n/a	n/a
<b>Lorne Sivertson</b> Director	Stock Options	Nil <sup>(4)</sup>	n/a	n/a	n/a	n/a	n/a
<b>Tex C. Enemark</b> Director	Stock Options	Nil <sup>(5)</sup>	n/a	n/a	n/a	n/a	n/a

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
Charles G. Troup Director	Stock Options	Nil <sup>(6)</sup>	n/a	n/a	n/a	n/a	n/a

- (1) Mr. James Michael McMillan holds the following incentive stock options as at March 31, 2018: 1,000,000 exercisable at \$0.10 until September 7, 2022; 1,000,000 exercisable at \$0.15 until October 3, 2019; 3,100,000 exercisable at \$0.05 until December 29, 2021; and 2,200,000 exercisable at \$0.10 until December 29, 2021.
- (2) Mr. Andrew McMillan holds the following incentive stock options as at March 31, 2018: 1,000,000 exercisable at \$0.05 until December 29, 2021.
- (3) Mr. Coe holds the following incentive stock options as at March 31, 2018: 300,000 exercisable at \$0.05 until March 8, 2022.
- (4) Mr. Sivertson holds the following incentive stock options as at March 31, 2018: 500,000 exercisable at \$0.05 until December 29, 2021.
- (5) Mr. Enemark holds the following incentive stock options as at March 31, 2018: 400,000 exercisable at \$0.05 until December 29, 2021.
- (6) Mr. Troup holds no incentive stock options.

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.

### 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 21,467,000, 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 9, 2016.

**At this meeting, the Company will be seeking shareholder approval to a New Stock Option Plan in order to adopt increase the number of options available under the SOP to 24,500,000 and to allow the Company to exceed the limitations as set out under the current Plan for any future option grants.**

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

Management functions of the Company and its subsidiaries are substantially performed by the Company's directors and executive officers. The Company has not entered into any contracts, agreements or arrangements with parties other than its directors and executive officers for the provision of such management functions.

### **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 Lorne Sivertson (Chair), Tex Enemark and Charles Troup. Messrs Sivertson, Enemark and Troup 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.

### **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 comprised of five (5) directors, of whom each of Kenneth Coe, Tex C. Enemark, Lorne Sivertson 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.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

## **Compensation and Corporate Governance Committee**

The Company has established 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 **Lorne Sivertson, Tex Enemark and Charles G. Troup.**

In its role as a compensation committee, the CCGC meets as required, and at least once annually, to (1) review terms and conditions of the employment contract between the Company and the CEO and recommend alterations if considered appropriate to the Board as a whole; (2) review terms and conditions of the fees paid to directors of the Company for their services as directors and on committees of the Board; (3) consider periodic grants of incentive stock options to the CEO, senior officers and to directors; and (4) consider the grounds for the awarding of bonuses, if any, to the CEO and to other senior officers of the Company. The members of the CCGC all have many years of experience in administering the affairs of junior exploration companies and in participating at the board of director level for such companies, and they rely on their experience, their business judgment and their collaboration in arriving at their determinations in these matters. The CCGC has not established formal criteria for the awarding of bonuses.

The Board does not have a pre-determined compensation plan. A peer group is not used by the CCGC to determine compensation. The Company does not engage in benchmarking practices and the process for determining executive compensation is at the discretion of the Board. For further discussion, see “Director and Named Executive Officer Compensation” above.

The CCGC has not engaged the services of independent compensation consultants to assist it by making recommendations to the Board with respect to director and executive officer compensation.

## **Other Board Committees**

The Board has no committees other than the Audit Committee and the Compensation and Corporate Governance Committee.

## **Assessments**

Annually the Compensation and Corporate Governance Committee meets with the specific purpose of carrying out a structured self-review of the effectiveness of the performance of the board, its committees and the individual directors. Among other reference sources, and to the degree applicable, the CCGC uses as one of its standards of evaluation National Policy 58-201 *Corporate Governance Guidelines*.

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



### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (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:

Lorne Sivertson (Chairman)	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Tex C. Enemark	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Charles G. Troup	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

- (1) 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.
- (2) 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. Lorne Sivertson is the past President of Columbia Power Corporation and past Senior Vice President of Canadian Western Bank. Mr. Sivertson also served as Assistant Deputy Minister in several BC ministries, including Finance; Energy & Mines and Forests. Mr. Sivertson has a Masters Degree in Economics and has served on several boards, including as Vice Chair of the Canadian Hydropower Association, requiring detailed knowledge of the application of accounting principles and evaluating financial information, as well as understanding internal controls and procedures for financial reporting.

Mr. Tex C. Enemark is the past President and CEO of the Mining Association of BC. He also served as the deputy minister for Consumer and Corporate Affairs for the Province of British Columbia, and acted as General Manager of the Province's Liquor Distribution Branch which, at the time, had 220 stores, 3000 employees and \$500 million in annual sales. Mr. Enemark has a Bachelor of Law degree from the University of British Columbia and has previously served as a Board Member of two publicly traded companies, one of which he was Chairman and CEO. Mr. Enemark has a broad background in both the government and the mining industry, requiring detailed knowledge of the application of accounting principles and evaluating financial information, as well as understanding internal controls and procedures for financial reporting.

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.

### **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 MARCH 31	AUDIT FEES	AUDIT RELATED FEES	TAX FEES	ALL OTHER FEES
2017	\$14,000	Nil	\$1,000 <sup>(1)</sup>	Nil
2018	\$14,000	Nil	\$1,000 <sup>(1)</sup>	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, 2018. The 2018 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 4<sup>th</sup> day of October, 2018.

**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