



**MGX MINERALS INC.**

#303 – 1080 Howe Street  
Vancouver, BC V6Z 2T1

**NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
TO BE HELD ON FEBRUARY 15, 2018**

**AND**

**INFORMATION CIRCULAR**

January 15, 2018

*This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.*

**MGX Minerals Inc.**  
#303 – 1080 Howe Street  
Vancouver, BC V6Z 2T1

## **NOTICE**

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) of MGX Minerals Inc. (“**MGX**”) will be held at 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 on Thursday, February 15, 2018 at 10:30 a.m. (Vancouver time), for the following purposes:

1. to receive the audited financial statements of MGX for the fiscal year ended July 31, 2017;
2. to set the number of directors;
3. to elect the directors of MGX to hold office until the next Meeting of Shareholders of MGX;
4. to appoint Adam Sung Kim Ltd., as MGX’s auditor for the ensuing fiscal year and to authorize the Board of Directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, approve an ordinary resolution approving and ratifying the MGX’s existing stock option plan; and
6. to transact such other business as may be properly brought before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The board of directors of MGX have fixed December 22, 2017 as the record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such receive notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of MGX and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with MGX’s transfer agent, Computershare Investor Services, 3rd Floor, 510 Burrard Street, Vancouver, BC V6C 3B9, no later than 10:30 a.m. on February 13, 2018, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

If you are a non-registered shareholder of MGX and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dated at Vancouver, British Columbia, on January 15, 2018.

### **ON BEHALF OF THE BOARD**

**MGX Minerals Inc.**

“*Jared Lazerson*”

Jared Lazerson  
President, CEO, Secretary and Director

**MGX Minerals Inc.**  
#303 – 1080 Howe Street  
Vancouver, BC V6Z 2T1

## **INFORMATION CIRCULAR**

### **INTRODUCTION**

This information circular (“**Information Circular**”) accompanies the notice of annual general meeting (the “**Notice**”) and is furnished to shareholders holding common shares in the capital of MGX Minerals Inc. (the “**Company**” or “**MGX**”) in connection with the solicitation by the management of MGX of proxies to be voted at the annual general meeting (the “**Meeting**”) of the shareholders of MGX (the “**Shareholders**”) to be held at 10:30 a.m. on February 15, 2018 at 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 or at any adjournment or postponement thereof.

#### **Date and Currency**

The date of this Information Circular is January 15, 2018. Unless otherwise stated, all amounts herein are in Canadian dollars.

### **PROXIES AND VOTING RIGHTS**

#### **Management Solicitation**

The solicitation of proxies by management of MGX will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of MGX. MGX does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that MGX has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and MGX will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by MGX.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by MGX. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

MGX has arranged for intermediaries to forward the Meeting materials to beneficial owners of common shares in MGX held of record by those intermediaries. MGX has distributed or made available for distribution, copies of the Notice, this Information Circular and form of proxy to clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to holders (the “**Beneficial Shareholders**”) of MGX common shares held of record by those Intermediaries. Such Intermediaries are required to forward such documents to the Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by MGX if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. MGX will pay the permitted fees and costs of the Intermediaries for reasonable fees and disbursements incurred in connection with the distribution of these materials.

MGX does not intend to pay for intermediaries to forward to objecting beneficial owners under NI 54-101 the proxy-related materials and Form 54-101F7 *Request for Voting Instructions Made by Intermediary*. An objecting beneficial owner will not receive such materials unless the objecting beneficial owner's intermediary assumes the cost of delivery.

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

### **Appointment of Proxy**

Registered shareholders are entitled to vote at the Meeting. On a show of hands, every shareholder is entitled to one vote for each common share that such shareholder holds on December 22, 2017 (the "**Record Date**") on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. The list of shareholders is available for inspection during normal business hours at the offices of Computershare Investor Services and will be available at the Meeting.

The persons named as proxyholders (the "**Designated Persons**") in the enclosed form of proxy are directors and/or officers of MGX.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE'S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER'S SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by MGX's registrar and transfer agent, Computershare Investor Services (the "**Transfer Agent**") at their offices located at 510 Burrard Street Floor 3, Vancouver, BC V6C 3B9, by mail or fax, no later than 10:30 a.m. on February 13, 2018, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement of the Meeting.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

### **Revocation of Proxy**

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to MGX at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the Chairman of the Meeting prior to the vote on matters covered by the proxy

on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law.

Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

### **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the common shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the common shares represented will be voted or withheld from the vote on that matter accordingly. **The common shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the common shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE NOMINEES OF THE MGX'S BOARD OF DIRECTORS FOR DIRECTORS AND AUDITOR.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of MGX is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of MGX as the registered holders of common shares can be recognized and acted upon at the Meeting.** If common shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those common shares will not be registered in the shareholder's name on the records of MGX. Such common shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such common shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). **Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting.**

MGX does not have access to names of Beneficial Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to registered shareholders by MGX. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Beneficial Shareholders and asks for appropriate instructions regarding the voting of common shares to be voted at the Meeting. Beneficial Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free number and access Broadridge's dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the common shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote common shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its common shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their common shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend the Meeting and vote his or her common shares.

All references to shareholders in this Information Circular are to registered shareholders, unless specifically stated otherwise.

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

MGX is authorized to issue an unlimited number of common shares without par value. As of the Record Date, determined by MGX's Board of Directors to be the close of business on December 22, 2017, a total of 86,881,495 common shares in the authorized capital of MGX were issued and outstanding. Each common share carries the right to one vote at the Meeting.

Only registered shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

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

## PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

### I. Presentation of Financial Statements

#### **Audited Financial Statements**

The audited financial statements of MGX for the fiscal year ended July 31, 2017, and the report of the auditors thereon will be placed before the Meeting. Receipt at the Meeting of the audited financial statements of MGX for the fiscal year ended July 31, 2017 will not constitute approval or disapproval of any matters referred to therein. No vote will be taken on the audited financial statements. These audited financial statements are available at [www.sedar.com](http://www.sedar.com).

Pursuant to National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*, both of the Canadian Securities Administrators, a person or corporation who in the future wishes to receive annual and interim financial statements from MGX must deliver a written request for such material to MGX. Shareholders who wish to receive annual and interim financial statements are encouraged to complete the appropriate section on the Request form attached to this Information Circular and send it to the Transfer Agent.

### II. Number of Directors

The Articles of MGX provide for a Board of Directors of no fewer than three directors and no greater than a number as fixed or changed from time to time by ordinary resolution.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors of MGX for the ensuing year at six (6). The number of directors will be approved if the affirmative vote of the majority of common shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at six (6).

**Management recommends the approval of the resolution to set the number of directors of MGX at six (6).**

### III. Election of Directors

At present, the directors of MGX are elected at each annual meeting and hold office until the next annual meeting or until their successors are duly elected or appointed in accordance with MGX's Articles or until such director's earlier death, resignation or removal. In the absence of instructions to the contrary, the enclosed Form of Proxy will be voted for the nominees listed in the Form of Proxy, all of whom are presently members of the Board of Directors.

Management of MGX proposes to nominate the persons named in the table below for election by the shareholders as directors of MGX. Information concerning such persons, as furnished by the individual nominees, as of the date of this Information Circular, is as follows:

<b>Name Province Country of Residence and Position(s) with MGX</b>	<b>Principal Occupation Business or Employment for Last Five Years</b>	<b>Periods during which Nominee has Served as a Director</b>	<b>Number of Common Shares Controlled<sup>(1)(2)</sup></b>	<b>Number of Common Shares Currently Under Option</b>
<b>Jared Lazerson</b> <sup>(3)</sup> British Columbia, Canada <i>Chief Executive Officer, President, Secretary and Director</i>	Officer of MGX; Consultant to Manto Resources Ltd.; Independent investor trading commodities, currencies and indices	July 4, 2014 to Present	4,700,647 (5.37%) <sup>(4)</sup>	2,150,000
<b>Michael Reimann</b> <sup>(5)(6)</sup> British Columbia, Canada <i>Chief Financial Officer and Director</i>	Officer of MGX; CFO of Skana Capital Corp. from 2006-2011; CFO of PNG Gold Corporation from 2011-2012; Director of Triangle Industries since 2008	July 4, 2014 to Present	1,115,500 (1.27%)	600,000
<b>Andris Kikauka</b> British Columbia, Canada <i>VP of Exploration and Director</i>	Officer of MGX; Project Geologist at Goldrea Resources Corp. and at Rio Minerals Ltd., a mineral exploration geotechnical consulting firm;	July 4, 2014 to Present	433,000 (0.49%)	475,000
<b>Lyndon Patrick</b> <sup>(5)(6)</sup> British Columbia, Canada <i>Director</i>	Independently practicing lawyer	July 4, 2014 to Present	4,678,032 (5.34%)	600,000
<b>Marc Bruner</b> <sup>(7)</sup> British Columbia, Canada <i>Chairman of the Board and Director</i>	Chairman and CEO of Falcon Oil & Gas; served as Ultra Petroleum's founding Chairman.	January 30, 2017 to Present	1,000,000 (1.14%)	Nil
<b>Christopher Wolfenberg</b> <sup>(6)</sup> Alberta, Canada <i>Director</i>	Partner with the law firm of Fasken Martineau LLP practicing in the areas of corporate and securities law; previously a partner at Norton Rose Fullbright LLP.	January 11, 2018 to present	30,554 (0.03%)	Nil
<b>Total</b>			<b>11,957,733 (12.79%)</b>	<b>3,825,000</b>

<sup>(1)</sup> Shares beneficially directly or indirectly owned or over which control or direction is exercised, at the date of this Information Circular, based upon information furnished to MGX by the individual directors or obtained from the System for Electronic Disclosure by Insiders ("SEDI")

<sup>(2)</sup> Based on 93,509,760 common shares issued and outstanding as of the date of this Information Circular.

<sup>(3)</sup> Interim member of the Audit Committee.

<sup>(4)</sup> Mr. Lazerson directly owns 4,436,147 common shares of the Company and indirectly owns 264,500 common shares of the Company through Copper Island Mines Ltd., a company which he controls.

<sup>(5)</sup> Member of the Audit Committee.

<sup>(6)</sup> Member of the Compensation Committee.

<sup>(7)</sup> Mr. Bruner currently holds 7,600,000 restricted stock units of MGX.

**Management recommends the approval of each of the nominees listed above for election as a director of MGX for the ensuing year.**



Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the common shares represented by proxy for the election of any other persons as directors.

#### *Cease Trade Orders*

No proposed director of MGX is, or within the ten (10) years before the date of this Information Circular has been, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

#### *Bankruptcies*

No proposed director of MGX is, or within ten (10) years before the date of this Information Circular, has been a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets or made a proposal under any legislation relating to bankruptcies or insolvency.

#### *Personal Bankruptcies*

No proposed director of MGX has, within ten (10) years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

#### *Securities Related Penalties and Sanctions*

No proposed director has been subject to, or entered into a settlement agreement resulting from:

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

#### **IV. Re-appointment of Auditor**

At the Meeting, Shareholders will be asked to pass an ordinary resolution re-appointing Adam Sung Kim Ltd., as auditor of MGX to hold office until the next annual meeting of the shareholders or until such firm is removed from office or resigns as provided by law and to authorize the Board of Directors of MGX to fix the remuneration to be paid to the auditor. Adam Sung Kim Ltd. of Vancouver, British Columbia has served as the auditor for MGX since October 24, 2013.

**Management recommends shareholders to vote for the approval of the re-appointment of Adam Sung Kim Ltd., as auditor for MGX to hold office until the next annual general meeting of shareholders, at a remuneration to be fixed by the Board of Directors of MGX.**

**V. Approve Stock Option Plan**

MGX has a Stock Option Plan (the “**Stock Option Plan**”) which is a “rolling” stock option plan under which options may be granted equal in number to 10% of the issued and outstanding capital of MGX at the time of grant of the stock option.

MGX’s Stock Option Plan was established to provide incentive to qualified parties to increase their proprietary interest in MGX and thereby encourage their continuing association with MGX. The Stock Option Plan is administered by a committee of the board of directors of MGX. The Stock Option Plan provides that options will be issued to directors, officers, employees and consultants of MGX.

The objective of the Stock Option Plan is to provide for and encourage ownership of common shares of MGX by its directors, officers and key employees and those of any subsidiary companies so that such persons may increase their stake in MGX and benefit from increases in the value of the common shares. The Stock Option Plan is designed to be competitive with the benefit programs of other companies in the natural resource industry. It is the view of management that the Stock Option Plan is a significant incentive for the directors, officers and key employees to continue and to increase their efforts in promoting MGX’s operations to the mutual benefit of both MGX and such individuals.

The material attributes of MGX’s Stock Option Plan are as follows:

- Options may be granted to directors, employees, management company employees and consultants;
- All options granted pursuant to the Stock Option Plan shall be subject to applicable corporate and securities laws, and rules and policies of any stock exchange or exchanges on which the common shares of MGX may be listed on in the future, and any other regulatory body having jurisdiction thereafter (collectively, “**Applicable Laws**”);
- The exercise price of options shall be determined by the board of directors, subject to applicable stock exchange approval, at the time any option is granted. In no event shall such exercise price be lower than the exercise price permitted by the Applicable Laws;
- The aggregate number of common shares of MGX issuable upon the exercise of all options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of MGX from time to time;
- No single participant may be granted options to purchase a number of Shares equaling more than 5% of the issued Shares of MGX in any twelve-month period, unless MGX meets requirements under Applicable Laws;
- Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of MGX in any twelve-month period to any one consultant of MGX;
- Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Shares of MGX in any twelve-month period to any person conducting investor relations activities (as such term is defined in the policies of the applicable exchange);
- The Board of Directors may determine the term of the options, but the term shall in no event be greater than five (5) years from the date of issuance; and

- Terms of vesting of the options, the eligibility of directors, officers, employees, management company employees and consultants to receive options and the number of options issued to each participant shall be determined at the discretion of the board of directors.

Shareholders will be asked to consider, and if thought fit to approve a resolution ratifying and approving the Company's existing Stock Option Plan. Reference should be made to the full text of the Stock Option Plan which will be made available at the offices of Segev LLP, Suite 310, 318 Homer Street, Vancouver, BC V6B 2V2, until the business day immediately preceding the date of the Meeting.

### STATEMENT OF EXECUTIVE COMPENSATION

Under this heading, the Corporation is including the disclosure required by Form 51-102F6V *Statement of Executive Compensation – Venture Issuer*.

#### Definitions

For the purpose of this Information Circular:

**“CEO”** means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

**“CFO”** means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

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

- (a) a CEO;
- (b) a CFO;
- (c) MGX's most highly compensated individual acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(5) of National Instrument 51-102, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

#### Summary Compensation Table Excluding Compensation Securities

The following table summarizes the compensation excluding compensation securities paid to each of the NEOs and the Board of Directors of MGX for the last two completed financial years:

Name and Principal Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Jared Lazerson President, CEO,	2017	120,000 <sup>(2)</sup>	Nil	Nil	Nil	Nil	120,000 <sup>(2)</sup>

Name and Principal Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Secretary and a director <sup>(1)</sup>	2016	120,000 <sup>(2)</sup>	Nil	Nil	Nil	Nil	120,000 <sup>(2)</sup>
<b>Michael Reimann</b> CFO and a director <sup>(3)</sup>	2017	12,000 <sup>(4)</sup>	Nil	Nil	Nil	Nil	12,000
	2016	12,000 <sup>(4)</sup>	Nil	Nil	Nil	Nil	12,000
<b>Andris Kikauka</b> <sup>(5)</sup> VP of Exploration and a director	2017	25,400	Nil	Nil	Nil	Nil	25,400
	2016	25,562	Nil	Nil	Nil	Nil	25,562
<b>Lyndon Patrick</b> <sup>(6)</sup> Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>Marc Bruner</b> <sup>(7)</sup> Chairman and a director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
<b>H. David Read</b> <sup>(8)</sup> Former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

(1) Mr. Lazerson has served as President, CEO, Secretary and a director of MGX since July 4, 2014.

(2) MGX incurred management fees payable to Copper Island Mines Ltd., a company wholly owned by Mr. Lazerson.

(3) Mr. Reimann has served as CFO and a director of MGX since July 4, 2014.

(4) MGX incurred management fees payable to Reimann Enterprises Ltd., a company wholly owned by Mr. Reimann.

(5) Mr. Kikauka has served as a VP Exploration and a director of MGX since July 4, 2014.

(6) Mr. Patrick has served as a director of MGX since July 4, 2014.

(7) Mr. Bruner has served as Chairman and a director since January 30, 2017.

(8) Mr. Read resigned as a director of MGX on November 14, 2017.

### Stock Options and Other Compensation Securities

The table below sets out all compensation securities granted or issued to each NEO and director of MGX in the financial year ended July 31, 2017 for services provided or to be provided to the Company.

Name and Position	Type of Compensation Security	Number of Compensation Securities, Number of Underlying Securities and Percentage of Class <sup>(6)</sup>	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>Jared Lazerson</b> President, CEO, Secretary and a director <sup>(1)</sup>	Options	1,000,000 1.46%	January 24, 2017	\$1.00	\$0.99	\$0.88	January 24, 2019
<b>Michael Reimann</b> CFO and a director <sup>(2)</sup>	Options	450,000 0.65%	January 24, 2017	\$1.00	\$0.99	\$0.88	January 24, 2019
<b>Andris Kikauka</b> VP of Exploration and a director <sup>(3)</sup>	Options	50,000 0.07%	January 24, 2017	\$1.00	\$0.99	\$0.88	January 24, 2019
<b>Lyndon Patrick</b> Director <sup>(4)</sup>	Options	350,000 0.51%	January 24, 2017	\$1.00	\$0.99	\$0.88	January 24, 2019
<b>Marc Bruner</b> <sup>(5)</sup> Chairman of the Board and a director	Restricted Stock Units	9,500,000 13.84%	January 30, 2017	N/A	\$2.50	\$0.88	N/A
<b>Hugh David Read</b> Director <sup>(7)</sup>	Options	75,000	May 5, 2016	\$1.00	\$0.99	\$0.88	January 24, 2019

(1) Mr. Lazerson currently holds a total of 2,150,000 options to purchase common shares in MGX.

(2) Mr. Reimann currently holds a total of 600,000 options to purchase common shares in MGX.

(3) Mr. Kikauka currently holds a total of 475,000 options to purchase common shares in MGX.

(4) Mr. Patrick currently holds a total of 600,000 options to purchase common shares in MGX.

(5) Mr. Bruner currently holds 7,600,000 restricted stock units of MGX.

(6) Based on 68,617,018 common shares issued and outstanding as at July 31, 2017.

(7) As of November 14, 2017, Mr. Read held a total of 225,000 options to purchase common shares in MGX.

### Exercise of Compensation Securities by Directors and NEOs

The table below sets out all securities exercised by each NEO and director of MGX in the financial year ended July 31, 2017.

Name and Position	Type of Compensation Security	Number of Underlying Securities Exercised	Exercise Price per Security (\$)	Date of Exercise	Closing Price per Security on Date of Exercise (\$)	Difference Between Exercise Price and Closing Price on Date of Exercise (\$)	Total Value on Exercise Date (\$)
<b>Jared Lazerson</b> President, CEO, Secretary and a director	Options	300,000	\$0.10	January 26, 2017	\$1.26	\$1.16	\$348,000
<b>Michael Reimann</b> CFO and a director	Options	400,000	\$0.10	January 26, 2017	\$1.26	\$1.16	\$464,000
<b>Andris Kikauka</b> VP of Exploration and a director	Options	-	-	-	-	-	-
<b>Lyndon Patrick</b> Director	Options	300,000	\$0.10	January 26, 2017	\$1.26	\$1.16	348,000
<b>Marc Bruner</b> Chairman of the Board and a director	Restricted Stock Units	500,000	-	July 11, 2017	\$0.92	-	\$460,000
		1,400,000	-	September 21, 2017	\$0.93	-	\$1,302,000

### Stock Option Plans and Other Incentive Plans

All of MGX's officers, directors, employees and consultants are eligible to participate the Stock Option Plan. The Stock Option Plan is the only security based compensation plan that MGX currently has in place. The Stock Option Plan provides a long-term incentive designed to focus and reward eligible participants for enhancing total shareholder return over the long-term both on an absolute and relative basis. The Stock Option Plan promotes an ownership perspective among and encourages the retention of key employees and consultants. Additionally, it provides an incentive to enhance shareholder value by furthering MGX's growth and profitably.

The Stock Option Plan provides for the issuance of stock options to acquire up to that number that is 10% of the issued and outstanding common shares of MGX as at the date of the respective grant. A copy of the Stock Option Plan is available for review at (a) [www.sedar.com](http://www.sedar.com) and (b) at the registered and records office of MGX, Suite 310 – 318 Homer Street, Vancouver, BC V6B 2V2.

Options are normally recommended by management and approved by the Board of Directors upon the commencement of an individual's employment with MGX based on the individual's level of responsibility

within the organization and their contribution to MGX's success. Additional grants may be made periodically to ensure that the number of options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within MGX. Previous grants are taken into account when considering new grants.

The use of options by MGX results in a significant portion of senior officer compensation being "at risk" and directly linked to the achievement of business results and long-term value creation for MGX's shareholders. As at July 31, 2017, there were 7,085,000 stock options outstanding and exercisable:

Number of Options	Exercise Price	Expiry Date
<b>Stock Option Inside the Plan</b>		
975,000	\$0.40	May 5, 2018
1,000,000	\$0.35	June 29, 2018
275,000	\$0.10	July 18, 2018
2,835,000	\$1.00	January 24, 2019
100,000	\$1.42	March 21, 2019
200,000	\$1.06	June 12, 2019
200,000	\$0.90	June 30, 2019
200,000	\$1.25	March 3, 2020
<b>Stock Option Outside the Plan</b>		
1,300,000	\$1.06	June 12, 2020

MGX has also granted 9,500,000 restricted stock units ("RSUs") as part of its compensation package for its Chairman, Marc Bruner. All vested RSUs are exercisable into common shares of MGX on a one-for-one basis. MGX has not yet adopted a formal restricted stock unit plan. The restricted stock units vest over time, subject to satisfactory performance of employment services, as follows:

Vesting Date	Restricted Stock Units Vested
May 1, 2017	1,425,000
August 1, 2017	1,425,000
November 1, 2017	1,650,000
February 1, 2018	1,650,000
May 1, 2018	1,675,000
August 1, 2018	1,675,000
<b>TOTAL</b>	<b>9,500,000</b>

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

MGX has consulting agreements for services with three of its directors and officers. Jared Lazerson has a management agreement with MGX whereby he is compensated at a rate of \$10,000 per month to provide CEO services on a fulltime basis. Michael Reimann has a management agreement with MGX whereby he is compensated at a rate of \$1,000 per month to provide CFO services. Marc Bruner has a consulting

agreement for lithium exploration and development in the oil and gas industry in the U.S. whereby he is paid in the form of 9,500,000 RSUs, which vest over time, subject to satisfactory performance of services.

### Oversight and Description of Director and NEO Compensation

The Compensation Committee determines, by way of discussions at meetings, the compensation to be paid to the executive officers of MGX. MGX at this time does not have a formal compensation program with specific performance goals or similar conditions; however, the performance of each executive is considered along with MGX's ability to pay compensation and its results of operation for the period. MGX does not use any benchmarking in determining compensation or any element of compensation.

MGX's executive compensation is currently comprised of a base fee, salary or equity based compensation. Base fees or salaries are intended to provide current compensation and a short-term incentive for each NEO to meet the Company's goals, as well as to remain competitive with the industry. Base fees or salaries are compensation for job responsibilities and reflect the level of skills, expertise and capabilities demonstrated by each NEO. Any salary determined for the NEOs is dependent upon MGX's finances as well as the performance of each of the NEOs. MGX does not use peer groups to determine its compensation paid to NEOs.

### Pension Disclosure

MGX does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth details of all MGX's equity compensation plans as of July 31, 2017.

<b>Plan Category</b>	<b>(a) Number of securities to be issued upon exercise of outstanding options, warrants and rights<sup>(1)</sup></b>	<b>(b) Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>(c) Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by security holders	5,785,000 (Options)	\$0.81	1,076,701 <sup>(2)</sup>
Equity compensation plans <u>not</u> approved by security holders	N/A	N/A	N/A
<b>Total</b>	<b>5,785,000</b>		

(1) Options are exercisable into underlying common shares of MGX on a one-for-one basis.

(2) Based on 68,617,018 common shares issued and outstanding as at July 31, 2017.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of December 31, 2017, being a date within 30 days before this Information Circular, the aggregate indebtedness of each current or former director, executive officer or employee, proposed nominee for election to the Board of Directors, or associate of such persons, is as follows:



Aggregate Indebtedness (\$)		
(a) Purpose	(b) To the Company	(c) To Another Entity
Share Purchases	Nil	Nil
Other	Nil	Nil

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of MGX; (b) person or company who beneficially owns, directly or indirectly, common shares or who exercises control or direction of common shares, or a combination of both carrying more than ten percent of the voting rights attached to the common shares outstanding (an “**Insider**”); (c) director or executive officer of an Insider; or (d) associate or affiliate of any of the directors, executive officers or Insiders, has had any material interest, direct or indirect, in any transaction since the commencement of MGX’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect MGX, except with an interest arising from the ownership of common shares where such person or company will receive no extra or special benefit or advantage not shared on a pro rata basis by all holders of the same class of common shares.

### AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 of the Canadian Securities Administrators requires MGX, to disclose annually in its Information Circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor.

#### The Audit Committee Charter

MGX adopted an audit committee charter on April 27, 2012, the text of which is included as Schedule “A” to this Information Circular.

#### Composition of the Audit Committee

As of the date of this Information Circular, the following are the members of the Audit Committee:

Michael Reimann	Not independent	Financially literate
Lyndon Patrick <sup>(1)</sup>	Independent	Financially literate
Jared Lazerson <sup>(2)</sup>	Not Independent	Financially literate

(1) *Chair of the Audit Committee.*

(2) *Mr. Lazerson holds an interim position on the audit committee filling the vacancy resulting from Mr. David Read’s resignation from the board of directors on November 14, 2017.*

#### Relevant Education and Experience

In addition to each member’s general business experience, the education and experience of each Audit Committee member that is relevant to the performance of his responsibilities as an Audit Committee member is as follows:

**Michael Reimann** - Dr. Reimann graduated in Engineering Physics from the Royal Military College of Canada, and obtained a Ph.D. in Physics from the University of British Columbia. He served as an officer in the Royal Canadian Navy for 4 years, before returning to civilian life and pursuing a career in business. He has over 45 years of experience in senior corporate management in both public and private companies.

**Lyndon Patrick** - Mr. Patrick is a Vancouver-based, independently practicing lawyer, which has been his primary employment of the last five years. He has practiced in British Columbia since 2001 in the areas of litigation and real estate. He holds an LLB from the University of Alberta, and an MA and BA from the University of British Columbia. Mr. Patrick is an independent director of MGX.

**Jared Lazerson** - Mr. Lazerson has worked in the mining and technology industries since 1994 with companies including Osprey Systems (GPS and Digital Mapping), United Helicopters, Copper Island Mines and Manto Resources. He holds a BA in International Relations from the University of Pennsylvania.

### **Audit Committee Oversight**

Since the commencement of MGX's most recently completed financial year, MGX's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

### **Reliance on Certain Exemptions**

At no time since the commencement of MGX's most recently completed financial year, MGX has relied on the exemption in sections 2.4 (De Minimis Non-audit Services), 3.2 (Initial Public Offerings), 3.4 (Events Outside Control of Member) 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

### **Reliance on the Exemption in Subsection 3.3(2) or Section 3.6**

At no time since the commencement of MGX's most recently completed financial year, has MGX relied on the exemption in subsection 3.3(2) (Controlled Companies) or section 3.6 (Temporary Exemption for Limited and Exception Circumstances) of NI 52-110.

### **Reliance on Section 3.8**

At no time since the commencement of MGX's most recently completed financial year, has MGX relied on section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

### **Reliance on Section 6.1**

Pursuant to section 6.1 of NI 52-110, as a venture issuer MGX is relying on the exemption from the audit committee composition requirements and certain reporting obligations found in Parts 3 and 5 of NI 52-110.

### **Audit Committee Oversight**

At no time since the commencement of MGX'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.

### **Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter under the heading "**External Auditors**".

### External Auditor Service Fees

In the following table, “**audit fees**” are fees billed by MGX’s external auditor for services provided in auditing MGX’s annual financial statements for the subject year. “**Audit-related fees**” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit review of MGX’s financial statements. “**Tax fees**” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “**All other fees**” are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by MGX’s external auditor in the last two fiscal years, by category, are as set out in the table below.

Financial Year Ended July 31	Audit Fees (\$)	Audit-Related Fees (\$)	Tax Fees (\$)	All Other Fees (\$)
2017	25,000	Nil	Nil	Nil
2016	18,000	Nil	Nil	Nil

### CORPORATE GOVERNANCE

Maintaining a high standard of corporate governance is a priority for the Board of Directors of MGX and MGX’s management believes that effective corporate governance will help create and maintain shareholder value in the long term. A description of MGX’s corporate governance practices, which addresses the matters set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*, is set out below.

#### Board of Directors

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

#### Independence of Directors

A director is independent if he or she has no direct or indirect material relationship with MGX that the Board of Directors believes could reasonably be perceived to materially interfere with his or her ability to exercise independent judgment. Applicable securities laws set out certain situations where a director is deemed to have a material relationship with MGX.

The Board of Directors is currently comprised of and proposed to be comprised of six (6) directors, two (2) of whom are considered independent under applicable securities laws, namely, Lyndon Patrick and Chris Wolfenberg. Jared Lazerson is the Chief Executive Officer, President and Secretary; Andris Kikauka is the VP of Exploration; Michael Reimann is the Chief Financial Officer; and Marc Bruner is the Chairman and therefore these directors are not independent directors.

#### Directorships

The following directors of MGX and each of the individuals to be nominated for election as a director of MGX at the Meeting serve as a director or officer of other reporting issuers as at the date of this notice and information circular:

<b>Director</b>	<b>Other Reporting Company</b>
Michael Reimann	Triangle Industries Inc.
Andris Kikauka	American Manganese Inc.
Jared Lazerson	Arctic Star Exploration Corp.
Christopher Wolfenberg	Rogue Resources Inc.

### **Orientation and Continuing Education**

The Board of Directors of MGX briefs all new directors with respect to the policies of the Board of Directors and other relevant corporate and business information. The Board does not provide any continuing education, but does encourage directors to individually and as a group keep themselves informed on changing corporate governance and legal issues. Directors are individually responsible for updating their skills required to meet their obligations as directors. In addition, the Board undertakes strategic planning sessions with management.

### **Ethical Business Conduct**

The Board has found that the fiduciary duties placed on individual directors by MGX'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 MGX.

### **Nomination of Directors**

The Board of Directors is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees for the next annual meeting of shareholders.

New nominees must have a track record in general business management, special expertise in an area of strategic interest to MGX, the ability to devote the required time, show support for MGX's mission and strategic objectives, and a willingness to serve.

### **Compensation**

The Board of Directors conducts reviews with regard to the compensation of the directors and officers once a year. To make its recommendations on such compensation, the Board of Directors informally takes into account the types of compensation and the amounts paid to directors and officers of comparable publicly traded Canadian companies.

At present, no compensation (other than the grant of incentive stock options) is paid to the directors of the Company in their capacity as directors.

### **Other Board Committees**

The Board of Directors has an Audit Committee as well as a Compensation and Valuation Committee.

### **Assessments**

The Board of Directors regularly monitors the adequacy of information given to directors, communications between the board and management and the strategic direction and processes of the Board and its

committees. The Board is currently responsible for assessing its own effectiveness, the effectiveness of individual directors and the effectiveness of the Audit Committee.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of MGX who was a director or executive officer since the beginning of MGX's last financial year, each proposed nominee for election as a director of MGX, or any associate or affiliates of any such directors, officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of common shares or other securities in MGX or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

### **ADDITIONAL INFORMATION**

Additional information relating to MGX is available at [www.sedar.com](http://www.sedar.com).

Shareholders may contact MGX at its head office by mail at Suite 303 – 1080 Howe Street, Vancouver, BC V6Z 2T1, to request copies of MGX's financial statements and related Management's Discussion and Analysis (the "**MD&A**"). Financial information is provided in the audited financial statements and MD&A for MGX for the year ended July 31, 2017.

### **OTHER MATTERS**

Management of MGX knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting included at the beginning of this Information Circular. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

### **APPROVAL OF THE BOARD OF DIRECTORS**

The content of this Information Circular has been approved and the delivery of it to each shareholder of MGX entitled thereto and to the appropriate regulatory agencies has been authorized by the Board of Directors of MGX.

Dated at Vancouver, British Columbia on January 15, 2018.

### **ON BEHALF OF THE BOARD**

**MGX Minerals Inc.**

"Jared Lazerson"

Jared Lazerson

President, CEO, Secretary and Director

## **SCHEDULE “A”**

### **MGX MINERALS INC. (the “Company”)**

#### **AUDIT COMMITTEE CHARTER**

This Charter establishes the composition, the authority, roles and responsibilities and the general objectives of the Company’s audit committee, or its Board in lieu thereof (the “Audit Committee”). The roles and responsibilities described in this Charter must at all times be exercised in compliance with the legislation and regulations governing the Company and any subsidiaries.

#### **Composition**

- (a) *Number of Members.* The Audit Committee must be comprised of a minimum of three directors of the Company, a majority of whom will be independent. Independence of the board members will be as defined by applicable legislation.
- (b) *Chair.* If there is more than one member of the Audit Committee, members will appoint a chair of the Audit Committee (the “Chair”) to serve for a term of one (1) year on an annual basis. The Chair may serve as the chair of the Audit Committee for any number of consecutive terms.
- (c) *Financially Literacy.* All members of the audit committee will be financially literate as defined by applicable legislation. If upon appointment a member of the Audit Committee is not financially literate as required, the person will be provided with a period of three months to acquire the required level of financial literacy.

#### **Meetings**

- (a) *Quorum.* The quorum required to constitute a meeting of the Audit Committee is set at a majority of members.
- (b) *Agenda.* The Chair will set the agenda for each meeting, after consulting with management and the external auditor. Agenda materials such as draft financial statements must be circulated to all Audit Committee members for members to have a reasonable amount of time to review the materials prior to the meeting.
- (c) *Notice to Auditors.* The Company’s auditors (the “Auditors”) will be provided with notice as necessary of any Audit Committee meeting, will be invited to attend each such meeting and will receive an opportunity to be heard at those meetings on matters related to the Auditor’s duties.
- (d) *Minutes.* Minutes of the Audit Committee meetings will be accurately recorded, with such minutes recording the decisions reached by the committee.

#### **Roles and Responsibilities**

The roles and responsibilities of the Audit Committee include the following:

##### External Auditor

The Audit Committee will:

- (a) *Selection of the external auditor.* Select, evaluate and recommend to the Board, for shareholder approval, the Auditor to examine the Company’s accounts, controls and financial statements.

- (b) *Scope of Work.* Evaluate, prior to the annual audit by the Auditors, the scope and general extent of the Auditor's review, including the Auditor's engagement letter.
- (c) *Compensation.* Recommend to the Board the compensation to be paid to the external auditors.
- (d) *Replacement of Auditor.* If necessary, recommend the replacement of the Auditor to the Board.
- (e) *Approve Non-Audit Related Services.* Pre-approve all non-audit services to be provided by the Auditor to the Company or its subsidiaries.
- (f) *Direct Responsibility for Overseeing Work of Auditors.* Must directly oversee the work of the Auditor. The Auditor must report directly to the Audit Committee.
- (g) *Resolution of Disputes.* Assist with resolving any disputes between the Company's management and the Auditors regarding financial reporting.

#### Consolidated Financial Statements and Financial Information

The Audit Committee will:

- (a) *Review Audited Financial Statements.* Review the audited consolidated financial statements of the Company, discuss those statements with management and with the Auditor, and recommend their approval to the Board.
- (b) *Review of Interim Financial Statements.* Review and discuss with management the quarterly consolidated financial statements, and if appropriate, recommend their approval by the Board.
- (c) *MD&A, Annual and Interim Earnings Press Releases, Audit Committee Reports.* Review the Company's management discussion and analysis, interim and annual press releases, and audit committee reports before the Company publicly discloses this information.
- (d) *Auditor Reports and Recommendations.* Review and consider any significant reports and recommendations issued by the Auditor, together with management's response, and the extent to which recommendations made by the Auditor have been implemented.

#### Risk Management, Internal Controls and Information Systems

The Audit Committee will:

- (a) *Internal Control.* Review with the Auditors and with management, the general policies and procedures used by the Company with respect to internal accounting and financial controls. Remain informed, through communications with the Auditor, of any weaknesses in internal control that could cause errors or deficiencies in financial reporting or deviations from the accounting policies of the Company or from applicable laws or regulations.
- (b) *Financial Management.* Periodically review the team in place to carry out financial reporting functions, circumstances surrounding the departure of any officers in charge of financial reporting, and the appointment of individuals in these functions.
- (c) *Accounting Policies and Practices.* Review management plans regarding any changes in accounting practices or policies and the financial impact thereof.
- (d) *Litigation.* Review with the Auditors and legal counsel any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the

Company and the manner in which these matters are being disclosed in the consolidated financial statements.

- (e) *Other.* Discuss with management and the Auditors correspondence with regulators, employee complaints, or published reports that raise material issues regarding the Company's financial statements or disclosure.

#### Complaints

- (a) *Accounting, Auditing and Internal Control Complaints.* The Audit Committee must establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- (b) *Employee Complaints.* The Audit Committee must establish a procedure for the confidential transmittal on condition of anonymity by the Company's employees of concerns regarding questionable accounting or auditing matters.

#### **Authority**

- (a) *Auditor.* The Auditor, and any internal auditors hired by the company, will report directly to the Audit Committee.
- (b) *To Retain Independent Advisors.* The Audit Committee may, at the Company's expense and without the approval of management, retain the services of independent legal counsels and any other advisors it deems necessary to carry out its duties and set and pay the monetary compensation of these individuals.

#### **Reporting**

The Audit Committee will report to the Board on:

- (a) the Auditor's independence;
- (b) the performance of the Auditor and any recommendations of the Audit Committee in relation thereto;
- (c) the reappointment and termination of the Auditor;
- (d) the adequacy of the Company's internal controls and disclosure controls;
- (e) the Audit Committee's review of the annual and interim consolidated financial statements;
- (f) the Audit Committee's review of the annual and interim management discussion and analysis;
- (g) the Company's compliance with legal and regulatory matters to the extent they affect the financial statements of the Company; and
- (h) all other material matters dealt with by the Audit Committee.