



TOWER
RESOURCES LTD.

MANAGEMENT NOTICE AND INFORMATION CIRCULAR

ANNUAL GENERAL MEETING OF SHAREHOLDERS

April 26, 2019



NOTICE OF ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

TAKE NOTICE THAT an annual general meeting (the "Meeting") of the shareholders of Tower Resources Ltd. (the "Corporation") will be held at Suite 302 – 1620 West 8th Avenue, Vancouver, B.C., V6J 1V4 on Friday, May 31, 2019 at 11:00 AM (Vancouver time) for the following purposes:

1. To receive and consider the financial statements of the Corporation as at and for the year ended October 31, 2018, together with the report of the auditors thereon. Refer to "Particulars of Matters to be Acted Upon – Financial Statements" set forth in the accompanying management information circular and proxy statement (the "Management Proxy Circular");
2. to fix the number of directors of the Corporation to be elected at the Meeting. Refer to "Election of Directors" in the accompanying Management Proxy Circular;
3. to elect the directors of the Corporation for the ensuing year. Refer to "Election of Directors" in the accompanying Management Proxy Circular;
4. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to determine the remuneration to be paid to the auditors. Refer to "Appointment of Auditors" in the accompanying Management Proxy Circular;
5. to consider and, if deemed advisable, pass an ordinary resolution, ratifying, adopting and re-approving the stock option plan of the Corporation and authorizing the Corporation's board of directors to make any amendments thereto that may be required for the purpose of obtaining the approval of applicable securities regulatory authorities or stock exchanges. Refer to "Particulars of Matters to be Acted Upon – Ratification and Re-Approval of Stock Option Plan" in the accompanying Management Proxy Circular; and
6. to transact such other business as may properly come before the Meeting.

Information relating to matters to be acted upon by the shareholders at the Meeting is set forth in the accompanying Management Proxy Circular.

A shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are requested to date, sign and return the accompanying instrument of proxy, or other appropriate form of proxy, in accordance with the instructions set forth in the accompanying Management Proxy Circular. An instrument of proxy will not be valid unless it is deposited at the offices of Computershare Investor Services (Attention: Proxy Department) at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, in the enclosed self-addressed envelope, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting, or any adjournment thereof. An instrument of proxy may also be voted using a touch tone telephone at 1-866-732-VOTE (8683). Alternatively, a registered shareholder can complete internet voting by logging on at www.investorvote.com and entering the CONTROL NUMBER located on the address box of the shareholder's instrument of proxy. A person appointed as proxy holder need not be a shareholder of the Corporation.

Only shareholders of record as at the close of business on April 26, 2019 are entitled to receive notice of the Meeting.

SHAREHOLDERS ARE CAUTIONED THAT THE USE OF THE MAIL TO TRANSMIT PROXIES IS AT EACH SHAREHOLDER'S RISK.

DATED at Vancouver, British Columbia as of April 26, 2019.

ON BEHALF OF THE BOARD OF DIRECTORS

/s/ "R. Joe Dhami"

R. Joe Dhami
President and Chief Executive Officer

TOWER RESOURCES LTD.

Management Information Circular and Proxy Statement

(Unless otherwise stated, information contained herein is given as of April 26, 2019). All references to dollar amounts herein are references to Canadian dollars unless otherwise indicated.

INFORMATION REGARDING PROXIES AND VOTING AT THE MEETING

Solicitation of Proxies

This management information circular and proxy statement (the "Management Proxy Circular") is furnished in connection with the solicitation of proxies by the management of Tower Resources Ltd. (the "Corporation") for use at the annual general meeting (the "Meeting") of the holders (the "Shareholders") of common shares ("Common Shares") of the Corporation to be held at Suite 302 – 1620 West 8th Avenue, Vancouver, B.C., V6J 1V4 on Friday, May 31, 2019 at 11:00 AM (Vancouver time), for the purposes set forth in the notice of annual general meeting (the "Notice") accompanying this Management Proxy Circular. Solicitation of proxies will be primarily by mail, but may also be undertaken by way of telephone, internet, facsimile or oral communication by the directors, officers and regular employees of the Corporation, at no additional compensation. Costs associated with the solicitation of proxies will be borne by the Corporation.

Appointment of Proxyholders

Accompanying this Management Proxy Circular is an instrument of proxy for use at the Meeting. Shareholders who are unable to attend the Meeting in person and wish to be represented by proxy are required to date and sign the enclosed instrument of proxy and return it in the enclosed return envelope. **All properly executed instruments of proxy for Shareholders must be mailed so as to reach or be deposited at the offices of Computershare Investor Services (Attention: Proxy Department) at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the Meeting or any adjournment thereof.** An instrument of proxy may also be voted using a touch tone telephone at 1-866-732-VOTE (8683). Alternatively, a registered shareholder can complete internet voting by logging on at www.investorvote.com and entering the CONTROL NUMBER located on the address box of the Shareholder's instrument of proxy.

The persons designated in the instrument of proxy are officers and directors of the Corporation. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons designated in the accompanying instrument of proxy, to attend at and represent the Shareholder at the Meeting.** To exercise this right, a Shareholder should insert the name of the designated representative in the blank space provided on the instrument of proxy and strike out the names of management's nominees. Alternatively, a Shareholder may complete another appropriate instrument of proxy.

Signing of Proxy

The instrument of proxy must be signed by the Shareholder or the Shareholder's duly appointed attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the Corporation. An instrument of proxy signed by a person acting as attorney or in some other representative capacity (including a representative of a corporate Shareholder) should indicate that person's capacity (following his or her signature) and should be accompanied by the appropriate instrument evidencing qualification and authority to act (unless such instrument has previously been filed with the Corporation).

Revocability of Proxies

A Shareholder who has submitted an instrument of proxy may revoke it at any time prior to the exercise thereof. In addition to any manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his or her duly authorized attorney or, if the Shareholder is a corporation, under its corporate seal

or executed by a duly authorized officer or attorney of the corporation and deposited either: (i) at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournments thereof, at which the instrument of proxy is to be used; or (ii) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. In addition, an instrument of proxy may be revoked: (i) by the Shareholder personally attending the Meeting and voting the securities represented thereby or, if the Shareholder is a corporation, by a duly authorized representative of the corporation attending at the Meeting and voting such securities; or (ii) in any other manner permitted by law.

Voting of Proxies and Exercise of Discretion by Proxyholders

All Common Shares represented at the Meeting by properly executed proxies will be voted on any ballot that may be called for and, where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the instrument of proxy will be voted in accordance with such instructions. The management designees named in the accompanying instrument of proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholder appointing him or her on any ballot that may be called for at the Meeting. **In the absence of such direction, such Common Shares will be voted "FOR" the proposed resolutions at the Meetings. The accompanying instrument of proxy confers discretionary authority upon the persons named therein with respect to amendments of or variations to the matters identified in the accompanying Notice and with respect to other matters that may properly be brought before the Meeting.** In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the management designees to vote in accordance with their best judgment on such matters or business. At the time of printing this Management Proxy Circular, the management of the Corporation knows of no such amendment, variation or other matter to come before the Meeting other than the matters referred to in the accompanying Notice.

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

Except as disclosed in this Management Proxy Circular, none of the directors or senior officers of the Corporation at any time since the beginning of the Corporation's last financial year, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on, other than the election of directors.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

Voting Shares, Record Date and Principal Shareholders

As at the date of this Management Proxy Circular, the authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value. The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting is April 26, 2019 (the "Record Date"). As at the Record Date, there were 92,367,435 Common Shares issued and outstanding as fully paid and non-assessable, each carrying the right to one vote.

To the knowledge of the directors and executive officers of the Corporation, no one beneficial owner or person exercised control or direction over Common Shares carrying more than 10% of the outstanding voting rights as of the Record Date.

Common Shares

The holders of Common Shares are entitled to notice of and to vote at all annual general and special meetings of shareholders (except meetings at which only holders of a specified class or series of shares are entitled to vote) and are entitled to one vote per Common Share. The holders of Common Shares are entitled to receive such dividends

as the board of directors of the Corporation (the "Board of Directors" or the "Board") declares and, upon liquidation, to receive such assets of the Corporation as are distributable to holders of Common Shares.

Voting of Common Shares – General

Only Shareholders whose names are entered in the Corporation's register of shareholders at the close of business on the Record Date and holders of Common Shares issued by the Corporation after the Record Date and prior to the Meeting will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent that: (i) a registered Shareholder has transferred the ownership of any Common Shares subsequent to the Record Date; and (ii) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he or she owns the Common Shares and demands, not later than ten days before the Meeting, that his or her name be included on the Shareholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Common Shares at the Meeting.

Voting of Common Shares – Advice to Non-Registered Holders

Only registered holders of Common Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the Meeting. However, in many cases, Common Shares beneficially owned by a holder (a "Non-Registered Holder") are registered either:

- a) In the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the Common Shares. Intermediaries include banks, trust companies, securities dealers or brokers, and trustees or administrators of self-administered RRSPs, RRIAs, RESPs and similar plans; or
- b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited or "CDS").

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice, Management Proxy Circular and the instrument of proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward meeting materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Typically, Intermediaries will use a service corporation (such as Broadridge Financial Solutions, Inc. ("Broadridge")) to forward meeting materials to Non-Registered Holders.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will:

- a) Have received as part of the Meeting Materials a voting instruction form which must be completed, signed and delivered by the Non-Registered Holder in accordance with the directions on the voting instruction form; voting instruction forms sent by Broadridge permit the completion of the voting instruction form by telephone or through Internet based voting procedures; or
- b) less typically, be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare Investor Services at the address referred to above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the proxy and insert the Non-Registered Holder's (or such other person's)

name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies.**

Only registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set above.

ELECTION OF DIRECTORS

Fixing the Number of Directors

At the Meeting, the Shareholders will be asked to fix the number of directors of the Corporation to be elected at 4 members. Approval of the number of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of fixing the number of directors at 4.

Nominees

The persons named below are the nominees of management for election as directors. The term of office of each of the present directors expires at the Meeting. Management of the Corporation proposes to nominate the persons named below for election as directors of the Corporation at the Meeting, to serve until the next annual meeting of the Shareholders of the Corporation, unless their office is earlier vacated. All of the nominees are currently members of the Board of Directors of the Corporation.

Approval of the election of directors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or by proxy at the Meeting. **Unless otherwise directed, the management designees named in the accompanying instrument of proxy intend to vote in favour of the election, as directors, of the nominees whose names are set forth below.** In the event that prior to the Meeting, any vacancies occur on the slate of nominees submitted herewith, it is intended that discretionary authority will be granted to vote proxies solicited by or on behalf of management for the election of any other person or persons as directors. Management is not currently aware that any such nominees would not be willing to serve as director if elected.

The following information concerning the proposed nominees has been furnished by each of them:

Name, Province or State and Country of Residence	Principal Occupation or Employment ⁽¹⁾	Director Since	Term of Office ⁽²⁾	Number of Common Shares Beneficially Owned or Controlled and percentage of total issued and outstanding ⁽³⁾
AVERILL, Stuart ⁽⁴⁾ Ontario, Canada	Entrepreneurial geologist	August 22, 2016	N/A	1,064,414 1.15%

Name, Province or State and Country of Residence	Principal Occupation or Employment ⁽¹⁾	Director Since	Term of Office ⁽²⁾	Number of Common Shares Beneficially Owned or Controlled and percentage of total issued and outstanding ⁽³⁾
CLARK, James ⁽⁵⁾ Alberta, Canada	Vice President of Project Development for Coeur Mining, Inc. June, 2017 to present; Senior Operations Manager, Snap Lake Mine, De Beers Group of Companies September, 2014 to May, 2017; Manager of Asset Optimization, Snap Lake Mine, De Beers Group of Companies November, 2012 to September, 2014	April 30, 2018	N/A	Nil
DHAMI, R. Joe British Columbia, Canada	Self-employed marketing consultant	April 4, 2019	N/A	2,030,417 2.19%
SHIELDS, Gerald ⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Self-employed management consultant through his company, GJS Management Corp.	May 22, 2014	N/A	1,297,400 1.40%

Notes:

1. Includes occupations for preceding five years unless the director was elected at the previous Annual General Meeting and was shown as a nominee for election as a director in the management information circular for that meeting.
2. The Corporation does not have set terms of office for directors; rather, all directors who are elected hold office until the next annual general meeting of the Corporation.
3. The information, as of the Record Date, as to the number of Common Shares, carrying the right to vote in all circumstances, beneficially owned, directly or indirectly, or over which control or direction is exercised, has been furnished by the respective nominees. These figures do not include any securities that are convertible into or exercisable for Common Shares. No director, together with that director's associates and affiliates beneficially owns, directly or indirectly, or exercises control or direction over more than 10% of the Common Shares.
4. Member of the Audit Committee.
5. Member of the Nominating, Compensation and Governance Committee.

Corporate Cease Trade Orders

No director or proposed director of the Corporation is, or has been within the past ten years, a director, chief executive officer or chief financial officer of any other corporation that, while such person was acting in that capacity:

- (i) Was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the corporation access to any exemptions under securities legislation, and that was in effect for a period of more than 30 consecutive days; or
- (ii) was the subject of a cease trade order, an order similar to a cease trade order or an order that denied the corporation access to any exemptions under securities legislation, that was issued after that individual ceased to be a director or chief executive officer or chief financial officer and which resulted from an event that occurred while such person was acting in a capacity as a director, chief executive officer or chief financial officer.

Corporate Bankruptcies

Other than as set forth below, no director or proposed director of the Corporation is, or has been within the past ten years, a director or executive officer of any other corporation that, while such person was acting in that capacity, or within a year of that individual 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.

Mr. Nicholas Nikolakakis is currently Chief Financial Officer of Rubicon Minerals Corporation (TSX: RMX; OTC: RBYCF) ("Rubicon"). On October 20, 2016 Rubicon obtained an Initial Order from the Ontario Superior Court of Justice which granted Rubicon, and its subsidiaries, a stay of proceedings pursuant to the Companies' Creditors Arrangement Act ("CCAA"), to allow Rubicon to complete a refinancing and recapitalization transaction (the "Restructuring Transaction"). On December 20, 2016 Rubicon completed the Restructuring Transaction pursuant to a plan of compromise and arrangement under the CCAA.

Individual Bankruptcies

No director or proposed director of the Corporation is or has, within the ten years prior to the date hereof, 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 that individual.

Penalties or Sanctions

No director or proposed director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or have entered into a settlement agreement with a securities regulatory authority. No director or proposed director of the Corporation has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Conflicts of Interest

The directors and officers of the Corporation may, from time to time, be involved with the business and operations of other mining issuers, in which case a conflict of interest may arise between their duties as officers and directors of the Corporation and as officer and directors of such other companies. Such conflicts must be disclosed in accordance with, and are subject to such procedures and remedies, as applicable, under the *Business Corporations Act* (British Columbia).

STATEMENT OF EXECUTIVE COMPENSATION

In accordance with the requirements of National Instrument 51-102 *Continuous Disclosure Obligations*, the Canadian Securities Administrators have issued guidelines on executive compensation disclosure for venture issuers as set out in Form 51-102F6V. The objective of the disclosure is to communicate the compensation the Corporation paid, made payable, awarded, granted, gave or otherwise provided to each named executive officer and director for the financial year, and the decision-making process relating to compensation. The disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Corporation and will help Shareholders understand how decisions about executive compensation are made. The Corporation's approach to executive compensation is set forth below.

Director and Named Executive Officer Compensation

Executive compensation is required to be disclosed for each (i) Chief Executive Officer (or individual who served in a similar capacity during the most recently completed financial year), (ii) each Chief Financial Officer (or individual who served in a similar capacity during the most recently completed financial year), (iii) the most highly compensated executive officer (other than the Chief Executive Officer and the Chief Financial Officer) who were serving as executive officers at the end of the most recently completed fiscal year whose total compensation was, individually, more than \$150,000; and (iv) each individual who would meet the definition set forth in (iii) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year (the "Named Executive Officers" or "NEO's").

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid or accrued, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation or any subsidiary thereof, to each Named Executive Officer and director of the Corporation, for each of the two most recently completed financial years ended October 31, 2018 and 2017.

Table of compensation excluding compensation securities							
Name and position ⁽¹⁾	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽³⁾	Total compensation (\$)
AVERILL, Stuart <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
CLARK, James ⁽¹³⁾ <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	-	-	-	-	-	-
DHAMI, R. Joe ⁽¹⁰⁾ <i>President, Chief Executive Officer and Director</i>	2018	-	-	-	-	-	-
	2017	-	-	-	-	-	-
BURIANYK, Lesia ⁽⁵⁾ <i>Interim Chief Financial Officer</i>	2018	15,548	Nil	Nil	Nil	Nil	15,548
	2017	-	-	-	-	-	-
NIKOLAKAKIS, Nicholas ⁽¹¹⁾ <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	-	-	-	-	-	-
SHIELDS, Gerald ⁽¹²⁾ <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
MACDONALD, Garrett ⁽⁶⁾ <i>Former President, Chief Executive Officer and Director</i>	2018	134,615	Nil	Nil	Nil	Nil	134,615
	2017	-	-	-	-	-	-

Table of compensation excluding compensation securities							
Name and position ⁽¹⁾	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$) ⁽²⁾	Value of all other compensation (\$) ⁽³⁾	Total compensation (\$)
VANRY, Mark ⁽⁷⁾ <i>Former President, Chief Executive Officer and Director</i>	2018	50,000	Nil	Nil	Nil	Nil	50,000
	2017	110,000	Nil	Nil	Nil	Nil	110,000
VANRY, Steve ⁽⁸⁾ <i>Former Chief Financial Officer, Director and Corporate Secretary</i>	2018	10,000	Nil	Nil	Nil	Nil	10,000
	2017	30,000	Nil	Nil	Nil	Nil	30,000
WYMAN, Richard ⁽⁹⁾ <i>Former Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
BARTH, Richard ⁽⁴⁾ <i>Former Director</i>	2018	-	-	-	-	-	-
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

1. If an individual is an NEO and a director, both positions have been listed. Directors do not receive cash compensation for acting as directors per se; all compensation noted is for serving as an NEO.
2. Includes perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are greater than (a) \$15,000, if the NEO or director's total compensation for the financial year is \$150,000 or less; (b) 10% of the NEO or director's salary for the financial year, if the NEO or director's total compensation for the financial year is greater than \$150,000 but less than \$500,000; (c) \$50,000, if the NEO or director's total for the financial year is \$500,000 or greater.
3. No form of other compensation paid or payable equals or exceeds 25% of the total value of other compensation paid or payable to the director or Named Executive Officer.
4. Mr. Barth resigned as a director of the Corporation on February 1, 2017.
5. Ms. Burianyak was appointed Interim Chief Financial Officer of the Corporation on March 7, 2018.
6. Mr. Macdonald was appointed to the Board of Directors of the Corporation on March 7, 2018 and as President and CEO on April 3, 2018. Mr. Macdonald resigned as a director, President and CEO of the Corporation on February 29, 2019.
7. Mr. Mark Vanry resigned as President and CEO of the Corporation on April 3, 2018 and as a director on April 30, 2018. The table above reflects the compensation paid to 0845557 B.C. Ltd., a company controlled by Mr. Mark Vanry.
8. Mr. Steve Vanry resigned as a director and Chief Financial Officer of the Corporation on March 7, 2018 and as Corporate Secretary on July 25, 2017. The table above reflects the compensation paid to 677185 B.C. Ltd., a company controlled by Mr. Steve Vanry.
9. Mr. Wyman resigned as Chairman of the Board of Directors and as a director of the Corporation on April 30, 2018.
10. Mr. Dhami was appointed President and CEO as well as to the Board of Directors of the Corporation on April 4, 2019.
11. Mr. Nikolakakis was appointed to the Board of Directors of the Corporation on April 30, 2018 and is not standing for re-election as a director of the Corporation at the Meeting.
12. Mr. Shields was appointed Chairman of the Board of Directors of the Corporation on April 30, 2018.
13. Mr. Clark was appointed to the Board of Directors of the Corporation on April 30, 2018.

External Management Companies

Please refer to “Employment, Consulting and Management Agreements” below for disclosure relating to any external management company employing, or retaining individuals, acting as Named Executive Officers of the Corporation, or that provide the Corporation’s executive management services and allocate compensation paid to any Name Executive Officer or director.

Stock Options and Other Compensation Securities

The following table sets forth all compensation securities granted or issued by the Corporation, or any subsidiary thereof, to each director and Named Executive Officer in the most recently completed financial year ended October 31, 2018 for services provided or to be provided, directly or indirectly, to the Corporation or any subsidiary thereof.

Compensation Securities							
Name and position	Type of Compensation security ⁽⁴⁾	Number of compensation securities, number of underlying securities ⁽¹⁾ , and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$) ⁽²⁾	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
AVERILL, Stuart <i>Director</i>	Stock Options	200,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023
SHIELDS, Gerald <i>Director</i>	Stock Options	200,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023
CLARK, James <i>Director</i>	Stock Options	300,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023
MACDONALD, Garrett <i>Director</i>	Stock Options	1,500,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023
NIKOLAKAKIS, Nicholas <i>Director</i>	Stock Options	300,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023
BURIANYK, Lesia <i>Interim Chief Financial Officer</i>	Stock Options	100,000 ⁽³⁾	May 2, 2018	0.125	0.13	0.025	May 2, 2023

Notes:

1. Each compensation security is exercisable into one Common Share.
2. No compensation security has been re-priced, cancelled or replaced, has had its term extended, or has otherwise been materially modified, in the most recently completed financial year.
3. The compensation securities are subject to vesting provisions with 1/3 vesting on the date of grant and 1/3 vesting every year thereafter for a total vesting period of 2 years.
4. All compensation securities issued to directors and NEO’s are subject to a four month resale restriction expiring four months and one day from the date of issuance.

The following table sets forth each exercise, by a director or Named Executive Officer, of compensation securities during the most recently completed financial year ended October 31, 2018.

Exercise of Compensation Securities							
Name and position	Type of compensation security ⁽¹⁾	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$) ⁽²⁾
VANRY, Mark <i>Former President, Chief Executive Officer and Director</i>	Stock Options	300,000	0.05	March 7, 2018	0.115	0.065	19,500
		100,000	0.06		0.115	0.055	5,500
VANRY, Steve <i>Former Chief Financial Officer, Director and Corporate Secretary</i>	Stock Options	300,000	0.05	March 7, 2018	0.115	0.065	19,500
		100,000	0.06		0.115	0.055	5,500
WYMAN, Richard <i>Former Director</i>	Stock Options	150,000	0.05	May 25, 2018	0.145	0.095	14,250
		50,000	0.06		0.145	0.085	4,250
BARTH, Richard <i>Former Director</i>	Stock Options	150,000	0.05	June 26, 2018	0.12	0.07	10,500
		50,000	0.06		0.12	0.06	3,000

Notes:

1. Each compensation security is exercisable into one Common Share.
2. To obtain this number, the number in the column entitled "Number of underlying securities exercised" has been multiplied by the number in the column entitled "Difference between exercise price and closing price on date of exercise".

Stock Option Plans and Other Incentive Plans

The following is a summary of the Corporation's stock option plan (the "Option Plan"), which is the only incentive plan in place available to the Named Executive Officers and directors. To view the plan in its entirety please refer to Schedule "B" attached to this Management Proxy Circular.

- The number of Common Shares to be reserved and authorized for issuance pursuant to options granted under the Option Plan shall not exceed ten percent (10%) of the total number of issued and outstanding shares in the Corporation.
- Under the Option Plan, the aggregate number of optioned Common Shares granted to any one director or Named Executive Officer, together with all other Common Share compensation arrangements, must not exceed 5% of the Corporation's issued and outstanding shares in any 12 month period, unless the Corporation has obtained disinterested shareholder approval.

- The exercise price for options granted under the Option Plan will be set by the Board of Directors at such time as the option is allocated under the Option Plan and cannot be less than the discounted market price permitted by the policies of the TSX Venture Exchange (“TSXV”).
- Options can be exercisable for a maximum of 10 years, subject to earlier termination in the event of the optionee's death or the cessation of the optionee's services to the Corporation.
- Options granted under the Option Plan will not be assignable or transferable, except in the case of the death of an optionee, any vested option held by such individual at the date of death will become exercisable by the optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such optionee and the date of expiration of the term otherwise applicable to such option.

Employment, Consulting and Management Agreements

The Corporation does not have any employment, consulting or management agreements in place with its Named Executive Officers or directors.

Oversight and Description of Director and Named Executive Officer Compensation

Director Compensation

The Corporation has no standard arrangement pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, except for the granting from time to time of incentive stock options. All stock option grants are at the discretion of the Board, and are otherwise in accordance with the policies of the TSXV and the Option Plan.

Named Executive Officer Compensation

The Nominating, Compensation and Governance Committee reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed, and makes recommendations to the Board of Directors.

The objective of the Board of Directors in setting compensation levels is to attract and retain individuals of high caliber to serve the Corporation, to motivate their performance in order to achieve the Corporation's strategic objectives and to align the interests of the Named Executive Officers with the long-term interests of the Shareholders. These objectives are designed to ensure that the Corporation’s business continues to grow and develop.

The Board of Directors sets the compensation received by the Named Executive Officers so as to be generally competitive with the compensation received by persons with similar qualifications and responsibilities who are engaged by other companies of corresponding size and stage of development having similar assets, number of employees and market capitalization.

The Corporation compensates its Named Executive Officers based on their skill and experience levels and the existing stage of development of the Corporation. Named Executive Officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual’s experience and qualifications, the Corporation’s resources, industry practice, and regulatory guidelines regarding executive compensation levels.

The Board of Directors has implemented three levels of compensation to align the interests of the executive officers with those of the shareholders: First, Named Executive Officers are paid a monthly consulting fee or salary determined by the Board of Directors, if appropriate; secondly, the Board of Directors awards Named Executive Officers long term incentives in the form of stock options, if appropriate; and thirdly, and only in special

circumstances, the Board of Directors may award cash or share bonuses for exceptional performance that Board believes results or is likely to result in a significant increase in shareholder value.

The base compensation of the Named Executive Officers is reviewed and set annually by the Board of Directors. The Chief Executive Officer has substantial input in setting annual compensation levels. The Chief Executive Officer is directly responsible for the financial resources and operations of the Corporation. In addition, the Chief Executive Officer and Board of Directors from time to time determine the stock option grants to be made pursuant to the Option Plan. Previous grants of stock options are taken into account when considering new grants. The Board of Directors awards bonuses at its sole discretion. The Board of Directors has not set any performance criteria or objectives.

The Board of Directors considers the implications of the risks associated with the Corporation's compensation policies and practices when determining rewards for its Named Executive Officers and ensures that those policies do not encourage management to take inappropriate or excessive risks. The Board of Directors does not believe that there are any risks arising from the compensation programs that would be reasonably likely to have a material adverse effect on the Corporation.

Neither Named Executive Officers nor directors are permitted to take any derivative or speculative positions in the Corporation's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Corporation's securities.

Compensation for the most recently completed financial year should not be considered as an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Corporation's financial resources and prospects.

Pension Disclosure

The Corporation does not have any defined benefit or defined contribution pension plans in place which provide for payments or benefits at, following, or in connection with retirement for its directors or Named Executive Officers.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the end of the Corporation's most recently completed financial year ended October 31, 2018 with respect to the Option Plan, which is the only compensation plan under which equity securities of the Corporation are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	4,975,000	\$0.13	4,199,243 ⁽¹⁾
Equity compensation plans not approved by securityholders	-	-	-
Total	4,975,000	\$0.13	4,199,243

Notes:

1. The Plan provides that the aggregate number of securities reserved for issuance under the Plan may not exceed 10% of the issued and outstanding Common Shares of the Corporation at the time of granting of options. As at the Record Date, there were 92,367,435 Common Shares issued and outstanding and 4,550,000 outstanding options, with the result that 4,686,744 options were available to the Corporation to be granted.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors and officers of the Corporation, any proposed management nominee for election as a director of the Corporation or any associate of any director, officer or proposed management nominee is or has been indebted to the Corporation at any time during the last completed financial year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed in this Management Proxy Circular to the knowledge of management of the Corporation, none of the informed persons of the Corporation (as defined in National Instrument 51-102), nor any proposed nominee for election as a director of the Corporation, nor any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to the issued shares of the Corporation, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Corporation's most recently completed financial year or in any proposed transaction which, in either case, has or will materially affect the Corporation and none of such persons has any material interest in any transaction proposed to be undertaken by the Corporation that will materially affect the Corporation.

CORPORATE GOVERNANCE

In accordance with the requirements of National Instrument 58-101 *Disclosure of Corporate Governance Practices* the Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2. The disclosure addresses matters relating to constitution and independence of directors, the functions to be performed by the directors of a corporation, their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices. The Corporation's approach to corporate governance is set forth below.

Nominating, Compensation and Governance Committee

The purpose of the Nominating, Compensation and Governance Committee is to assist the Board of Directors in discharging its responsibilities with respect to identifying individuals qualified to become new board members; setting director and senior executive compensation; and assessing and making recommendations to the Board of Directors regarding certain compensation related and governance matters as delegated by the Board of Directors.

Board of Directors

In determining whether a director is independent, the Corporation primarily considers whether the director has a relationship which could or could be perceived to interfere with the director's exercise of independent judgement. For the purposes of this disclosure, a director is independent if he or she would be independent within the meaning of section 1.4 of National Instrument 52-110 *Audit Committees*.

The following table sets forth the nominees for appointment to the Board, their independence or non-independence and the basis for that determination:

Name	Independent	Basis for Determination of Independence ⁽¹⁾
AVERILL, Stuart	Yes	No material relationship
CLARK, James	Yes	No material relationship
DHAMI, R. Joe	No	Material relationship – President and Chief Executive Officer
SHIELDS, Gerald	Yes	No material relationship

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

Directorships in Other Reporting Issuers

Certain current and proposed directors of the Corporation are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as set forth in the following table:

Name	Name of Reporting Issuers
SHIELDS, Gerald	Miramont Resources Corp. eShippers Management Ltd.

Orientation and Continuing Education

The Corporation has not developed an official orientation or training program for new directors, but they are encouraged to communicate with other directors, officers and employees as needed. New directors will have the opportunity to become familiar with the Corporation with full access to records, meeting with legal counsel, the auditors and various technical consultants. Orientation activities are tailored to the needs and expertise of each director and the overall needs of the Board. The Corporation does not have a formal program of continuing education for its directors, but encourages its directors to attend continuing education seminars at the Corporation's expense, subject to prior approval by management of the Corporation. The Corporation also liaises with its legal counsel, auditors and other advisors to keep apprised of any developments and material changes to corporate governance and reporting policies affecting the Corporation and makes the directors aware of any such developments and changes.

Ethical Business Conduct

The Board encourages, monitors and promotes a culture of ethical business conduct of the Corporation and ensures that the Board complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the 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 Corporation.

The Corporation does not currently have a formal code of business conduct or policy in place for its directors, officers, employees and consultants. The Board believes that the Corporation's size facilitates informal review of and discussions with employees and consultants.

Nomination of Directors

When there is a need to fill a position on the Board, either due to a vacancy or as required to carry out the Board's duties effectively and maintain a breadth of experience, the Nominating, Compensation and Governance Committee assists the current directors with identifying individuals qualified to become new Board members and potential candidates for consideration.

Compensation

The Nominating, Compensation and Governance Committee reviews the compensation payable to the Named Executive Officers on an annual basis, or periodically if needed, and makes recommendations to the Board of Directors. The Board has the ability to adjust and approve such compensation.

The following table sets forth the members of the Nominating, Compensation and Governance Committee as of the Record Date, their independence or non-independence and the basis for that determination:

Name	Independent ⁽¹⁾
CLARK, James	Yes
NIKOLAKAKIS, Nicholas	Yes
SHIELDS, Gerald	Yes

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.

Market comparisons, as well as evaluation of similar positions in different industries in the same geography, along with individuals experience and the diversity such individual brings to the Corporation's Board, are the criteria used in determining compensation.

Other Board Committees

The Board does not currently have any committees other than the Audit Committee and Nominating, Compensation and Governance Committee.

Assessments

The Board takes responsibility for monitoring and assessing its effectiveness and the performance of individual directors and its Audit Committee, including reviewing the Board's decision-making processes and the quality of information provided by management.

AUDIT COMMITTEE

In accordance with the requirements of National Instrument 52-110 *Audit Committees*, the Canadian Securities Administrators have issued guidelines on annual disclosure for venture issuers, as set out in Form 52-110F2, concerning the constitution of the Corporation's Audit Committee and the relationship with its independent auditors. The Corporation's approach to its Audit Committee is set forth below.

Audit Committee Charter

The Charter of the Corporation's Audit Committee is attached to this Management Proxy Circular as Schedule "A".

Composition of the Audit Committee

The following table sets forth the members of the Audit Committee as of the Record Date, their independence or non-independence and the basis for that determination, and whether or not they are financially literate:

Name	Independent ⁽¹⁾	Financially Literate ⁽²⁾
AVERILL, Stuart	Yes	Yes
SHIELDS, Gerald	Yes	Yes
NIKOLAKAKIS, Nicholas	Yes	Yes

Notes:

1. Individuals who are, or have been within the last three years, an employee or executive officer of the Corporation, are considered to have or have had, a material relationship with the Corporation, therefore these individuals do not satisfy the meaning of independence as set forth in section 1.4 of National Instrument 52-110 *Audit Committees*.
2. Individual are financially literate if they have 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 Corporation's financial statements.

Relevant Education and Experience

Each member of the Audit Committee brings unique education and experience relevant to the performance of their responsibilities and duties as an Audit Committee member. This includes, but is not limited to, an understanding of the accounting principles used by the Corporation to prepare its financial statements; the ability to assess the general application of accounting principles in connection with the accounting for estimates, accruals and provisions; experience preparing, auditing, analyzing or evaluating financial statements covering a breadth and level of complexity relative to the Corporation or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

The following sets forth the relevant education and experience of the members of the Audit Committee:

Name	Education	Experience
AVERILL, Stuart	B.SC (Honours), University of Manitoba.	Chairman of Overburden Drilling Management Limited which he founded in 1974 and former director of Nuinsco Resources Limited and Rainy River Resources Ltd.
SHIELDS, Gerald	LL.B, University of Western Ontario and Barrister and Solicitor called to the Alberta bar in 1981 and the British Columbia bar in 1988.	Vice President, General Counsel and Corporate Secretary of Rainy River Resources Ltd., from January 2011 to July, 2013, and Vice President Administration from February 2009 to January 2011.

Name	Education	Experience
NIKOLAKAKIS, Nicholas	Applied Science degree in Geological Engineering from the University of Waterloo and a Master of Business Administration from the University of Western Ontario's Ivey School of Business.	Chief Financial Officer of Rubicon Minerals Corporation; former Chief Financial Officer of Rainy River Resources Ltd.; former Vice President of Corporate Finance at Barrick Gold Corporation; former Vice President and Chief Financial Officer of Placer Dome Canada, and former Treasurer at North American Palladium Ltd.

Audit Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on:

- (a) The exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*);
- (b) the exemption in Subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*);
- (c) the exemption in Subsection 6.1.1(5) (*Events Outside Control of Member*);
- (d) the exemption in Subsection 6.1.1(6) (*Death, Incapacity or Resignation*); or
- (e) an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services as described below under the heading "External Auditor Service Fees (By Category)"; however, such engagement is within the mandate of the Audit Committee.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Corporation's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
2018	\$32,000	Nil	\$3,000	Nil
2017	\$25,000	Nil	Nil	Nil

Exemption

As a "venture issuer", the Corporation is relying on the exemption provided in Section 6.1 of NI 52-110.

APPOINTMENT OF AUDITORS

Unless otherwise directed, management designees named in the accompanying instrument of proxy intend to vote in favor of the appointment of Davidson & Company LLP, Chartered Professional Accountants as auditors of the Corporation, to hold office until the close of the next annual meeting, at a remuneration to be determined by the Board of Directors of the Corporation. Approval of the appointment of the auditors will require the affirmative votes of the holders of not less than a simple majority of the votes cast in respect thereof by Shareholders present in person or represented by proxy at the Meeting. **Unless instructed otherwise, the management designees in the accompanying Instrument of Proxy intend to vote FOR the resolution.**

MANAGEMENT CONTRACTS

Other than as set forth in this Management Proxy Circular, at no time since the start of the Corporation's most recently completed financial year, were any management functions of the Corporation or any subsidiary of the Corporation to any substantial degree performed by a person or company other than the directors or executive officers of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The audited financial statements of the Corporation for the year ended October 31, 2018 and the auditors' report thereon will be placed before the Shareholders at the Meeting for their consideration. Shareholders who wish to receive annual and interim financial statements are encouraged to send the enclosed notice, in the addressed envelope to Computershare Investor Services. No formal action will be taken at the Meeting to approve the financial statements, which have been approved by the Board of Directors of the Corporation in accordance with applicable corporate and securities legislation. Any questions regarding the financial statements may be brought forward at the Meeting.

Ratification and Re-Approval of Stock Option Plan

For a summary of the Option Plan, please refer to the section within this Management Proxy Circular entitled "Stock Option Plans and Other Incentive Plans" or refer to Schedule "B" hereto where the text of the Option Plan is attached in its entirety. The Option Plan was previously approved by the Corporation's shareholders at the Annual General Meeting held April 30, 2018.

The approval by Shareholders requires a favourable vote of a majority of the Common Shares voted in respect thereof at the Meeting. The TSXV requires such approval before it will allow the adoption of the Option Plan. Options to purchase Common Shares that were previously granted to directors, officers and employees of the Corporation will be deemed to be granted under the Option Plan. **Unless instructed otherwise, the management designees in the accompanying instrument of proxy intend to vote FOR the resolution to ratify, adopt and re-approve the Option Plan.**

The text of the resolution regarding this matter is as follows:

"BE IT RESOLVED THAT:

1. The stock option plan (the "Option Plan") of the Corporation, as described in the management information circular and proxy statement of the Corporation dated April 26, 2019, as may be amended by the board of directors as required by applicable securities regulatory authorities or stock exchanges, is hereby ratified, adopted and re-approved;
2. the form of the Option Plan may be amended in order to satisfy the requirements or requests of any regulatory authorities without requiring further approval of the shareholders of the Corporation; and

3. any one director or officer of the Corporation is authorized, on behalf of the Corporation, to execute and deliver all documents and do all things as such person may determine to be necessary or advisable to give effect to this resolution.”

OTHER MATTERS TO BE ACTED UPON

As of the date of this Management Proxy Circular, management knows of no matters to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, the accompanying proxy will be voted on such matters in the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at www.sedar.com. Financial information concerning the Corporation is provided in the comparative annual financial statements and management’s discussion and analysis (“MD&A”) of the Corporation for its most recently completed financial year which can also be accessed at www.sedar.com or Shareholders may contact the Corporation to request copies of the financial statements and MD&A at Suite 912 – 1112 West Pender Street, Vancouver, B.C., V6E 2S1 or via email at lhodges@towerresources.ca.

SCHEDULE "A"

CHARTER OF THE AUDIT COMMITTEE

TOWER RESOURCES LIMITED (the "Company")

APPROVED BY AUDIT COMMITTEE February 22, 2011
(implemented pursuant to National Instrument 52-101 (the "Instrument"))

This charter has been adopted by the Board in order to comply with the Instrument and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the Board or Committee to alter or vary the procedures in order to comply more fully with the Instrument, as amended from time to time.

PART 1

Purpose:

The purpose of the Committee is to manage and maintain the effectiveness of the financial aspects of the governance structure of the Company.

1.1 Definitions

In this Charter,

"accounting principles" has the meaning ascribed to it in National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"affiliate" means a company that is a subsidiary of another company or companies that are controlled by the same entity;

"audit services" means the professional services rendered by the Company's external auditor for the audit and review of the Company's financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements;

"Board" means the board of directors of the Company;

"Charter" means this audit committee charter;

"Company" means **TOWER RESOURCES LIMITED**;

"Committee" means the committee established by and among certain members of the Board for the purpose of overseeing the accounting and financial reporting processes of the Company and audits of the financial statements of the Company;

"control person" means any person that holds or is one of a combination of persons that holds a sufficient number of any of the securities of the Company so as to affect materially the control of the Company, or that holds more than 20% of the outstanding voting shares of the Company, except where there is evidence showing that the holder of those securities does not materially affect control of the Company;

"executive officer" means an individual who is:

- a) the chair of the Company;

- b) the vice-chair of the Company;
- c) the President of the Company;
- d) the vice-president in charge of a principal business unit, division or function including sales, finance or production;
- e) an officer of the Company or any of its subsidiary entities who performs a policy-making function in respect of the Company; or
- f) any other individual who performs a policy-making function in respect of the Company;

“financially literate” has the meaning set forth in Section 1.3;

“immediate family member” means a person’s spouse, parent, child, sibling, mother or father-in-law, son or daughter-in-law, brother or sister-in-law, and anyone (other than an employee of either the person or the person’s immediate family member) who shares the individual’s home;

“independent” has the meaning set forth in Section 1.2;

“Instrument” means National Instrument 52-110;

“MD&A” has the meaning ascribed to it in National Instrument 52-102;

“Member” means a member of the Committee;

“National Instrument 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*;

“non-audit services” means services other than audit services;

1.2 Meaning of Independence

1. A member is independent if the Member has no direct or indirect material relationship with the Company.

2. For the purposes of subsection 1, a material relationship means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a Member’s independent judgement.

3. Despite subsection 2 and without limitation, the following individuals are considered to have a material relationship with the Company:

- a) a control person of the Company;
- b) an affiliate of the Company; and
- c) an employee of the Company.

1.3 Meaning of Financial Literacy – For the purposes of this Charter, an individual is 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’s financial statements.

PART 2

2.1 Audit Committee – The Board has hereby established the Committee for, among other purposes, compliance with the requirements of the Instrument.

2.2 Relationship with External Auditors – The Company will henceforth require its external auditor to report directly to the Committee and the Members shall ensure that such is the case.

2.3 Committee Responsibilities –

1. The Committee shall be responsible for making the following recommendations to the Board:

- a) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- b) the compensation of the external auditor.

2. The Committee shall be directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:

- a) reviewing the audit plan with management and the external auditor;
- b) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
- c) reviewing audit progress, findings, recommendations, responses and follow up actions;
- d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management;
- e) reviewing audited annual financial statements, in conjunction with the report of the external auditor, and obtain an explanation from management of all significant variances between comparative reporting periods;
- f) reviewing the evaluation of internal controls by the external auditor, together with management's response;
- g) reviewing the appointments of the chief financial officer and any key financial executives involved in the financial reporting process, applicable; and
- h) annual approval of audit mandate.

3. The Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the issuer's external auditor.

4. The Committee shall review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information.
5. The Committee shall ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, and shall periodically assess the adequacy of those procedures.
6. When there is to be a change of auditor, the Committee shall review all issues related to the change, including the information to be included in the notice of change of auditor called for under National Policy 31, and the planned steps for an orderly transition.
7. The Committee shall review all reportable events, including disagreements, unresolved issues and consultations, as defined in National Policy 31, on a routine basis, whether or not there is to be a change of auditor.
8. The Committee shall, as applicable, establish procedures for:
 - a) the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - b) the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
9. As applicable, the Committee shall establish, periodically review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer, as applicable.
10. The responsibilities outlined in this Charter are not intended to be exhaustive. Members should consider any additional areas which may require oversight when discharging their responsibilities.

2.4 De Minimis Non-Audit Services

1. The Committee shall satisfy the pre-approval requirement in subsection 2.3 (3) if:
 - a) the aggregate amount of all the 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 issuer and its subsidiary entities to the issuer's external auditor during the fiscal year in which the services are provided;
 - b) the Company or the subsidiary of the Company, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - c) the services are promptly brought to the attention of the Committee and approved by the Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Committee, prior to the completion of the audit.

2.5 Delegation of Pre-Approval Function

1. The Committee may delegate to one or more independent Members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2.3 (3).

2. The pre-approval of non-audit services by any Member to whom authority has been delegated pursuant to subsection 1 must be presented to the Committee at its first scheduled meeting following such pre-approval.

PART 3

3.1 Composition

1. The Committee shall be composed of a minimum of three Members.
2. Every Member shall be a director of the issuer.
3. The majority of Members shall be independent.
4. Every audit committee Member shall be financially literate.

PART 4

4.1 Authority

1. Until replacement of this Charter, the Committee shall have the authority to:
 - a) to engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - b) to set and pay the compensation for any advisors employed by the Committee;
 - c) to communicate directly with the internal and external auditors; and
 - d) recommend the amendment or approval of audited and interim financial statements to the Board.

PART 5

5.1 Disclosure in Information Circular – If management of the Company solicits proxies from the security holders of the Company for the purpose of electing directors to the Board, the Company shall include in its management information circular the disclosure required by Form 52-110F2 (*Disclosure by Venture Issuers*).

PART 6

6.1 Meetings

1. The Committee shall meet at such times during each year as it deems appropriate.
2. Opportunities shall be afforded periodically to the external auditor, the internal auditor and to members of senior management to meet separately with the Members.
3. Minutes shall be kept of all meetings of the Committee.

SCHEDULE "B"

STOCK OPTION PLAN

**TOWER RESOURCES LTD.
(the "Company")**

**Dated for Reference October 18, 2010
As Amended July 20, 2011**

**ARTICLE 1
PURPOSE AND INTERPRETATION**

1.1 Purpose

1.1 The purpose of this Plan is to advance the interests of the Company by encouraging equity participation in the Company through the acquisition of Common Shares of the Company. It is the intention of the Company that this Plan will at all times be in compliance with TSX Venture Policies (or, if applicable, NEX Policies) and any inconsistencies between this Plan and TSX Venture Policies (or, if applicable, NEX Policies) will be resolved in favour of the latter.

1.2 Definitions

1.2 In this Plan

- (a) **Affiliate** means a company that is a parent or subsidiary of the Company, or that is controlled by the same entity as the Company;
- (b) **Associate** has the meaning set out in the Securities Act;
- (c) **Black-out Period** means an interval of time during which the Company has determined that one or more Participants may not trade any securities of the Company because they may be in possession of undisclosed material information pertaining to the Company, or when in anticipation of the release of quarterly or annual financials, to avoid potential conflicts associated with a company's insider-trading policy or applicable securities legislation, (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an Insider, that Insider, is subject);
- (d) **Board** means the board of directors of the Company or any committee thereof duly empowered or authorized to grant Options under this Plan;
- (e) **Change of Control** includes situations where after giving effect to the contemplated transaction and as a result of such transaction:
 - (i) any one Person holds a sufficient number of voting shares of the Company or resulting company to affect materially the control of the Company or resulting company, or,
 - (ii) any combination of Persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, holds in total a sufficient number of voting shares of the Company or its successor to affect materially the control of the Company or its successor,

where such Person or combination of Persons did not previously hold a sufficient number of voting shares to materially affect control of the Company or its successor and, in the absence of evidence to the contrary, any Person or combination of Persons acting in concert by virtue of an agreement, arrangement,

commitment or understanding, holding more than 20% of the voting shares of the Company or resulting company is deemed to materially affect control of the Company or resulting company;

(f) **Common Shares** means the common shares without par value in the capital of the Company providing such class is listed on the TSX Venture (or, NEX, as the case may be);

(g) **Company** means the company named at the top hereof and includes, unless the context otherwise requires, all of its Affiliates and successors according to law;

(h) **Consultant** means an individual or Consultant Company, other than an Employee, Officer or Director that:

(i) provides on an ongoing bona fide basis, consulting, technical, managerial or like services to the Company or an Affiliate of the Company, other than services provided in relation to a Distribution;

(ii) provides the services under a written contract between the Company or an Affiliate and the individual or the Consultant Company;

(iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and

(iv) has a relationship with the Company or an Affiliate of the Company that enables the individual or Consultant Company to be knowledgeable about the business and affairs of the Company;

(i) **Consultant Company** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner;

(j) **Directors** means the directors of the Company as may be elected from time to time;

(k) **Discounted Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;

(l) **Disinterested Shareholder Approval** means approval by a majority of the votes cast by all the Company's shareholders at a duly constituted shareholders' meeting, excluding votes attached to Common Shares beneficially owned by Insiders who are Service Providers or their Associates;

(m) **Distribution** has the meaning assigned by the Securities Act, and generally refers to a distribution of securities by the Company from treasury;

(n) **Effective Date** for an Option means the date of grant thereof by the Board;

(o) **Employee** means:

(i) an individual who is considered an employee under the *Income Tax Act* Canada (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);

(ii) an individual who works full-time for the Company or a subsidiary thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or

(iii) an individual who works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions need not be made at source;

- (p) **Exchange Hold Period** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (q) **Exercise Price** means the amount payable per Common Share on the exercise of an Option, as determined in accordance with the terms hereof;
- (r) **Expiry Date** means the day on which an Option lapses as specified in the Option Commitment therefor or in accordance with the terms of this Plan;
- (s) **Insider** means an insider as defined in the TSX Venture Policies or as defined in securities legislation applicable to the Company;
- (t) **Investor Relations Activities** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (u) **Management Company Employee** means an individual employed by a Person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities;
- (v) **Market Price** has the meaning assigned by Policy 1.1 of the TSX Venture Policies;
- (w) **NEX** means a separate board of the TSX Venture for companies previously listed on the TSX Venture or the Toronto Stock Exchange which have failed to maintain compliance with the ongoing financial listing standards of those markets;
- (x) **NEX Issuer** means a company listed on NEX;
- (y) **NEX Policies** means the rules and policies of NEX as amended from time to time;
- (z) **Officer** means a Board appointed officer of the Company;
- (aa) **Option** means the right to purchase Common Shares granted hereunder to a Service Provider;
- (bb) **Option Commitment** means the notice of grant of an Option delivered by the Company hereunder to a Service Provider and substantially in the form of Schedule A attached hereto;
- (cc) **Optioned Shares** means Common Shares that may be issued in the future to a Service Provider upon the exercise of an Option;
- (dd) **Optionee** means the recipient of an Option hereunder;
- (ee) **Outstanding Shares** means at the relevant time, the number of issued and outstanding Common Shares of the Company from time to time;
- (ff) **Participant** means a Service Provider that becomes an Optionee;
- (gg) **Person** includes a company, any unincorporated entity, or an individual;
- (hh) **Plan** means this share option plan, the terms of which are set out herein or as may be amended;
- (ii) **Plan Shares** means the total number of Common Shares which may be reserved for issuance as Optioned Shares under the Plan as provided in §2.2;
- (jj) **Regulatory Approval** means the approval of the TSX Venture and any other securities regulatory authority that has lawful jurisdiction over the Plan and any Options issued hereunder;

- (kk) **Securities Act** means the Securities Act, R.S.B.C. 1996, c. 418, or any successor legislation;
- (ll) **Service Provider** means a Person who is a bona fide Director, Officer, Employee, Management Company Employee, Consultant or Company Consultant, and also includes a company, 100% of the share capital of which is beneficially owned by one or more Service Providers;
- (mm) **Share Compensation Arrangement** means any Option under this Plan but also includes any other stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to a Service Provider;
- (nn) **Shareholder Approval** means approval by a majority of the votes cast by eligible shareholders of the Company at a duly constituted shareholders' meeting;
- (oo) **Take Over Bid** means a take over as defined in Multilateral Instrument 62-104 *Take-over Bids and Issuer Bids*, section 1.1, or the analogous provisions of securities legislation applicable to the Company;
- (pp) **TSX Venture** means the TSX Venture Exchange and any successor thereto; and
- (qq) **TSX Venture Policies** means the rules and policies of the TSX Venture as amended from time to time.

1.3 Other Words and Phrases

1.3 Words and phrases used in this Plan but which are not defined in the Plan, but are defined in the TSX Venture Policies (and, if applicable, the NEX Policies), will have the meaning assigned to them in the TSX Venture Policies (and, if applicable, NEX Policies).

1.4 Gender

1.4 Words importing the masculine gender include the feminine or neuter, words in the singular include the plural, words importing a corporate entity include individuals, and vice versa.

ARTICLE 2 SHARE OPTION PLAN

1.5 Establishment of Share Option Plan

2.1 The Plan is hereby established to recognize contributions made by Service Providers and to create an incentive for their continuing assistance to the Company and its Affiliates.

1.6 Maximum Plan Shares

2.2 The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan at any point in time is 10% of the Outstanding Shares at the time Plan Shares are reserved for issuance as a result of the grant of an Option, less any Common Shares reserved for issuance under share options granted under Share Compensation Arrangements other than this Plan, unless this Plan is amended pursuant to the requirements of the TSX Venture Policies (and, if applicable, NEX Policies).

1.7 Eligibility

2.3 Options to purchase Common Shares may be granted hereunder to Service Providers of the Company, or its affiliates, from time to time by the Board. Service Providers that are not individuals will be required to undertake in writing not to effect or permit any transfer of ownership or option of any of its securities, or to issue

more of its securities (so as to indirectly transfer the benefits of an Option), as long as such Option remains outstanding, unless the written permission of the TSX Venture and the Company is obtained.

1.8 Options Granted Under the Plan

2.4 All Options granted under the Plan will be evidenced by an Option Commitment in the form attached as Schedule A, showing the number of Optioned Shares, the term of the Option, a reference to vesting terms, if any, and the Exercise Price.

2.5 Subject to specific variations approved by the Board, all terms and conditions set out herein will be deemed to be incorporated into and form part of an Option Commitment made hereunder.

1.9 Limitations on Issue

2.6 Subject to §2.10, the following restrictions on issuances of Options are applicable under the Plan:

(a) no Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;

(b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture (or NEX, as the case may be); and

(c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the TSX Venture.

1.10 Options Not Exercised

2.7 In the event an Option granted under the Plan expires unexercised or is terminated by reason of dismissal of the Optionee for cause or is otherwise lawfully cancelled prior to exercise of the Option, the Optioned Shares that were issuable thereunder will be returned to the Plan and will be eligible for re-issuance.

1.11 Powers of the Board

2.8 The Board will be responsible for the general administration of the Plan and the proper execution of its provisions, the interpretation of the Plan and the determination of all questions arising hereunder. Without limiting the generality of the foregoing, the Board has the power to

(a) allot Common Shares for issuance in connection with the exercise of Options;

(b) grant Options hereunder;

(c) subject to any necessary Regulatory Approval, amend, suspend, terminate or discontinue the Plan, or revoke or alter any action taken in connection therewith, except that no general amendment or suspension of the Plan will, without the prior written consent of all Optionees, alter or impair any Option previously granted under the Plan unless the alteration or impairment occurred as a result of a change in the TSX Venture Policies or the Company's tier classification thereunder; and

(d) delegate all or such portion of its powers hereunder as it may determine to one or more committees of the Board, either indefinitely or for such period of time as it may specify, and thereafter each such

committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorized so to do.

1.12 Amendment of the Plan by the Board of Directors

2.9 Subject to the requirements of the TSX Venture Policies and the prior receipt of any necessary Regulatory Approval, the Board may in its absolute discretion, amend or modify the Plan or any Option granted as follows:

- (a) it may make amendments which are of a typographical, grammatical or clerical nature only;
- (b) it may change the vesting provisions of an Option granted hereunder, subject to prior written approval of the TSX Venture, if applicable;
- (c) it may change the termination provision of an Option granted hereunder which does not entail an extension beyond the original Expiry Date of such Option;
- (d) it may make amendments necessary as a result in changes in securities laws applicable to the Company;
- (e) if the Company becomes listed or quoted on a stock exchange or stock market senior to the TSX Venture, it may make such amendments as may be required by the policies of such senior stock exchange or stock market; and
- (f) it may make such amendments as reduce, and do not increase, the benefits of this Plan to Service Providers.

1.13 Amendments Requiring Disinterested Shareholder Approval

2.10 The Company will be required to obtain Disinterested Shareholder Approval prior to any of the following actions becoming effective:

- (a) the Plan, together with all of the Company's other previous Share Compensation Arrangements, could result at any time in:
 - (i) the aggregate number of Common Shares reserved for issuance under Options granted to Insiders exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares;
 - (ii) the number of Optioned Shares issued to Insiders within a one-year period exceeding 10% of the Outstanding Shares in the event that this Plan is amended to reserve for issuance more than 10% of the Outstanding Shares; or,
 - (iii) the issuance to any one Optionee, within a 12-month period, of a number of Common Shares exceeding 5% of the Outstanding Shares; or
- (b) any reduction in the Exercise Price of an Option previously granted to an Insider.

1.14 Options Granted Under the Company's Previous Share Option Plans

2.11 Any option granted pursuant to a stock option plan previously adopted by the Board which is outstanding at the time this Plan comes into effect shall be deemed to have been issued under this Plan and shall, as of the date this Plan comes into effect, be governed by the terms and conditions hereof.

ARTICLE 3
TERMS AND CONDITIONS OF OPTIONS

1.15 Exercise Price

3.1 The Exercise Price of an Option will be set by the Board at the time such Option is allocated under the Plan, and cannot be less than the Discounted Market Price.

1.16 Term of Option

3.2 An Option can be exercisable for a maximum of 10 years from the Effective Date.

1.17 Option Amendment

3.3 Subject to §2.10(b), the Exercise Price of an Option may be amended only if at least six (6) months have elapsed since the later of the date of commencement of the term of the Option, the date the Common Shares commenced trading on the TSX Venture, or the date of the last amendment of the Exercise Price.

3.4 An Option must be outstanding for at least one year before the Company may extend its term, subject to the limits contained in §3.2.

3.5 Any proposed amendment to the terms of an Option must be approved by the TSX Venture prior to the exercise of such Option.

1.18 Vesting of Options

3.6 Subject to §3.7, vesting of Options shall be at the discretion of the Board and, with respect to any particular Options granted under the Plan, in the absence of a vesting schedule being specified at the time of grant, all such Options shall vest immediately. Where applicable, vesting of Options will generally be subject to:

- (a) the Service Provider remaining employed by or continuing to provide services to the Company or any of its Affiliates as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Company or any of its Affiliates during the vesting period; or
- (b) the Service Provider remaining as a Director of the Company or any of its Affiliates during the vesting period.

1.19 Vesting of Options Granted to Consultants Conducting Investor Relations Activities

3.7 Notwithstanding §3.6, Options granted to Consultants conducting Investor Relations Activities will vest:

- (a) over a period of not less than 12 months as to 25% on the date that is three months from the date of grant, and a further 25% on each successive date that is three months from the date of the previous vesting; or
- (b) such longer vesting period as the Board may determine.

1.20 Effect of Take Over Bid

3.8 If a Take Over Bid is made to the shareholders generally then the Company shall immediately upon receipt of notice of the Take Over Bid, notify each Optionee currently holding an Option of the Take Over Bid, with full particulars thereof whereupon such Option may, notwithstanding §3.6 and §3.7 or any vesting requirements set

out in the Option Commitment, be immediately exercised in whole or in part by the Optionee, subject to approval of the TSX Venture (or the NEX, as the case may be) for vesting requirements imposed by the TSX Venture Policies.

1.21 Extension of Options Expiring During Blackout Period

3.9 Should the Expiry Date for an Option fall within a Blackout Period, or within nine (9) Business Days following the expiration of a Blackout Period, such Expiry Date shall, subject to approval of the TSX Venture (or the NEX, as the case may be), be automatically extended without any further act or formality to that day which is the tenth (10th) Business Day after the end of the Blackout Period, such tenth Business Day to be considered the Expiry Date for such Option for all purposes under the Plan. Notwithstanding §2.8, the tenth Business Day period referred to in this §3.9 may not be extended by the Board.

1.22 Optionee Ceasing to be Director, Employee or Service Provider

3.10 Options may be exercised after the Service Provider has left his/her employ/office or has been advised by the Company that his/her services are no longer required or his/her service contract has expired, until the term applicable to such Options expires, except as follows:

(a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;

(b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and

(c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

1.23 Non Assignable

3.11 Subject to §3.10, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

1.24 Adjustment of the Number of Optioned Shares

3.12 The number of Common Shares subject to an Option will be subject to adjustment in the events and in the manner following:

(a) in the event of a subdivision of Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a greater number of Common Shares, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder, in addition to the number of Optioned Shares in respect of which the right to purchase is then being exercised, such additional number of Common Shares as result from the subdivision without an Optionee making any additional payment or giving any other consideration therefor;

(b) in the event of a consolidation of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, into a lesser number of Common Shares, the Company will thereafter deliver and an Optionee will accept, at the time of purchase of Optioned Shares hereunder, in lieu of the number of

Optioned Shares in respect of which the right to purchase is then being exercised, the lesser number of Common Shares as result from the consolidation;

(c) in the event of any change of the Common Shares as constituted on the date hereof, at any time while an Option is in effect, the Company will thereafter deliver at the time of purchase of Optioned Shares hereunder the number of shares of the appropriate class resulting from the said change as an Optionee would have been entitled to receive in respect of the number of Common Shares so purchased had the right to purchase been exercised before such change;

(d) in the event of a capital reorganization, reclassification or change of outstanding equity shares (other than a change in the par value thereof) of the Company, a consolidation, merger or amalgamation of the Company with or into any other company or a sale of the property of the Company as or substantially as an entirety at any time while an Option is in effect, an Optionee will thereafter have the right to purchase and receive, in lieu of the Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option, the kind and amount of shares and other securities and property receivable upon such capital reorganization, reclassification, change, consolidation, merger, amalgamation or sale which the holder of a number of Common Shares equal to the number of Optioned Shares immediately theretofore purchasable and receivable upon the exercise of the Option would have received as a result thereof. The subdivision or consolidation of Common Shares at any time outstanding (whether with or without par value) will not be deemed to be a capital reorganization or a reclassification of the capital of the Company for the purposes of this §3.12;

(e) an adjustment will take effect at the time of the event giving rise to the adjustment, and the adjustments provided for in this section are cumulative;

(f) the Company will not be required to issue fractional shares in satisfaction of its obligations hereunder. Any fractional interest in a Common Share that would, except for the provisions of this §3.12, be deliverable upon the exercise of an Option will be cancelled and not be deliverable by the Company; and

(g) if any questions arise at any time with respect to the Exercise Price or number of Optioned Shares deliverable upon exercise of an Option in any of the events set out in this §3.12, such questions will be conclusively determined by the Company's auditors, or, if they decline to so act, any other firm of Chartered Accountants, in Vancouver, British Columbia (or in the city of the Company's principal executive office) that the Company may designate and who will be granted access to all appropriate records and such determination will be binding upon the Company and all Optionees.

ARTICLE 4 COMMITMENT AND EXERCISE PROCEDURES

1.25 Option Commitment

4.1 Upon grant of an Option hereunder, an authorized officer of the Company will deliver to the Optionee an Option Commitment detailing the terms of such Options and upon such delivery the Optionee will be subject to the Plan and have the right to purchase the Optioned Shares at the Exercise Price set out therein subject to the terms and conditions hereof, including any additional requirements contemplated with respect to the payment of required withholding taxes on behalf of Optionees.

1.26 Manner of Exercise

4.2 An Optionee who wishes to exercise his Option may do so by delivering

(a) a written notice to the Company specifying the number of Optioned Shares being acquired pursuant to the Option; and

(b) a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price for the Optioned Shares being acquired, plus any required withholding tax amount subject to §3.12.

1.27 Tax Withholding and Procedures

4.3 Notwithstanding anything else contained in this Plan, the Company may, from time to time, implement such procedures and conditions as it determines appropriate with respect to the withholding and remittance of taxes imposed under applicable law, or the funding of related amounts for which liability may arise under such applicable law. Without limiting the generality of the foregoing, an Optionee who wishes to exercise an Option must, in addition to following the procedures set out in §4.2 and elsewhere in this Plan, and as a condition of exercise:

(a) deliver a certified cheque, wire transfer or bank draft payable to the Company for the amount determined by the Company to be the appropriate amount on account of such taxes or related amounts;

or

(b) otherwise ensure, in a manner acceptable to the Company (if at all) in its sole and unfettered discretion, that the amount will be securely funded;

and must in all other respects follow any related procedures and conditions imposed by the Company.

1.28 Delivery of Optioned Shares and Hold Periods

4.4 As soon as practicable after receipt of the notice of exercise described in §4.2 and payment in full for the Optioned Shares being acquired, the Company will direct its transfer agent to issue to the Optionee the appropriate number of Optioned Shares. If the Exercise Price is set below the then current Market Price of the Common Shares on the TSX Venture at the time of grant, or if the option is granted:

(a) to directors, officers and promoters, or

(b) to persons holding securities carrying more than 10% of the voting rights attached to the Company's securities both immediately before and after the transaction in which securities are issued, and who have elected or appointed or have the right to elect or appoint one or more directors or senior officer of the Company; or

(c) at a discount of more than 10% to the Market Price;

the certificate representing the Optioned Shares or written notice in the case of uncertificated shares will include a legend stipulating that the Optioned Shares issued are subject to a four-month TSX Venture hold period commencing the date of the Option Commitment.

ARTICLE 5 GENERAL

1.29 Employment and Services

5.1 Nothing contained in the Plan will confer upon or imply in favour of any Optionee any right with respect to office, employment or provision of services with the Company, or interfere in any way with the right of the Company to lawfully terminate the Optionee's office, employment or service at any time pursuant to the arrangements pertaining to same. Participation in the Plan by an Optionee is voluntary.

1.30 No Representation or Warranty

5.2 The Company makes no representation or warranty as to the future market value of Common Shares issued in accordance with the provisions of the Plan or to the effect of the *Income Tax Act* (Canada) or any other taxing statute governing the Options or the Common Shares issuable thereunder or the tax consequences to

a Service Provider. Compliance with applicable securities laws as to the disclosure and resale obligations of each Participant is the responsibility of each Participant and not the Company.

1.31 Interpretation

5.3 The Plan will be governed and construed in accordance with the laws of the Province of British Columbia.

1.32 Continuation of Plan

5.4 The Plan will become effective from and after October 18, 2010, and will remain effective provided that the Plan, or any amended version thereof receives Shareholder Approval at each annual general meeting of the holders of Common Shares of the Company subsequent to October 18, 2010.

1.33 Amendment of the Plan

5.5 The Board reserves the right, in its absolute discretion, to at any time amend, modify or terminate the Plan with respect to all Common Shares in respect of Options which have not yet been granted hereunder. Any amendment to any provision of the Plan will be subject to any necessary Regulatory Approvals unless the effect of such amendment is intended to reduce (but not to increase) the benefits of this Plan to Service Providers.

SCHEDULE A
SHARE OPTION PLAN
OPTION COMMITMENT

Notice is hereby given that, effective this _____ day of _____, _____ (the "Effective Date") **TOWER RESOURCES LTD.** (the "Company") has granted to _____ (the "Optionee"), an Option to acquire _____ Common Shares ("Optioned Shares") up to 5:00 p.m. Vancouver Time on the _____ day of _____, _____ (the "Expiry Date") at an Exercise Price of Cdn\$ _____ per share.

Optioned Shares are to vest immediately.

OR

Optioned Shares will vest *[INSERT VESTING SCHEDULE AND TERMS]*

The Option shall expire _____ days after the Optionee ceases to be employed by or provide services to the Company.

The grant of the Option evidenced hereby is made subject to the terms and conditions of the Plan, which are hereby incorporated herein and form part hereof.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with a certified cheque, wire transfer or bank draft payable to the Company for the aggregate Exercise Price. A certificate or written notice in the case of uncertificated shares for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter and may bear a minimum four month non-transferability legend from the date of this Option Commitment, the text of which is as follows. *[Note: A Company may grant stock options without a hold period, provided the exercise price of the options is set at or above the market price of the Company's shares and as long as the optionee is not a person listed in Sections 4.3(a) or (b) of the share option plan. If a four month hold period is applicable, the following legend must be placed on the certificate or the written notice in the case of uncertificated shares.]*

"WITHOUT PRIOR WRITTEN APPROVAL OF THE TSX VENTURE EXCHANGE AND COMPLIANCE WITH ALL APPLICABLE SECURITIES LEGISLATION, THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, TRANSFERRED, HYPOTHECATED OR OTHERWISE TRADED ON OR THROUGH THE FACILITIES OF THE TSX VENTURE EXCHANGE OR OTHERWISE IN CANADA OR TO OR FOR THE BENEFIT OF A CANADIAN RESIDENT UNTIL 12:00 A.M. (MIDNIGHT) ON *[insert date 4 months from the date of grant]*".

"UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE *[insert date 4 months and 1 day from the date of grant]*".

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide Service Provider (as defined in the Plan), entitled to receive Options under TSX Venture Policies.

The Optionee also acknowledges and consents to the collection and use of Personal Information (as defined in the Policies of the TSX Venture Exchange) by both the Company and the TSX Venture (or the NEX, as the case may be) as more particularly set out in the Acknowledgement - Personal Information in use by the TSX Venture (or the NEX, as the case may be) on the date of this Option Commitment.

TOWER RESOURCES LTD.

Authorized Signatory

[insert name of optionee]

Signature of Optionee