



410 Donald Street,
Coquitlam, BC, V3K 3Z8
Telephone: (604) 939-4083

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR

**ANNUAL GENERAL AND SPECIAL MEETING
OF THE SHAREHOLDERS**

OF

ALQ GOLD CORP.

TO BE HELD ON AUGUST 10, 2016



July 11, 2016

Dear ALQ Gold Shareholders,

It is my pleasure to extend to you, on behalf of the board of directors (the “**Board**”) of ALQ Gold Corp. (“**ALQ**” or the “**Company**”), an invitation to attend the annual general and special meeting (the “**Meeting**”) of the common shareholders of ALQ (the “**Shareholders**”) to be held at the office of McMillan LLP, located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia on August 10, 2016 at 11:00 a.m. (Vancouver time).

ALQ’s Board and management have been working hard for the past twelve months to chart a course for ALQ which might provide some enhanced value for Shareholders.

As everyone knows, the market for commodities, worldwide, as well as the financial markets for mining companies and junior exploration companies has, in a word, been horrible for the past three years. No one is certain when those markets will recover.

It was therefore with some reluctance that the Board decided that a different approach needed to be taken. Discussions were held with a number of deal-finding agents to try to market the Lustdust Property in the most advantageous way possible. Unfortunately, many other junior exploration companies were trying to market their respective projects at the same time.

ALQ was fortunate in that a group with seasoned leadership, in-house geologists and an established track record in exploration, The Eastfield Group, expressed interest in the Lustdust Property. The Eastfield Group is a family of companies with the same management team and includes Lorraine Copper Corp. (“**LLC**”).

Ultimately, ALQ and LLC entered into a definitive agreement for the Lustdust Property. Accordingly, at the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution (the “**Asset Sale Resolution**”) to approve the sale of the Company’s 100% interest in the Lustdust Property to LLC for: (i) total cash consideration of up to \$50,000 payable on closing, (ii) the issuance to ALQ of 5.5 million common shares of LLC issuable upon closing; and (iii) LLC incurring \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from closing (the “**Transaction**”) and other terms set forth in the asset purchase agreement dated June 16, 2016 between the Company, as seller, and LLC, as purchaser. LLC is an arm’s length party to ALQ.

The closing of the Transaction is subject to a number of conditions, including shareholder and regulatory approval.

The Information Circular contains a detailed description of the Transaction and other information relating to the Company and LLC. We urge you to consider carefully all of the information in the Information Circular. If you require assistance, please consult your tax, financial, legal or other professional advisor.

We hope you will be able to attend the Meeting. Your vote is important regardless of the number of Common Shares you own. We encourage you to vote your Common Shares in person or by proxy at

the Meeting. Please review the voting instructions set out in the Information Circular under the heading “*General Proxy Information*”.

On behalf of ALQ, I would like to thank all Shareholders for their ongoing support.

Yours truly,

“*Carl Pines*”

Carl Pines
Chief Executive Officer and Director

ALQ GOLD CORP.
410 Donald Street
Coquitlam, British Columbia V3K 3Z8
Phone: 604-939-4083

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Take notice that the annual general and special meeting (the “**Meeting**”) of Shareholders of **ALQ Gold Corp.** (the “**Company**”) will be held at 1500 - 1055 West Georgia Street, Vancouver, British Columbia, on August 10, 2016 at 11:00 a.m., local time, for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended February 29, 2016, together with the report of the Company’s auditor thereon;
2. to set the number of directors at five (5);
3. to elect directors of the Company for the ensuing year;
4. to appoint the auditor for the ensuing year;
5. to consider, and if thought fit, to pass an ordinary resolution of Shareholders (the “**Asset Sale Resolution**”), the full text of which is set out in the accompanying information circular (the “**Information Circular**”), approving the sale by the Company of its 100% interest in the Lustdust Property to Lorraine Copper Corp. (“**LLC**”) for: (i) total cash consideration of up to \$50,000 payable on closing, (ii) the issuance to the Company of 5.5 million common shares of LLC issuable upon closing; and (iii) LLC incurring \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from closing (the “**Transaction**”) and other terms set forth in the asset purchase agreement dated June 16, 2016 between the Company and LLC, as fully described in the Information Circular accompanying this notice; and
6. to transact any other business which may properly come before the Meeting or at any adjournment or postponement thereof.

An Information Circular, which includes a detailed description of the matters to be dealt with at the Meeting, accompanies this Notice. The Meeting will also consider any permitted amendment to or variation of any matter identified in this Notice and transact such other business as may properly come before the Meeting or any adjournment thereof. Management is not currently aware of any other matters that could come before the Meeting.

Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting, must complete, date and execute the enclosed form of proxy, or another suitable form of proxy, and deliver it in accordance with the instructions set out in the form of proxy and in the Information Circular.

Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the voting instruction form and in the Information Circular to ensure that such shareholder’s shares will be voted at the Meeting. If you hold your shares in a brokerage account you are not a registered shareholder.

Dated at Vancouver, British Columbia, July 11, 2016.

BY ORDER OF THE BOARD

“Carl Pines”

Carl Pines
Chief Executive Officer

TABLE OF CONTENTS

	Page
MANAGEMENT INFORMATION CIRCULAR	1
Summary of Information Circular	1
GLOSSARY OF DEFINED TERMS	4
GENERAL PROXY INFORMATION	6
Solicitation of Proxies.....	6
Appointment of Proxyholders.....	6
Voting by Proxyholder	6
Registered Shareholders	7
Beneficial Shareholders	7
Notice to Shareholders in the United States	8
Revocation of Proxies.....	8
INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON	9
VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES	9
VOTES NECESSARY TO PASS RESOLUTIONS	9
ELECTION OF DIRECTORS	9
Advance Notice Provisions.....	10
Occupation, Business or Employment of Nominees	11
Cease Trade Orders and Bankruptcy	12
APPOINTMENT OF AUDITOR	13
AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR	13
The Audit Committee’s Charter	13
Composition of the Audit Committee.....	13
Relevant Education and Experience	14
Audit Committee Oversight.....	14
Reliance on Certain Exemptions.....	14
Pre-Approval Policies and Procedures	14
External Auditor Service Fees	15
Exemption.....	15
CORPORATE GOVERNANCE	15
Board of Directors	16
Directorships.....	16
Orientation and Continuing Education	16
Ethical Business Conduct	16
Nomination of Directors	17
Compensation	17
Other Board Committees	17
Assessments	17
COMPENSATION OF EXECUTIVE OFFICERS	17
Named Executive Officers.....	17
Compensation Discussion and Analysis	17
Option-Based Awards.....	19
Summary Compensation Table.....	19
Outstanding Share-based Awards and Option-based Awards	20
PENSION PLANS	20
TERMINATION AND CHANGE OF CONTROL BENEFITS	21
DIRECTOR COMPENSATION	21
Director Compensation Table.....	21
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	21

MANAGEMENT CONTRACTS.....	22
PARTICULARS OF MATTERS TO BE ACTED UPON	22
Approval of the Asset Sale Resolution.....	22
PRINCIPAL REASONS FOR THE BOARD’S FAVOURABLE RECOMMENDATION.....	25
RISK FACTORS.....	25
Documents Incorporated by Reference.....	26
GENERAL MATTERS	26
Indebtedness of Directors and Executive Officers.....	26
Management Contracts	26
Other Business.....	26
ADDITIONAL INFORMATION	26
OTHER MATTERS.....	27

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE TRANSACTION

The following is a summary of certain information contained in or incorporated by reference into this Information Circular, together with some of the questions that you, as a shareholder of ALQ (individually a “**Shareholder**” and collectively, the “**Shareholders**”), may have and answers to those questions. You are urged to read the remainder of the Information Circular and the form of proxy carefully because the information contained below is of a summary nature and therefore is not complete, and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference into this Information Circular and the form of proxy, all of which are important.

Q: Why is the Annual General and Special Meeting of Shareholders being held?

A: The annual general and special meeting of Shareholders (the “**Meeting**”) is being held to consider several regulatory annual resolutions, as well as an ordinary resolution (the “**Asset Sale Resolution**”) to approve the sale of the Company’s 100% interest in the Lustdust Property (as defined below) for: (i) total cash consideration of up to \$50,000 payable on closing, (ii) the issuance to ALQ of 5.5 million common shares of LLC issuable upon closing; and (iii) LLC incurring \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from closing (the “**Transaction**”).

Q: Does the Board support the Transaction?

A: Yes. The board of directors of the Company (the “**Board**”) has unanimously determined: (i) that the Transaction is in the best interests of ALQ, and (ii) to recommend to Shareholders to vote FOR the Asset Sale Resolution.

Q: What approvals are required by Shareholders at the Meeting?

A: At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass: (i) an ordinary resolution to set the number of directors of the Board at five (5); (ii) an ordinary resolution to elect five (5) directors to the Board and (iii) an ordinary resolution to appoint an auditor. In addition to the foregoing, Shareholders be asked to consider and, if thought fit, to pass the Asset Sale Resolution. Under the *Business Corporations Act* (British Columbia) (the “**BCA**”) and the Company’s Articles, a simple majority of votes cast at the Meeting is required to pass an ordinary resolution. There are no special resolutions being considered at the Meeting.

Q: In addition to Shareholder approval, what other approvals are required for the Transaction to be completed?

A: In addition to Shareholder approval, the Transaction is subject to the approval of the TSX Venture Exchange (the “**Exchange**”).

Q: What will happen to ALQ if the Transaction is completed?

A: The Transaction is expected to provide the Company with the necessary capital to restructure its short term operations (the ensuing six months). In light of low commodity prices and extremely difficult capital markets for junior miners, ALQ is also expected to review its strategic opportunities and may move to the NEX board of the Exchange, or another stock exchange. NEX is a separate board of the Exchange designed for companies previously listed on the Exchange (or the Toronto Stock Exchange) that have failed to meet ongoing listing standards. NEX provides a trading forum for such issuers while they seek and undertake transactions which will result in the issuer carrying on an active business.

ALQ will consider, subject to tax and other legal matters, distributing as a dividend in specie all or a part of the LLC common shares it receives in connection with the Transaction to ALQ’s existing shareholders at a record date to be established.

Q: What will happen if the Asset Sale Resolution is not approved or if the Transaction is not completed for any reason?

A: If the Asset Sale Resolution is not approved or the Transaction is not completed for any reason, the Asset Purchase Agreement will automatically terminate. The Company has debt and given low commodity prices and extremely difficult capital markets for junior miners, ALQ may not be able to raise sufficient working capital to continue as a going concern. If ALQ is unable to continue as a going concern, ALQ may need to liquidate its assets, including the Lustdust Property, and may receive less than the value at which those assets are carried on ALQ's audited financial statements. It is also likely that Shareholders will lose all or a part of their investment.

See the heading "*Risk Factors*" below.

Q: What do I need to do now?

A: You should carefully read and consider the information contained in this Information Circular. If you are a registered Shareholder (those whose names appear on the records of the Company as the registered holders of Common Shares) you should vote online or complete, sign and date the enclosed form of proxy and return it in the enclosed return envelope or by facsimile as soon as possible so that your Common Shares may be voted at the Meeting. For your Common Shares to be eligible to be voted at the Meeting, you must vote online or return the form of proxy by mail or by facsimile to Computershare Trust Company of Canada not later than 11:00 a.m. (Vancouver time) on August 8, 2016, or if the Meeting is adjourned or postponed, before 11:00 a.m. (Vancouver time) on the business day that is two days before the date to which the Meeting is adjourned or postponed. Registered Shareholders are also entitled to vote in person at the Meeting.

If you hold Common Shares through a broker, custodian, nominee or other intermediary, you should follow the instructions provided by your intermediary to ensure your vote is counted at the Meeting.

See the heading "*General Proxy Information*" below.

Q: Who can attend and vote at the Meeting?

A: Only Shareholders of record as of the close of business on July 4, 2016, the record date for the Meeting, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

Q: If my Common Shares are held in street name by my broker, will my broker vote my Common Shares for me?

A: You must contact your broker, as a broker will vote the Common Shares held by you only if you provide instructions to your broker on how to vote. Without instructions, those Common Shares will not be voted. Shareholders should instruct their brokers to vote their respective Common Shares by following the directions provided to them by their brokers. Unless your broker gives you its proxy to vote the Common Shares at the Meeting, you cannot vote those Common Shares owned by you at the Meeting. See the heading "*General Proxy Information – Beneficial Shareholders*" below.

Q: Can I change my vote after I have voted by proxy?

A: Yes. A Shareholder executing the enclosed form of proxy has the right to revoke it. A Shareholder may revoke a proxy by depositing an instrument in writing executed by him or her, or by his or her attorney authorized in writing, at the registered office of ALQ at any time up to and including the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting before the Meeting, or any adjournment or postponement thereof, or in any other manner permitted by law. See the heading "*General Proxy Information – Revocation of Proxies*" below.

Q: Who can help answer my question?

A: Shareholders who would like additional copies, without charge, of this Information Circular or have additional questions about the Transaction, including the procedures for voting Common Shares or completing transmitted documents, should contact their broker or Joanne Ward, Chief Financial Officer of ALQ, by phone at (604) 939-4083 or email to alpha-gold@shaw.ca.

ALQ GOLD CORP.
410 Donald Street
Coquitlam, British Columbia V3K 3Z8
Phone: 604-939-4083

MANAGEMENT INFORMATION CIRCULAR

With information as at July 4, 2016 (*except as otherwise indicated*)

Summary of Information Circular

The following is a summary of certain information contained elsewhere in, or incorporated by reference into, this Information Circular. Certain capitalized terms used in this summary are defined in the following “*Glossary of Defined Terms*” or elsewhere in this Information Circular. This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Information Circular.

Forward Looking Statements

Certain statements contained or incorporated by reference in this Information Circular are forward-looking statements, including, but not limited to, those relating to the Transaction, the timing of the various approvals for the Transaction, the timing of the closing of the Transaction, information concerning ALQ, and other statements that are not historical facts. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including ALQ’s experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Forward-looking statements are provided for the purpose of presenting information about management’s current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, possible dividends, milestones, strategies and outlook of ALQ and LLC.

Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as “expects”, “anticipates”, “plans”, “believes”, “estimates”, “intends”, “targets”, “projects”, “forecasts”, “seeks”, “likely” or negative versions thereof and other similar expressions, or future or conditional verbs such as “may”, “will”, “should”, “would” and “could”. Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to those related to: the receipt of all necessary consents and approvals (including without limitation, shareholder and regulatory) for the Transaction, the ability of the ALQ to obtain necessary financing to pursue its business plans, trends and developments in the mining industry, business strategy and outlook, expansion and growth of business and operations.

By its nature, forward looking information is subject to risks and uncertainties, and there are a variety of material factors, many of which are beyond the control of ALQ, that may cause actual outcomes to differ materially from those discussed in the forward-looking statements. These factors include, but are not limited to: receipt of all necessary consents and approvals, capital expenditures; requirements for additional capital; future prices of metal; and management’s success in anticipating and managing the foregoing factors, as well as the risks described under “Risk Factors”.

These risk factors are not intended to represent a complete list of the risk factors that could affect ALQ. Although ALQ has attempted to identify in this Information Circular important factors that could cause actual

actions, events or results to differ materially from those described in the forward looking statements included herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended, and there can be no assurance that the forward-looking statements in this Information Circular will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements in this Information Circular. All of the forward-looking statements made in this Information Circular are qualified by these cautionary statements. These forward-looking statements are made as of the date of this Information Circular and, other than as specifically required by law, ALQ does not assume any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

The Meeting

The Meeting will be held on August 10, 2016 at 11:00 a.m. (Vancouver Time) at the offices of McMillan LLP at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia.

Purpose of the Meeting

The purpose of the Meeting is for Shareholders to consider and vote on election of the directors, appointment of the Company's auditor for the year as well as to approve the Asset Sale Resolution. The Asset Sale Resolution is an ordinary resolution to approve the sale of the Lustdust Property to Lorraine Copper Corp. ("LLC"). See "*Particulars of Matters to be Acted upon – Approval of Asset Sale Resolution*" for a summary of the principal terms of the Transaction.

Shareholder and Other Approvals

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass: (i) an ordinary resolution to set the number of directors of the Board at five (5); (ii) an ordinary resolution to elect five (5) directors to the Board and (iii) an ordinary resolution to appoint an auditor. In addition to the foregoing, Shareholders will be asked to consider and, if thought fit, to pass the Asset Sale Resolution. Under the BCA and the Company's Articles, a simple majority of votes cast at the Meeting is required to pass an ordinary resolution. There are no special resolutions being considered at the Meeting.

See "*Particulars of Matters to be Acted upon – Approval of Asset Sale Resolution*".

The Transaction is also subject to the receipt of certain regulatory approvals, including the approval of the Exchange.

The Transaction

The Company proposes to sell 100% of its interest in the Lustdust Property to LLC. The aggregate purchase price payable by LLC for the 100% interest in the Lustdust Property is: (i) 5.5 million common shares of LLC being issued to ALQ; (ii) cash consideration of \$50,000; (iii) a commitment from LLC to incur \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from Closing; and (iv) other terms set forth in the Asset Purchase Agreement dated June 16, 2016 between LLC and ALQ.

Recommendation of the Board

After careful consideration the Board has unanimously determined that: (i) that the Transaction is in the best interests of ALQ, and (ii) to recommend to Shareholders to vote FOR the Asset Sale Resolution.

The Board also unanimously recommends to Shareholders to vote FOR the ordinary resolutions at the Meeting.

Principal Reasons for the Board's Favourable Recommendation

In the course of its evaluation of the Transaction, the Board consulted with ALQ's legal counsel and industry contacts and considered the Transaction with reference to the general industry, economic and market conditions as well as the financial condition of ALQ, its prospects, strategic alternatives, competitive position and the risks related to ALQ's ongoing financing requirements. Specifically, the Board considered the following factors, among others:

- If approved, the Transaction is expected to provide the Company with the necessary capital required to restructure its short term operations (the ensuing six months).
- ALQ currently relies on ongoing equity financing to provide funding to advance its exploration projects. Recently, ALQ has been unable to raise the necessary funding to further explore its mineral properties, or for general operating expenses. The ability to continue to obtain equity financing or partners for its exploration projects is uncertain.
- If approved, ALQ may sell some or all of the LLC Shares it receives in connection with the Transaction for working capital.
- The material conditions required for closing the Transaction, including Shareholder approval and regulatory approval, were considered by the Board to be reasonable under the circumstances.

In the course of its deliberations, the Board also identified and considered a variety of risks and potentially negative factors in connection with the Transaction, including the risks set out under the heading "*Risk Factors*".

GLOSSARY OF DEFINED TERMS

The following terms used in this Information Circular have the meanings set forth below:

“Advance Notice Provision” means advance notice provisions, which were approved by the shareholders at the Company’s annual general and special meeting held August 28, 2013.

“ALQ” or the **“Company”** means ALQ Gold Corp.

“Articles” means the Articles of the Company approved and adopted by the shareholders at the Company’s annual general and special meeting held August 28, 2013.

“Asset Sale Resolution” means the ordinary resolution approving the Transaction that the Shareholders will be asked to pass at the Meeting.

“BCA” means the *Business Corporations Act* (British Columbia).

“Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name.

“Board” means the board of directors of the Company.

“Broadridge” means Broadridge Financial Solutions, Inc.

“CEO” means Chief Executive Officer.

“CFO” means Chief Financial Officer.

“Common Shares” means common shares without par value in the capital of the Company.

“Computershare” means the Company’s transfer agent, Computershare Investor Services Inc.

“Exchange” or **“TSXV”** means the TSX Venture Exchange.

“intermediaries” means brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

“LLC” means **Lorraine Copper Corp.**, the purchaser in the Transaction (defined below).

“LLC Shares” means the common shares of LLC.

“Meeting” means the annual general and special meeting of shareholders of the Company to be held on August 10, 2016, and any adjournment or postponement thereof.

“NI 52-110” means National Instrument 52-110 – *Audit Committees*.

“NI 54-101” means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

“NOBOs” means Non-Objecting Beneficial Owners, or beneficial shareholders who do not object to the issuers of the securities they own knowing who they are.

“OBOs” means Objecting Beneficial Owners, or beneficial shareholders who object to their name being made known to the issuers of securities which they own.

“Proxy” means the accompanying form of proxy.

“Record Date” means the date of determination of Shareholders entitled to vote at the Meeting, being July 4, 2016.

“Shareholders” means shareholders of the Company.

“Transaction” means the purchase of ALQ’s 100% interest in the Lustdust Property by LLC.

“VIF” means Voting Instruction Form.

“VWAP” means the volume weighted average trading price of the listed securities, calculated by dividing the total value by the total volume of securities traded for the relevant period.

ALQ GOLD CORP.
410 Donald Street
Coquitlam, British Columbia V3K 3Z8
Phone: 604-939-4083

MANAGEMENT INFORMATION CIRCULAR
as at July 4, 2016

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of ALQ Gold Corp. (the “Company”) for use at the annual general and special meeting (the “Meeting”) of its shareholders to be held on August 10, 2016 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Information Circular, references to “the Company”, “we” and “our” refer to ALQ Gold Corp. “Common Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers or directors of the Company. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person, and may choose to submit their proxy using one of the following methods:

- (a) complete, date and sign the enclosed form of proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), either by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524; by mail to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1; or by hand delivery to the 3rd Floor, 510 Burrard Street, Vancouver, B C, V6C 3B9; or
- (b) use a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) use the internet through Computershare's website at www.investorvote.com Registered Shareholders must follow the instructions that appear on screen and refer to the enclosed proxy form for the holder's account number and proxy access number.

In all cases Registered Shareholders choosing to vote by proxy must ensure the proxy is received at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

Beneficial Shareholders

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares) or as set out in the following disclosure.

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

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

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

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote your Common Shares on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and the United States. Broadridge mails a Voting Instruction Form ("VIF") in lieu of a proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares

at the Meeting and that person may be you. To exercise this right, insert the name of the desired representative (which may be you) in the blank space provided in the VIF, then return the completed VIF to Broadridge either by mail or facsimile, or by phone, or via the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting and the appointment of any shareholder's representative. If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with Broadridge's instructions, well in advance of the Meeting in order to: (a) have your Common Shares voted, as per your instructions, at the Meeting; or (b) arrange to have an alternate representative duly appointed by you attend the Meeting and vote your Common Shares at the Meeting.

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

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

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located in Canada and are being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), as amended, (the "BCA") all of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at 1500 Royal Centre, 1055 West Georgia Street, P. O. Box 11117, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business

day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or

- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

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

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than as may be set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the "**Board**") of the Company has fixed July 4, 2016 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Common Shares of the Company are listed on the TSX Venture Exchange (the "**TSXV**" or the "**Exchange**"). The Company is authorized to issue an unlimited number of Common Shares. As of July 4, 2016, there were 5,518,670 Common Shares issued and outstanding, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares.

To the knowledge of the directors and executive officers of the Company, no person or corporation beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company as at the date of signature of this Information Circular.

VOTES NECESSARY TO PASS RESOLUTIONS

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass: (i) an ordinary resolution to set the number of directors of the Board at five (5); (ii) an ordinary resolution to elect five (5) directors to the Board and (iii) an ordinary resolution to appoint an auditor. In addition to the foregoing, Shareholders will be asked to consider and, if thought fit, to pass the Asset Sale Resolution. Under the BCA and the Company's Articles a simple majority of votes cast at the Meeting is required to pass an ordinary resolution.

ELECTION OF DIRECTORS

The size of the Board is currently determined at five. The Board proposes that the number of directors be set at five. Shareholders will therefore be asked to approve an ordinary resolution that the number of directors elected be fixed at five.

Unless otherwise directed, the persons named in the Proxy intend to vote FOR the fixing of the number of directors at five.

THE BOARD UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE "FOR" THE ESTABLISHMENT OF THE SIZE OF THE BOARD AT FIVE.

The term of office of each of the current directors will end at the conclusion of the Meeting. Unless the director's office is vacated earlier in accordance with the provisions of the BCA, each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

Advance Notice Provisions

On August 28, 2013, the shareholders of the Company approved the alteration of the Company's articles for the purpose of adopting advance notice provisions (the "**Advance Notice Provision**"). The Advance Notice Provision provides that notice to the Company must be given in advance under circumstances where nominations of persons for election to the Board are made by shareholders of the Company other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCA or (ii) a shareholder proposal made pursuant to the provisions of the BCA.

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

The Advance Notice Provision also requires all proposed director nominees to deliver a written representation and agreement that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director.

The foregoing is merely a summary of the Advance Notice Provision, is not comprehensive and is qualified by the full text of such provision which is available in Schedule "B" of the Company's Information Circular filed on July 31, 2013 under the Company's profile on SEDAR at www.sedar.com

The following disclosure sets out the names of management's five nominees for election as directors, all major offices and positions with the Company and any of its significant affiliates each now holds, the period of time during which each has been a director of the Company and the number of Common Shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at July 4, 2016.

Name of Nominee; Current Position with the Company; and Province/State and Country of Residence	Period as a Director of the Company	Shares Beneficially Owned or Controlled⁽¹⁾
Carl Pines ⁽²⁾ Chief Executive Officer and Director British Columbia, Canada	Since October 29, 1999	277,325 ⁽³⁾
Joanne Ward Chief Financial Officer, Corporate Secretary and Director British Columbia, Canada	Since May 26, 2011	389,978 ⁽⁴⁾
Stephen Leahy Director British Columbia, Canada	Since April 1, 2013	250,000 ⁽⁵⁾
Neil Hummel ⁽²⁾ Director British Columbia, Canada	Since April 1, 2013	170,000 ⁽⁶⁾

Name of Nominee; Current Position with the Company; and Province/State and Country of Residence	Period as a Director of the Company	Shares Beneficially Owned or Controlled ⁽¹⁾
Jim Ritchie ⁽²⁾ Director British Columbia, Canada	Since August 28, 2013	Nil ⁽⁷⁾

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the direct knowledge of the management of the Company and so has been furnished by the respective nominees themselves. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) Member of the Audit Committee.
- (3) 200,000 of these Common Shares are held by Carl Pines Inc., a company owned by Mr. Pines. Mr. Pines also holds options to purchase 125,000 Common Shares in his capacity as CEO and holds 75,000 options to purchase Common Shares in his capacity as a director. These options have an exercise price of \$0.06 per Common Share expiring on February 24, 2019.
- (4) Ms. Ward also holds options to purchase 125,000 Common Shares in her capacity as CFO and Secretary and holds 75,000 options to purchase Common Shares in her capacity as a director. These options have an exercise price of \$0.06 per Common Share expiring on February 24, 2019.
- (5) Mr. Leahy also holds 75,000 options to purchase Common Shares at an exercise price of \$0.06 per Common Share expiring on February 24, 2019.
- (6) Mr. Hummel also holds 75,000 options to purchase Common Shares at an exercise price of \$0.06 per Common Share expiring on February 24, 2019.
- (7) Mr. Ritchie also holds 75,000 options to purchase Common Shares at an exercise price of \$0.06 per Common Share expiring on February 24, 2019.

Occupation, Business or Employment of Nominees

The disclosure sets out each nominee's principal occupation, business or employment within the five preceding years. The information as to principal occupation, business or employment is not within the knowledge of management of the Company and has been furnished by the respective nominees.

Carl Pines, Chief Executive Officer and Director

Mr. Pines has been a Barrister and Solicitor since 1972. He has a Bachelor of Laws from the University of British Columbia (1971) and a Bachelor of Science from McGill University (1967). He is currently an Associate Counsel with Owen Bird, Barristers & Solicitors, in Vancouver, British Columbia. He has acted as legal counsel in connection with a number of mining transactions relating to diamonds, tungsten, gold and base metals as well as in the areas of business and corporate, First Nations, mergers and acquisitions and restructuring and insolvency. He was appointed as Chief Executive Officer of the Company on August 29, 2011.

Joanne Ward, Chief Financial Officer, Corporate Secretary and Director

Ms. Ward, née Whatley, earned her Bachelor's Degree from the University of British Columbia in 1987 which led to more than 20 years in business that included management, bookkeeping/accounting, purchasing, and graphic design positions. Ms. Ward is the daughter of the Company's late founder, George Whatley. Since 2009 Ms. Ward has consulted on corporate administrative and bookkeeping matters, as well as the quarterly reports and the related management discussion and analysis for the Company, with the former Chief Financial Officer, Natalie Whatley. Ms. Ward was appointed as Chief Financial Officer and Secretary of the Company effective June 30, 2013.

Stephen Leahy, Director

Mr. Leahy has more than 28 years' experience in venture capital, primarily in the resource sector and he has been instrumental in the formation, financing and development of a number of public and private corporations. Since February 2014, Mr. Leahy has been a director, Chief Executive Officer and Chairman of International

Tungsten Inc. (formerly Mannix Resources Inc.), a non-trading, reporting company. From 1994 to June 2013, Mr. Leahy was a director of North American Tungsten Corporation Ltd. (“**NATC**”), a junior mining company listed on the TSXV and he was also the Chief Executive Officer and Chairman of NATC. Mr. Leahy was instrumental in facilitating NATC’s acquisition of its wholly-owned Cantung mine and Mactung deposit. Since November 1998, Mr. Leahy has been a director of Helio Resources Corp. (“**Helio**”), a Canadian based junior exploration company listed on the TSXV and he was President of Helio from May 1999 to August 30, 2004. Since November 2006, Mr. Leahy has been a director of Oroco Resource Corp., a junior mining company listed on the TSXV. Mr. Leahy previously acted as a senior officer or director of StarTech Energy Inc. (TSX), First Silver Reserve Inc. (TSX) and Wellco Energy Services Inc. (TSX).

Neil Hummel, Director

Mr. Hummel is a Chartered Accountant. He has more than 30 years of diverse financial experience including operating in a public company environment, executing aggressive acquisitions and obtaining public and private financing. Mr. Hummel has valuable experience in financial and general management, strategic planning, restructuring to improve performance, public and private financings, corporate banking and relations with various regulatory authorities. Mr. Hummel has been a member of the board of directors for both private and publicly traded companies. He was, until the sale of it, the Chief Financial Officer of a high tech company in Vancouver with operations in the Netherlands, Ireland and Sweden. That company was sold to a German public company in 2011 for over \$40 million.

Jim Ritchie, Director

Mr. Ritchie has been in the construction business for over 40 years. Mr. Ritchie worked his way up from plant chemist to president of Synkoloid Company of Canada (“**Synkoloid**”). Mr. Ritchie organized the buy-out of Synkoloid and its U.S. subsidiary, Beadex Manufacturing. The two businesses were subsequently sold to a U.S. public company in a very profitable transaction for the investors.

Cease Trade Orders and Bankruptcy

Within the last 10 years before the date of this Information Circular, no proposed nominee for election as a director of the Company was a director or executive officer of any company (including the Company in respect of which this Information Circular is prepared) acted in that capacity for a company that was:

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

- (e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the election of the above-referenced director nominees.

THE BOARD UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE ELECTION OF THE ABOVE NOMINEES AS DIRECTORS.

APPOINTMENT OF AUDITOR

Smythe LLP, Chartered Accountants, of 7th Floor, 355 Burrard Street, Vancouver, British Columbia, will be nominated at the Meeting for appointment as auditor of the Company. Smythe LLP was appointed as auditor of the Company on September 27, 2012.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the re-appointment of Smythe LLP as auditor of the Company.

THE BOARD UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE “FOR” THE RE-APPOINTMENT OF SMYTHE LLP AS AUDITOR OF THE COMPANY.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 of the Canadian Securities Administrators (“**NI 52-110**”) requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, set forth as follows.

The Audit Committee’s Charter

The audit committee has a charter. A copy of the audit committee charter is attached as Schedule “A” to the information circular for the 2005 annual general meeting as SEDAR filed at www.sedar.com on July 21, 2005.

Composition of the Audit Committee

The current members of the audit committee are Neil Hummel (Chairman), Carl Pines and Jim Ritchie. It is anticipated that following the Meeting, the audit committee members will not change.

The audit committee charter contemplates that a majority of the audit committee should be comprised of directors who are independent and financially literate.

A member of the audit committee is *independent* if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the Board’s view, reasonably interfere with the exercise of a member’s independent judgement. Messrs. Hummel and Ritchie are the independent members of the audit committee. Carl Pines is not an independent member as he is the Chief Executive Officer of the Company.

A member of the audit committee is considered *financially literate* if he or she has 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 reasonably be expected to be raised by the Company. All members of the audit committee are considered to be financially literate commensurate with the modest size of the Company’s financial disclosure issues.

Relevant Education and Experience

See heading “*Occupation, Business or Employment of Nominees*” above for disclosure on relevant education and experience.

Each member of the audit committee has:

- an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- experience with analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company’s financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee has not made any specific recommendations to the Board to nominate or compensate any auditor other than Smythe LLP.

Reliance on Certain Exemptions

The Company’s auditor, Smythe LLP, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

The procedures governing the engagement of non-audit services to be provided by the Company's auditors are as set out in section 4.4 of the audit committee charter as follows:

“4.4 Non-Audit Services

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:

- (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
- (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
 - (i) the pre-approval policies and procedures are detailed as to the particular service;
 - (ii) the audit committee is informed of each non-audit service; and
 - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.”

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audit services provided by Smythe LLP for the years ended February 29, 2016 and February 28, 2015 to the Company to ensure auditor independence. Fees incurred for audit and non-audit services in the last two fiscal years are outlined in the following table.

Nature of Services	Fees Paid to Smythe LLP in Year Ended February 29, 2016.	Fees Paid to Smythe LLP in Year Ended February 28, 2015.
Audit Fees ⁽¹⁾	\$12,240	\$12,240
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$ 1,500	\$ 1,500
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$13,740	\$13,740

Notes:

1. “Audit Fees” include fees necessary to perform the annual audit and quarterly reviews of the Company’s consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
2. “Audit-Related Fees” include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
3. “Tax Fees” include fees for all tax services other than those included in “Audit Fees” and “Audit-Related Fees”. This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
4. “All Other Fees” include all other non-audit services.

Exemption

The Company is a “venture issuer” as defined in NI 52-110 and relies on the exemptions in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the Board, whose members are elected by and are accountable to the shareholders of the Company. Corporate governance encourages establishing a reasonable

degree of independence of the Board from executive management and the adoption of policies to ensure the Board recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board requires management to provide complete and accurate information with respect to the Company’s activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Board is responsible for monitoring the Company’s officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The independent members of the Board are Stephen Leahy, Neil Hummel and Jim Ritchie. The non-independent members of the Board are Carl Pines (CEO) and Joanne Ward (CFO).

Directorships

The following director is currently serving on the board of other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Stephen Leahy	Helio Resources Corp.	TSXV
	Oroco Resource Corp.	TSXV
	International Tungsten Inc.	N/A
	Williams Creek Gold Limited	TSXV
	Golden Dawn Minerals Inc.	TSXV

Orientation and Continuing Education

The Board does not have a formal program for orientation of its directors as the Company’s operations are relatively modest and two of the directors have been involved with the Company’s principal mineral project for several years. Accordingly, updating a new director is straightforward.

When new directors are appointed, they receive orientation commensurate with their previous experience on the Company’s properties and on the responsibilities of directors.

Board meetings may also include presentations by the Company’s management and employees to give the directors additional insight into the Company’s business.

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. Further, the Company’s auditor has full and unrestricted access to the audit committee at all times to discuss the audit of the Company’s financial statements and any related findings as to the integrity of the financial reporting process.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to be elected by the shareholders at the Company's annual general meeting, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole.

Compensation

The Board determines the compensation for the Chief Executive Officer. When discussions or decisions on Company matters are required, the Board holds a meeting by telephone. Each member of the Board receives \$500 per meeting of the Board. One Board meeting was held during the fiscal year ended February 29, 2016 for which \$2,500 in directors' fees was accrued. In addition, directors fees in the amount of \$5,000 remain accrued for two meetings held in fiscal 2014. There were no Board meetings held in fiscal 2015. From March 1, 2016 to the date of signature of this Information Circular, one Board meeting has been held in fiscal 2017 for which director fees in the amount of \$2,500 were accrued but not paid.

Other Board Committees

The Board has no committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and the audit committee.

COMPENSATION OF EXECUTIVE OFFICERS

Named Executive Officers

In this section "Named Executive Officer" ("NEO") means the Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO") and each of the three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total compensation was more than \$150,000, as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

Carl Pines was appointed as CEO on August 29, 2011. Joanne Ward was appointed CFO on June 30, 2013. Natalie Whatley was interim CFO from January 2009 until June 30, 2013. Carl Pines, Joanne Ward, and Natalie Whatley are each an NEO of the Company for the purposes of the following disclosure.

Compensation Discussion and Analysis

The Company is in the exploration stage and does not have any producing mineral properties at this time and is without a known body of commercial ore. The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Company's base compensation structure and equity-based compensation program, recommending compensation of the Company's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board also assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Company. The Board reviews the compensation of senior management on a semi-annual basis taking into account compensation paid by other issuers of similar size and activity.

The Board has assessed the Company's compensation plans and programs for its executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with those plans and programs. The Board has concluded that the compensation policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Company. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments.

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary, bonus compensation and equity participation through its share option plan. Recommendations for senior management compensation are presented to the Board for review.

Base Salary

In the Board's view, paying base salaries which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on comparable companies within the industry is compiled from a variety of sources.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon compensation levels based on recommendations of the CEO. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's share option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and

competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO.

Actions, Decisions or Policies Made After February 29, 2016

Given the evolving nature of the Company’s business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

The Company’s Share Option Plan dated for reference August 26, 2011 (the “Plan”) is a fixed plan under which 20% of the issued and outstanding Common Shares, are reserved for issuance to eligible directors, officers, employees and consultants of the Company or a subsidiary of the Company, being a maximum of 944,734 Common Shares.

The Option Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Option Plan is administered by the directors of the Company. All options expire on a date not later than ten years after the date of grant of such option. There are currently options to purchase 625,000 Common Shares outstanding under the Plan and all current outstanding options expire within 5 years of the date of grant.

Summary Compensation Table

The compensation paid to the NEOs during the Company’s three recently completed financial years of February 29, 2016, February 28, 2015 and February 28, 2014 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Carl Pines ⁽¹⁾ CEO	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil ⁽⁴⁾	Nil ⁽⁴⁾
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil ⁽⁵⁾	Nil ⁽⁵⁾
	2014	Nil	Nil	2,959	Nil	Nil	Nil	50,004 ⁽⁶⁾	52,963 ⁽⁶⁾
Joanne Ward ⁽²⁾ CFO	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil ⁽⁷⁾	Nil ⁽⁷⁾
	2015	Nil	Nil	Nil	Nil	Nil	Nil	21,000 ⁽⁸⁾	21,000 ⁽⁸⁾
	2014	Nil	Nil	2,959	Nil	Nil	Nil	33,000 ⁽⁹⁾	35,959 ⁽⁹⁾
Natalie Whatley ⁽³⁾ former CFO	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2015	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2014	Nil	Nil	Nil	Nil	Nil	Nil	4,500 ⁽¹⁰⁾	4,500 ⁽¹⁰⁾

Notes:

- (1) Mr. Pines was appointed CEO on August 29, 2011.
- (2) Ms. Ward was appointed CFO on June 30, 2013. Ms. Ward has been a director of the Company since May 26, 2011.
- (3) Mrs. Whatley was appointed by the Board as CFO and Secretary on August 28, 2009 and resigned as CFO on June 30, 2013.
- (4) Mr. Pines earned \$50,004 as fees for CEO services on behalf of the Company including administration of the Company’s affairs plus planning and contract negotiations for the exploration program and for consulting and managing. In addition Director fees of \$500 were earned. The total amount earned by Mr. Pines during 2016 was \$50,504, the full amount of which remains accrued and not paid.
- (5) Mr. Pines earned \$50,004 as fees for CEO services on behalf of the Company including administration of the Company’s affairs plus planning and contract negotiations for the exploration program and for consulting and managing. No Director fees were earned in fiscal 2015. The total amount earned by Mr. Pines during 2015 was \$50,004, the full amount of which remains accrued and not paid.

- (6) Mr. Pines received payment of \$50,004 as fees for CEO services on behalf of the Company including administration of the Company's affairs plus planning and contract negotiations for the exploration program, and for consulting and managing. In addition, he earned Director fees of \$1,000 but the Director fees remain accrued and not paid.
- (7) Ms. Ward earned \$36,000 in fees for CFO services and in addition she earned Director fees of \$500. The total earned by Ms. Ward during fiscal 2016 was \$36,500, the full amount of which remains accrued and not paid.
- (8) Ms. Ward earned \$36,000 in fees for CFO services in fiscal 2015, \$21,000 of which were paid to her in fiscal 2015, and the remaining \$15,000 remain accrued and not paid. No Director fees were earned in fiscal 2015.
- (9) Ms. Ward received \$18,000 for CFO services and \$15,000 for consulting on administrative affairs, bookkeeping, secretarial services and graphic design. In addition Ms. Ward earned Director fees of \$1,000, which remain accrued and not paid.
- (10) Mrs. Whatley received these funds for services as former CFO on behalf of the Company.

Narrative Discussion

The Company entered into an Executive Services Agreement with Carl Pines, CEO, effective from May 30, 2011, which was Amended and Restated on July 31, 2012, retroactive to May 30, 2011 (the "ESA") for a term of 12 months and thereafter, unless otherwise agreed, on a month to month basis, subject to the termination provisions contained in the ESA. Pursuant to the ESA, as amended and restated, the bonus granted under the original ESA was exchanged by Mr. Pines for a new option for one million shares exercisable at the lowest price permissible by TSXV policies 30 days after the effective date of the 10-for-1 share consolidation and adjusted by the rollback ratio. The option had a cashless exercise feature by which it could be exercised for its net in-the-money portion without payment of the exercise price. The 1,000,000 share options granted to Mr. Pines (100,000 after the share consolidation) were cancelled and new share options were issued to Mr. Pines on February 24, 2014 as described in the Summary Compensation Table above.

Outstanding Share-based Awards and Option-based Awards

The following table sets out all share-based awards and option-based awards outstanding as at February 29, 2016, for an NEO:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Carl Pines	125,000	\$0.06	February 24, 2019	Nil	Nil	Nil
	75,000	\$0.06	February 24, 2019	Nil	Nil	Nil
Joanne Ward	125,000	\$0.06	February 24, 2019	Nil	Nil	Nil
	75,000	\$0.06	February 24, 2019	Nil	Nil	Nil

Notes:

- (1) During the year ended February 29, 2016, the Company did not grant any stock options. The outstanding options have a term of five years and are granted pursuant to the Company's share option plan. As at the February 29, 2016 financial year end the Common Shares were trading at \$0.055 each. Accordingly, no value was vested or earned as the Common Shares were trading at below the exercise price during the financial year.
- (2) During the year ended February 29, 2016 the fair value of the 625,000 outstanding options was estimated at \$9,272 using the Black-Scholes option-pricing model with the following weighted average assumptions: Dividend yield - Nil, expected volatility - 172%, risk - free interest rate of 1.63% and weighted average life of 5 years. This amount was pro-rated for each recipient.

PENSION PLANS

The Company has no pension plans for its directors, officers or employees.

TERMINATION AND CHANGE OF CONTROL BENEFITS

There are no termination or change of control benefits available to any of the NEOs or directors of the Company.

DIRECTOR COMPENSATION

Director Compensation Table

The compensation provided to directors who were not an NEO for the Company's most recently completed financial year ended February 29, 2016, is:

Name	Fees earned ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation ⁽²⁾ (\$)	Total (\$)
Stephen Leahy ⁽²⁾	500	Nil	Nil	Nil	Nil	Nil	500
Neil Hummel ⁽³⁾	500	Nil	Nil	Nil	Nil	Nil	500
Jim Ritchie ⁽⁴⁾	500	Nil	Nil	Nil	Nil	Nil	500

Notes:

- (1) Each member of the Board earns \$500 per meeting of the Board. Director fees for the fiscal year ended February 29, 2016 remain accrued. The Company held one Board meeting through the fiscal year ended February 29, 2016 and Messrs. Leahy, Hummel and Ritchie each have accrued directors' fees of \$1,000 remaining from the fiscal year ended February 28, 2014.
- (2) The directors are entitled to be reimbursed for reasonable travelling and other expenses incurred by them for attending meetings of the Board or any committee thereof.

The following table sets out all share-based awards and option-based awards paid to directors, other than a director who is also an NEO, outstanding as at February 29, 2016, for each director:

Name	Option-based awards				Share-based Awards	
	Number of Securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Stephen Leahy	75,000	\$0.06	February 24, 2019	Nil	Nil	Nil
Neil Hummel	75,000	\$0.06	February 24, 2019	Nil	Nil	Nil
Jim Ritchie	75,000	\$0.06	February 24, 2019	Nil	Nil	Nil

Notes:

- (1) During the year ended February 29, 2016, the Company did not grant any stock options. The outstanding options have a term of five years and are granted pursuant to the Company's share option plan. As at the February 29, 2016 financial year end the Common Shares were trading at \$0.055 each. Accordingly, no value was vested or earned as the Common Shares were trading at below the exercise price during the financial year.
- (2) During the year ended February 29, 2016 the fair value of the 625,000 outstanding options was estimated at \$9,272 using the Black-Scholes option-pricing model with the following weighted average assumptions: Dividend yield - Nil, expected volatility - 172%, risk - free interest rate of 1.63% and weighted average life of 5 years. This amount was pro-rated for each recipient.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the Option Plan. See disclosure under "Option-Based Awards".

The following table sets out equity compensation plan information as at the end of the financial year ended February 29, 2016.

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options.	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Option Plan)	625,000	\$0.06	244,734 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	625,000	\$0.06	244,734 ⁽¹⁾

Note:

(1) Since March 1, 2016 to the date of this Information Circular, 75,000 options have expired. Therefore 319,734 securities remain available for future issuance as at the date of this Information Circular.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

Approval of the Asset Sale Resolution

Background

On June 16, 2016, ALQ entered into a property purchase agreement (the “**Asset Purchase Agreement**”) with Lorraine Copper Corp. (“**LLC**”), regarding the Lustdust Property (as defined below).

Under the terms of the Asset Purchase Agreement, ALQ will transfer to LLC a 100% interest in the Lustdust Property (the “**Lustdust Property**”). The Lustdust Property consists of a 100% interest in 20 mineral claims located in the Omineca Mining District of British Columbia. If the Shareholders approve the Transaction, ALQ will receive: (i) 5.5 million common shares of LLC (“**LLC Shares**”) on closing of the Transaction (“**Closing**”); (ii) \$50,000 in cash on Closing; and (iii) LLC will commit to incurring \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from Closing.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to approve the Transaction for consideration to include: (i) 5.5 million common shares of LLC being issued to ALQ; (ii) cash consideration of \$50,000; (iii) a commitment from LLC to incur \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from Closing; and (iv) other terms set forth in the Asset Purchase Agreement dated June 16, 2016 between LLC and ALQ. LLC is an arm’s length party to ALQ.

ALQ’s Board and management believe that the sale of the 100% interest in the Lustdust Property is in the best interests of ALQ and recommend to Shareholders to vote FOR the Asset Sale Resolution. See the heading “*Principal Reasons for the Board’s Favourable Recommendation*” below.

About LLC

LLC is an exploration stage company engaged in the acquisition and exploration of prospective copper, gold properties in Western Canada and presently holds an interest in the Lorraine-Jajay mineral project located in the Quesnel Terrane approximately 250 km northwest of Prince George, British Columbia. Following the January

2011 completion of the earn-in by Teck Resources Limited (“**Teck**”) under the Participation Agreement, the Company holds a significant 49% interest in the Lorraine-Jajay project.

As of the date hereof, LLC has 22,832,501 common shares issued and outstanding, on an undiluted basis. On a fully diluted basis, LLC has 26,082,501 common shares issued and outstanding. Assuming completion of the Transaction, ALQ is expected to hold approximately 19.4% of LLC’s then issued and outstanding common shares, on an undiluted basis.

Additional information relating to LLC including LLC’s financial statements may be found under LLC’s profile on SEDAR at www.sedar.com or by visiting LLC’s website at www.lorrainecopper.com

Although ALQ does not have any knowledge that would indicate that such information is untrue or incomplete, neither ALQ nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information including any of LLC’s financial statements, or for the failure by LLC to disclose events or information that may affect the completeness or accuracy of such information.

Price Range and Trading Volumes of LLC Common Shares

LLC trades as a Tier 2 company on the Exchange under the symbol “LLC”. The following table sets forth the price range and trading volume for LLC’s common shares on the Exchange for the 12 month period before the date of this Information Circular.

Period	High CDN\$	Low CDN\$	Volume
Month ending June 30, 2016	0.10	0.04	778,959
Month ending May 30, 2016	0.045	0.035	389,579
Month ending April 31, 2016	0.065	0.035	794,700
Month ending March 31, 2016	0.065	0.04	616,203
Month ending February 29, 2016	0.055	0.025	226,206
Month ending January 31, 2016	0.045	0.03	549,015
Month ending December 31, 2015	0.06	0.04	1,199,350
Month ending November 30, 2015	0.05	0.04	170,902
Month ending October 31, 2015	0.055	0.035	735,359
Month ending September 30, 2015	0.05	0.04	496,132
Month ending August 31, 2015	0.06	0.04	1,824,811

As at June 30, 2016, the 30 day VWAP for LLC’s common shares was \$0.07.

Material Terms of the Transaction

Pre-Closing and Closing Payments

The aggregate purchase price payable for ALQ’s 100% interest in the Lustdust Property by LLC to ALQ is:

- (i) 5.5 million common shares of LLC being issued to ALQ;
- (ii) cash consideration of \$50,000; and
- (iii) a commitment from LLC to incur \$100,000 in exploration expenditures on the Lustdust Property on or before 12 months from Closing.

Shareholder Approval

Pursuant to the policies of the Exchange, the Transaction is considered a “Reviewable Disposition” as it constitutes the sale of more than 50% of ALQ’s assets, business or undertaking. Accordingly, shareholder approval of the Transaction is required. In accordance with the policies of the Exchange, the Transaction must be approved by a majority of votes cast at the meeting in person or by proxy.

At the Meeting, Shareholders will be asked to pass the following ordinary resolution (the “**Asset Sale Resolution**”):

“**WHEREAS** ALQ Gold Corp. (“**ALQ**” or the “**Company**”), as seller, and Lorraine Copper Corp. (“**LLC**”), as purchaser, entered into an agreement dated June 16, 2016 (the “**Asset Purchase Agreement**”), pursuant to which ALQ agreed, subject to the terms and conditions contained in the Asset Purchase Agreement, to sell all of its right, title and interest in and to the Lustdust Property (as defined in the Company’s Management Information Circular dated July 11, 2016 (the “**Information Circular**”)) (the “**Transaction**”);

AND WHEREAS the Transaction is more particularly described in the Information Circular.

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Asset Purchase Agreement, the actions of the directors of ALQ in approving the Asset Purchase Agreement, and the actions of the officers of ALQ in executing and delivering the Asset Purchase Agreement and any amendments thereto are hereby ratified, confirmed and approved.

2. Notwithstanding that these resolutions have been duly passed and the Transaction is approved by the shareholders of ALQ, or that the Transaction has been approved by regulatory authorities having jurisdiction over the common shares of the ALQ, the directors of the Company are hereby authorized and empowered to amend the Asset Purchase Agreement to the extent permitted by the Asset Purchase Agreement.

3. Any director or officer of ALQ is hereby authorized and directed on behalf of ALQ to execute, whether under corporate seal of ALQ or otherwise, and to deliver such documents as are necessary or desirable to give effect to the Asset Purchase Agreement.

4. Any director or officer of ALQ is hereby authorized, for and on behalf and in the name of ALQ, to execute and deliver, whether under corporate seal of ALQ or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to the foregoing resolutions, the Asset Purchase Agreement and the closing of the Transaction in accordance with the terms of the Asset Purchase Agreement, including:

(a) all actions required to be taken by or on behalf of ALQ, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

(b) the signing of the certificates, consents and other documents or declarations required under the Asset Purchase Agreement or otherwise to be entered into by ALQ,

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.”

Approval and Recommendation of the Board

The Board has concluded that the Transaction is in the best interest of ALQ and its Shareholders. Given the current market conditions and the Company’s insufficient financial resources, management believes that the Shareholders will benefit more by preserving residual value with the share ownership of LLC and the cash proceeds. In addition, management believes that LLC has an experienced exploration team to continue advancing the Lustdust Property.

The Board did not quantify or otherwise attempt to assign relative weight to the specific factors considered in reaching its determination.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the ordinary resolution to permit the Transaction.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT EACH SHAREHOLDER VOTE IN FAVOUR OF THE ASSET SALE RESOLUTION APPROVING THE TRANSACTION.

PRINCIPAL REASONS FOR THE BOARD'S FAVOURABLE RECOMMENDATION

In the course of its evaluation of the Transaction, the Board consulted with ALQ's senior management and legal counsel, and considered the Transaction with reference to the general industry, economic and market conditions as well as the financial condition of ALQ, its prospects, strategic alternatives, competitive position and the risks related to ALQ's ongoing financing requirements. Specifically, the Board considered the following factors, among others:

- If approved, the Transaction is expected to provide the Company with the necessary capital required to restructure short term operations (the ensuing six months).
- ALQ is expected to hold a significant equity position in LLC upon closing.
- As at June 30, 2016, the 30 day VWAP for LLC's common shares was \$0.07. Based on this VWAP calculation, the 5.5 million LLC Shares to be issued by LLC to ALQ under the Transaction are deemed to be valued at \$385,000.
- ALQ currently relies on ongoing equity financing to provide funding to advance its exploration projects. Recently, ALQ has been unable to raise the necessary funding to further explore its mineral properties, or for general operating expenses. The ability to continue to obtain equity financing or partners for its exploration projects is uncertain.
- The process to complete the Transaction is procedurally fair. The following rights and approvals protect Shareholders: (i) the Asset Sale Resolution must be approved by a majority of votes cast in person or by proxy at the Meeting by Shareholders; and (ii) the Transaction must be approved by applicable regulatory approval.
- The material conditions required for closing the Transaction, including Shareholder approval and regulatory approval, were considered by the Board to be reasonable under the circumstances.
- LLC is an arm's length party to ALQ.

In the course of its deliberations, the Board also identified and considered a variety of risks and potentially negative factors in connection with the Transaction, including the risks set out under the heading "*Risk Factors*" below.

RISK FACTORS

Shareholders are encouraged to obtain independent legal, tax and investment advice in their jurisdiction of residence with respect to this Information Circular and the consequences of the Transaction.

The Transaction involves certain risks. Before making a decision respecting the Transaction, Shareholders should carefully consider all of the information in this Information Circular in evaluating whether to approve the Asset Sale Resolution.

If the Transaction does not close, ALQ's financial position will be adversely affected.

At February 29, 2016, ALQ's audited statement of financial position filed on SEDAR recorded a working capital deficiency of \$122,408. If the Transaction does not close, or if ALQ is unable to obtain financing through an offering of Common Shares or some other means, ALQ may not be able to continue as a going concern. If ALQ is unable to continue as a going concern, ALQ may need to liquidate its assets, including its

interest in the Lustdust Property, and may receive less than the value at which those assets are carried on ALQ's audited financial statements. It is also likely that Shareholders will lose all or a part of their investment.

Value of LLC Shares may Decline.

The value of the LLC Shares issued on closing of the Transaction may have a market value different from that at the time of announcement of the Transaction, and since ALQ will receive a fixed number of LLC Shares, the value of the consideration received under the Transaction may have a lower market value at the time of Closing.

If the Transaction does not close, ALQ may not be able to continue as a Going Concern.

The risks to ALQ if the Transaction is not completed, including the opportunity cost to ALQ in pursuing the Transaction to the exclusion of other possible strategies, and the possibility that ALQ would not be able to continue as a going concern.

Documents Incorporated by Reference

Information has been incorporated by reference in this Information Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from ALQ's Corporate Secretary at 410 Donald Street, Coquitlam, British Columbia V3K 3Z8, Phone: 604-939-4083 or email alpha-gold@shaw.ca. Alternatively, these documents may be obtained at ALQ's SEDAR profile at www.sedar.com.

GENERAL MATTERS

Indebtedness of Directors and Executive Officers

None of the directors or executive officers of the Company or any of their associates was indebted to the Company during the fiscal year ended February 29, 2016 and through to June 30, 2016, including under any securities purchase or other program, or is currently indebted to the Company.

Management Contracts

No management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company.

Other Business

Management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting. 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 proxy.

ADDITIONAL INFORMATION

Financial information is provided in the audited financial statements of the Company for the year ended February 29, 2016, report of the auditor and in the related management discussion and analysis and filed on www.sedar.com on June 28, 2016.

Additional information relating to the Company is filed on www.sedar.com and is available upon request from Joanne Ward, the Company's Chief Financial Officer and Secretary, at 410 Donald Street, Coquitlam, British Columbia, V3K 3Z8. Telephone: 604-939-4083 or email: alpha-gold@shaw.ca. Copies of documents will be provided free of charge to security holders of the Company. The Company may require the payment of a reasonable charge from any person or company who is not a security holder of the Company, who requests a copy of any such document.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this Information Circular.

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

DATED at Vancouver, British Columbia, July 11, 2016.

BY ORDER OF THE BOARD

“Carl Pines”

Carl Pines
Chief Executive Officer