



Notice of Meeting and  
Management Information Circular

for the

2020-2019

Annual General Meeting of Shareholders

Of

Julian Resources Inc.

Meeting date: November 10, 2020

Time: 10:00 am (Pacific Time)



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

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**NOTICE IS HEREBY GIVEN** that the 2020 and 2019 Annual General Meeting (the "Meeting") of shareholders of **Julian Resources Inc.** (the "Company") will be held at 335 – 1632 Dickson Avenue, Kelowna and by conference call on Tuesday, November 10, 2020 at 10:00am (Pacific Time) for the following purposes:

1. To receive and consider the audited consolidated financial statements of the Company for the financial years ended February 29, 2020 and February 28, 2019 together with the auditors' report;
2. To fix the number of Directors of the Company at six;
3. To elect Directors of the Company for the ensuing year;
4. To appoint SMYTHE LLP, as auditors of the Company for the ensuing year and to authorize the Directors of the Company to fix their remuneration;
5. To consider and, if thought fit, to pass an ordinary resolution to adopt and approve a rolling 10% stock option plan for the Company;
6. to consider and, if deemed advisable, to pass, with or without variation, a resolution of disinterested shareholders of the Corporation confirming and approving the grant of options pursuant to the new rolling stock option plan of the Company: and
7. To transact such other business that may properly come before the Meeting or any adjournment thereof.

Accompanying this notice of Meeting (this "**Notice**") are the Company's management information circular (the "**Circular**") and form of proxy (the "**Proxy**"). The Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice.

The Circular contains details of matters to be considered at the Meeting. **Please review the Circular before voting.**

In light of the ongoing novel coronavirus disease (COVID-19) pandemic and in adherence to current government direction and advice (to which the Company will adhere between the date of this Circular and the date of the Meeting or any adjournment or postponement thereof), the Company is providing shareholders with an opportunity to attend the Meeting and to vote either in person (subject to applicable restrictions regarding public gatherings), via conference call or by proxy at the Meeting. The Company encourages shareholders not to attend the Meeting in person, particularly if they are experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. Access to the Meeting will be limited to essential personnel and registered shareholders and proxyholders entitled to attend and vote at the Meeting. Those attending in person will be required to comply with the then current direction and advice from federal, provincial and municipal levels of government concerning public gatherings. Shareholders should be advised that constantly evolving restrictions on the size of public gatherings are beyond the control of the Company, and attendance at the Meeting in person may be difficult or not permitted. Accordingly, **the Company recommends that shareholders vote by proxy.** Shareholders or proxyholders who decide to participate by conference call will be able to listen to the Meeting, ask questions and vote, all in real time, provided they comply with all requirements to do so. The Company reserves the right to take any additional precautionary measures deemed appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic including, if considered necessary or advisable, hosting the Meeting



solely by means of remote communication. Should any such changes to the Meeting format occur, the Company will announce any and all of these changes by way of news release, which will be filed under the Company's profile on SEDAR. We strongly recommend you check the Company's profile on the SEDAR website prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 outbreak, the Company will not prepare or mail amended Meeting materials.

**ALLSHAREHOLDERS ARE STRONGLY ENCOURAGED TO VOTE BY SUBMITTING THEIR COMPLETED FORM OF PROXY (OR VOTING INSTRUCTION FORM) PRIOR TO THE MEETING BY ONE OF THE MEANS DESCRIBED IN THE CIRCULAR ACCOMPANYING THIS NOTICE OF MEETING.**

**Shareholders wishing to attend the Meeting by conference call may do so by using the following access numbers:**

**Conference Call Dial-In Number: 1-877-385-4099**

**Access Code: 3360987#**

All registered shareholders as at September 28, 2020 (the "**Record Date**") are entitled to attend and vote at the Meeting in person or by proxy. Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of proxy and to return it to Computershare Investor Services Inc., at their offices located on the 8th Floor, 100 University Avenue, Toronto ON M5J 2Y1, or by toll-free fax within North America 1-866-249-7775 (**according to the instructions on the proxy**), at least 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, being **10:00 a.m. (Pacific time) on Friday, November 6, 2020**, unless the chairman of the Meeting elects to exercise his or discretion to accept proxies received subsequently. If a shareholder does not deliver a proxy in accordance with these instructions or to the presiding officer of the Meeting, then the shareholder will not be entitled to vote at the Meeting by proxy.

Non-registered shareholders as at the Record Date who receive this notice and accompanying information circular from their broker or other intermediary should complete and return the proxy or voting instruction form in accordance with the instructions provided with it. Completed voting instruction forms must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting, being **10:00 a.m. (Pacific time) on Friday, November 6, 2020**, unless the chairman of the Meeting elects to exercise his or discretion to accept proxies received subsequently. Failure to do so may result in the shares of the non-registered Shareholders not being eligible to be voted at the Meeting.

DATED at Kelowna, British Columbia, this 10<sup>th</sup> day of October 2020.

**BY ORDER OF THE BOARD OF DIRECTORS**

***"Douglas Meirelles"***

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**Douglas Meirelles  
President and CEO**



## **JULIAN RESOURCES INC.**

### **MANAGEMENT INFORMATION CIRCULAR**

(as at and dated October 10, 2020, unless indicated otherwise)

**This management information circular (the "Circular") is furnished in connection with the solicitation of proxies and voting instructions forms ("VIFs") by the management of Julian Resources Inc. (the "Company") for use at the 2020 and 2019 annual general meeting (the "Meeting") of shareholders of the Company (the "Shareholders") (and any adjournment thereof) to be held on Tuesday, November 10, 2020 at the time and place and for the purposes set forth in the accompanying notice of meeting (the "Notice").**

Those attending the Meeting in person who are experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing will not be permitted to attend the Meeting. Those attending in person will be required to comply with the then current direction and advice from federal, provincial and municipal levels of government concerning public gatherings. Note however that, in light of ongoing concerns related to the spread of COVID-19 and the constantly evolving restrictions on the size of public gatherings which are beyond the control of the Company, attendance at the Meeting in person may be difficult or not permitted. Accordingly, we encourage you **not to plan to attend the Meeting in person** and instead ensure **you vote by proxy**.

The Company reserves the right to take any additional precautionary measures deemed appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic including, if considered necessary or advisable, hosting the Meeting solely by means of remote communication. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of news release. Please monitor the news releases filed under the Company's profile on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") website at [www.sedar.com](http://www.sedar.com) prior to the Meeting for the most current information. We do not intend to prepare or mail an amended Circular in the event of changes to the Meeting format.

**Shareholders wishing to attend the Meeting by conference call may do so by using the following access numbers:**

**Conference Call Dial-In Number: 1-877-385-4099**  
**Access Code: 3360987#**

**ALL SHAREHOLDERS ARE STRONGLY ENCOURAGED TO VOTE BY SUBMITTING THEIR COMPLETED FORM OF PROXY (OR VOTING INSTRUCTION FORM) PRIOR TO THE MEETING BY ONE OF THE MEANS DESCRIBED IN THIS CIRCULAR.**

#### **MAILING OF CIRCULAR**

This Circular is being mailed together with a notice of meeting, request card and proxy or voting instruction form (collectively, the "Meeting Materials"), in accordance with applicable laws, except to those shareholders who requested the information to be delivered by electronic mail. We are not sending Meeting Materials using the 'Notice and Access' procedures available under NI 54-101 in respect of this Meeting. If you are a shareholder and you wish to receive the Company's annual financial statements and/or interim financial statements and the accompanying management's discussion and analysis ("MD&A") thereon, please complete and return the request card included in the Meeting Materials.

#### **CURRENCY EXCHANGE RATES**

Financial information contained in this Circular is in Canadian Dollars unless otherwise indicated.



## **GENERAL PROXY INFORMATION**

### **Solicitation of Proxies**

Solicitation will be primarily by mail, but some proxies and VIFs may be solicited personally or by telephone by regular employees or directors of the Company at a nominal cost. The cost of solicitation by management of the Company will be borne by the Company. We have arranged for Intermediaries to forward the Meeting materials to Beneficial Shareholders held of record by those Intermediaries and we may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

### **Completion and Voting of Proxies and VIF's**

#### **Voting**

Voting at the Meeting will be by a show of hands, each registered shareholder (a "**Registered Shareholder**") and each person representing a Registered or Beneficial Shareholder through a Proxy or VIF (a "**Proxyholder**") having one vote, unless a poll is required (if the number of Common Shares represented by Proxies and VIFs that are to be voted against a motion are greater than 5% of the votes that could be cast at the Meeting) or requested, whereupon each such shareholder and Proxyholder is entitled to one vote for each Share held or represented, respectively.

#### **Appointment of Proxyholders**

The persons named in the accompanying form of proxy (the "**Proxy**") are directors and/or officers of the Company. **If you are a Registered Shareholder, you have the right to attend the Meeting or vote by Proxy and to appoint a person or company other than either of the persons designated in the Proxy, who need not be a Shareholder, to attend and vote on the Shareholder's behalf at the Meeting. To exercise this right, the Registered Shareholder may insert the name of the Shareholder's nominee in the space provided or, by completing and delivering another suitable form of Proxy.**

#### **Voting by Proxyholder**

A Registered Shareholder may indicate the manner in which the Proxyholders are to vote on behalf of the Registered Shareholder, if a poll is held, by marking an "X" in the appropriate space of the Proxy. **If both spaces are left blank, the Proxy will be voted as recommended by management for any matter requiring a "For" or "Against" vote, and in favour of the matter for any matter requiring a "For" or "Withhold" vote.**

The Proxy must be dated and signed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing. In the case of a corporation, the Proxy must be dated and executed under its corporate seal or signed by a duly authorized officer of, or attorney for, the corporation.

**The Proxy when properly signed, confers discretionary authority with respect to amendments or variations to the matters identified in the Notice.** The Company's management is not aware that any amendments or variations are to be presented at the Meeting. If any amendments or variations to such matters should properly come before the Meeting, the Proxies and VIFs hereby solicited will be voted as recommended by management.

**Shareholders may vote their completed Proxies, in accordance with the instructions set out on the Proxy. If voting by mail, Shareholders must return their completed Proxies, together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof, in accordance with the instructions set out on the Proxy. Proxies and VIFs received after the time set out in the Proxy or VIF for delivery thereof may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion.**



## Registered Shareholders

Only persons registered as Shareholders in the Company's central Security Register maintained by its registrar and transfer agent or duly appointed Proxyholders will be recognized to make motions or vote at the Meeting. Registered Shareholders who choose to submit a Proxy may do so by one of the following methods:

- (a) complete, date and sign the enclosed form of Proxy and return it to the Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by fax within North America to 1-866-249-7775, by fax outside North America to 416-263-9524, by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1, or by hand delivery to the 3rd Floor, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3B9; or
- (b) log onto the internet website of Computershare at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed Proxy form for the holder's account number and the proxy access number.

Registered Shareholders must ensure the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment thereof.

## Beneficial Shareholders (Unregistered Shareholders)

Beneficial Shareholders holding their Common Shares through Intermediaries' will not be recognized nor may they make motions or vote at the Meeting except as described below.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary those Common Shares are probably not registered in the Shareholder's name. Such Common Shares will probably be registered in the name of the Intermediary or its nominee and can only be voted through a duly completed Proxy given by the Intermediary. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

NI 54-101 requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Intermediaries may have their own mailing procedures and provide their own form of VIF to clients, which should be carefully followed by Beneficial Shareholders to ensure their Common Shares are voted at the Meeting.

There are two kinds of Beneficial owners – those who object to their name being made known to the issuers of securities which they own (called "**OBOS**" for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (called "**NOBOs**" for Non-Objecting Beneficial Owners).

The Company does not intend to pay for an Intermediary to deliver to OBOs, as defined in NI 54-101, the proxy-related materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*. As a result, an OBO will not receive the materials unless the OBO's Intermediary assumes the cost of delivery.

The VIF supplied to you by Intermediaries is substantially similar to the Proxy provided by the Company directly to Registered Shareholders, however, it is limited to instructing the Intermediary (as the Registered Shareholder) how to vote on your behalf.

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

By choosing to send these materials to you directly, the Company (and not the Intermediary holding securities on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your



proper voting instructions. Please return your voting instructions as specified in your request for voting instructions.

The form of Proxy supplied to you by your broker will be similar to the proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote your Common Shares on your behalf. Most Intermediaries in Canada and the United States of America ("USA") delegate responsibility for obtaining instructions from clients to a third-party corporation such as Broadridge Financial Solutions, Inc. ("Broadridge"). Broadridge mails a VIF in lieu of a Proxy provided by the Company. The VIF will name the same persons as the Company's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Company), other than any of the persons designated in the VIF, to represent your Common Shares at the Meeting, and that person maybe you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting, and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Common Shares voted at the Meeting and to vote your Common Shares at the Meeting.**

Beneficial Shareholders with questions respecting the voting of Common Shares held through an Intermediary should contact that Intermediary for assistance.

### **United States Shareholders**

This solicitation of Proxies and VIFs involve securities of a corporation located in Canada and is being effected in accordance with the corporate and securities laws of the province of British Columbia, Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of British Columbia, Canada differ from the disclosure and proxy solicitation requirements under United States securities laws.

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

### **Revocation of Proxies**

Shareholders have the power to revoke Proxies and VIFs previously given by them. Revocation of Proxies can be effected by a Registered Shareholder by:

- (a) an instrument in writing (which includes executing a Proxy bearing a later date or by executing a valid notice or revocation, either of the foregoing to be signed by the Registered Shareholder or the Registered Shareholder's attorney authorized in writing and, for a corporation, executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 335 – 1632 Dickson Avenue, Kelowna BC V1Y 7T2 at any time up to and including the last business day before the day set for the holding of the Meeting, or if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any manner provided by law, or at which the Proxy is to be used, or



- (b) personally attending Meeting and voting the Registered Shareholder's Common Shares. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

Beneficial Shareholders who wish to revoke a VIF or a waiver of the right to receive proxy-related materials should contact their Intermediaries for instructions.

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

Other than as disclosed herein no director or executive officer of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors described herein (*See Particular Matters to be Acted On*).

### **RECORD DATE AND QUORUM**

The articles of the Company (the "**Articles**") provide that a quorum for the transaction of business at a meeting of Shareholders is two persons who are, or represent by Proxy, Shareholders holding in the aggregate, at least five (5%) percent of the issued Common Shares entitled to be voted at the Meeting. Unless otherwise noted, a simple majority of the votes cast at the Meeting (in person or by Proxy) is required in order to pass the resolutions referred to in the accompanying Notice.

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

The Company has an authorized capital of an unlimited number of Common Shares without par value. As at the date of this Circular, **40,461,667** Common Shares without par value were issued and outstanding, each such Common Share carrying the right to one (1) vote at the Meeting. The record date has been fixed in advance by the directors of the Company at **September 28, 2020** for the purpose of determining those Shareholders entitled to receive notice of, and to vote at the Meeting.

To the knowledge of the directors and senior officers of the Company, there are no persons who beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Company.

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

#### **Number and Election of Directors**

The Board presently consists of six directors. Management is nominating six individuals to stand for election as directors at the Meeting. It is proposed that the number of directors to be elected at the Meeting for the ensuing year be fixed at six.

The term of office of each of the present directors expires at the Meeting. Management of the Company proposes to nominate the persons named below for election as directors of the Company at the Meeting. In accordance with the Articles of the Company, each director elected will hold office until the next annual general meeting of the members of the Company or until their successor is duly elected or appointed, unless such office is earlier vacated in accordance with the Articles or such director becomes disqualified to act as a director pursuant to the British Columbia *Business Corporations Act* ("BCBCA").

**Except where authority to vote on the Election of Directors is withheld, unless otherwise indicated, the named proxyholders will vote FOR the election of each of the proposed nominees set forth above as directors of the Company.**

The following table and notes thereto sets forth the name of each person proposed to be nominated by management for election as a director, the municipality in which he is ordinarily resident, all offices of the





Company now held by him, the period of time for which he has been a director of the Company, and the number of Shares beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof:

Name and Address of Nominee and Present Position with Company	Principal Occupation During the Last Five Years	Director Since	Number of Approximate Voting Securities <sup>1</sup>
<b>Douglas Meirelles</b> BC, Canada President, CEO & Director	President and CEO of the Company and Corporate Director of Equinox Gold (2012 - 2019)	April 8, 2020	123,000
<b>Marc Leduc</b> Denver, USA Director	Chief Operating Officer Kore Mining Ltd., Director of Silver Elephant Mining Corp. and South Star Mining Corp.	April 8, 2020	Nil
<b>Antenor Silva</b> <sup>(2)</sup> Rio De Janeiro, Brazil Nominee-Director	Retired and is a board member for three non-public companies [PA Gold, Genesis Mining Cu-Au) and MTR (rare earths)]	Nominee	Nil
<b>Bruce Higson-Smith</b> Colorado, USA Nominee-Director	Mining Engineer, Sr. VP for Corporate Strategy of Golden Star Resources Ltd. Strategic advisor to Federation Mines Ltd. board of directors	Nominee	Nil
<b>Oliver Friesen</b> <sup>(2)</sup> BC, Canada Director	Project Geologist for various companies including Barrick Cortez, Arc Resources (2014-2015) Ridgeline Exploration 2016 - to present)	August 27, 2018	600,000
<b>Nanmao Su</b> <sup>(2)</sup> BC, Canada Director	Businessman and Director of the Company; Chairman of Dongying Delta Forestry Development Co. since 2003; Director of China Foundation Investment & Development Co., Ltd. since 2004	October 17, 2006	1,652,000

- 1 Voting securities beneficially owned, directly or indirectly, or over which control or direction is exercised.
- 2 Denotes member of the audit committee.

**Management is not presently aware that any of the nominees will be unwilling to serve as a director if elected but in the event that, prior to the Meeting, any vacancies occur in the slate of nominees submitted herewith, the enclosed form of proxy confers discretionary authority upon the persons named therein to vote for the election of any other eligible person designated by the Board, unless instructions have been given to refrain from voting with respect to the election of directors.**

### **Biography for Nominees and Recently Appointed Directors**

#### **Antenor Silva**

Mr. Silva has over 50 years' experience in metallurgical plants engineering & operation, open pit and underground mines, in both International and Brazilian companies. Mr. Silva starts his professional career at Serrana de Mineração in 1966. Following in 1971, was a co-founder of Paulo Abib Eng. acting as COO/Pres. By 1986, join CMP/CMA, as CEO, first Brazilian gold companies listed at the BOVESPA stock market. In addition to other senior management positions within the mining industry, Mr. Silva was a co-founder of Yamana Gold, were acted as COO and President and COO, until he retired in 2009. Mr. Silva incorporated in 2010 a fertilizer company, MBAC Corp and served as CEO. Mr. Silva sat at the following public companies'



boards, Yamana Gold-Canada, Oceana Gold-Australia, Colossus Minerals-Canada, Valdiam Resources-Canada, MbAC Fert-Canada, (TSX listed companies) and Alumbrera Mining-Argentina. Currently Mr. Silva sits on three non-public companies' boards, which include PA Gold, Genesis Mining (Cu-Au) and MTR (rare earths). Mr. Silva has a degree in Mining Eng. from Sao Paulo Univ.

#### **Bruce Higson-Smith**

Mr. Higson-Smith, mining engineer with nearly 40 years experience, earned a B.Sc.(Min.Eng.) Honours, ARSM, from the Royal School of Mines, Imperial College London in 1982 and a M.B.A. from Baruch College, City University of New York in 1992. Highlights of his career include Investment Analyst and Portfolio Manager with the Castle Group, Emerging Markets Gold Fund, Resource Capital Funds in Denver from 1993 to 2002. He was Chief Financial Officer of Castle Exploration and Senior VP of Corporate Strategy for Golden Star Resources Ltd. from 2003 to 2019. Mr. Higson-Smith is currently a strategic advisor to the board of directors of Federation Mining Ltd.

#### **Douglas Meirelles**

Mr. Meirelles has over 15 years' experience in managing publicly traded mining companies in Brazil and Canada. Mr. Meirelles brings extensive expertise in finance as well as operations, government relationship and permitting and licensing initiatives. Mr. Meirelles also progressed his career through various roles including Corporate Directors & Country Manager for Equinox Gold/Luna Gold for 6 years and various positions with Troy Resources, Serabi Gold, Jaguar Mining, Colossus Minerals and Newcrest Mining. Mr. Meirelles is also an independent director of Gold Lion Explorations Inc. and a fellow of the Brazil-Canada Mining Chamber of Commerce.

#### **Marc Leduc**

Mr. Leduc is a mining engineer and geologist with over 30 years' experience covering all aspects of the development, operation, planning and evaluation of mining projects, with expertise in designing construction and operating large heap leach gold mines. Previously, Mr. Leduc was COO and then CEO of NewCastle Gold Ltd until it merged with Equinox Gold, CEO of Luna Gold Corp, COO at Lydian International Limited and President and COO of Bear Creek Mining Corporation. He is currently the COO of Kore Mining and in charge of the development and permitting of the Imperial Project in California. He holds a B.Sc. (Honors) in Mining Engineering from Queen's University and a B.Sc. in Geology from the University of Ottawa.

#### *Corporate Cease Trade Orders, Bankruptcies, Penalties, Sanctions or Individual Bankruptcies*

Except as disclosed hereinbelow, to the knowledge of the Company, no proposed director:

- a) is at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject, to a cease trade or similar order or an order that denied the relevant company access to any exemptions under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an "Order"); when such Order was issued while the person was acting in the capacity of a director, chief executive office or chief financial officer of the relevant company; or
  - (ii) was subject to an Order for that was issued after such person ceased to be a director, chief executive officer or chief financial officer of the relevant company, and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive office or chief financial officer of the relevant company; or
- b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including Julian) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or



trustee appointed to hold its assets; or

- c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- e) has been subject to any 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.

Bruce Higson-Smith was a director of Great Western Minerals Group Ltd. ("**GWMG**") from March 3, 2014 to May 5, 2015. Pursuant to an application by GWMG, in accordance with National Policy 12-203 - Cease Trade Orders for Continuous Disclosure Defaults, a management cease trade order was issued by the Financial and Consumer Affairs Authority of Saskatchewan, GWMG's principal regulator, on April 2, 2015, due to GWMG's failure to file certain required continuous disclosure documents. On April 30, 2015, GWMG announced that it entered into a support agreement with holders of approximately 65.3% of GWMG's US\$90 million secured convertible bonds outstanding (the "**Supporting Bondholders**") pursuant to which GWMG, with the support of the Supporting Bondholders, would commence an orderly process for the solicitation of interests in the GWMG's business, property and assets by way of a sale and investor solicitation process to be implemented pursuant to proceedings commenced by GWMG under the Companies' Creditors Arrangement Act ("**CCAA**"). On May 11, 2015, the Financial and Consumer Affairs Authority of Saskatchewan issued a cease trade covering all securities of GWMG.

Antenor Silva was a director of MBAC Fertilizer Corp ("**MBAC**") until October 2016. MBAC was subject to management cease trade orders resulting from a failure to file financial statements as issued on April 5, 2016 by the Ontario Securities Commission ("**OSC**"), April 8, 2016 by the British Columbia Securities Commission ("**BCSC**") and April 21, 2016 by the Manitoba Securities Commission ("**MSC**"). These cease trade orders were revoked on April 29, 2016 by the MSC, and on May 2, 2016 by the OSC and the BCSC. MBAC was subject to management cease trade orders resulting from a failure to file financial statements as issued on May 20, 2016 by the OSC and the BCSC. These cease trade orders were revoked on June 7, 2016 by the OSC and the BCSC.

Antenor Silva was a director of MBAC until October 2016. On October 27, 2016, MBAC completed a recapitalization transaction pursuant to an amended and restated plan of compromise and arrangement under the Companies' Creditors Arrangement Act (Canada) dated September 14, 2016.

The board of directors has not appointed an executive committee.

As the Company is a reporting company the directors of the Company are required to elect from their number an audit committee. **Nanmao Su, Oliver Friesen and Antenor Silva** are the three directors to be elected by the Board to the audit committee for the ensuing year all of whom are considered to be independent.

### **Appointment of Auditor**

The persons named in the enclosed instrument of proxy intend to vote for the appointment of Smythe LLP, ("**Smythe**"), as the Company's auditor until the next annual general meeting of shareholders at remuneration to be fixed by the Board.

Management recommends that the shareholders of the Company approve the appointment of Smythe as auditor for the Company.



**Unless instructions are given to abstain from voting with regard to the appointment of the Auditors, it is the intention of management nominees to vote FOR the appointment of Smythe as auditors of the Company.**

### **Approval of 10% Rolling Stock Option Plan**

On August 5, 2014 a 10% fixed stock option plan (the "**Fixed Plan**") was approved by shareholders and adopted by the directors of the Company that same day and approved by the TSX Venture Exchange (the "**Exchange**") on October 14, 2015 reserving up to 1,159,500 common shares for issue pursuant to options granted under the Fixed Plan.

On July 2, 2020 the directors, subject to Shareholder approval amended the Fixed Plan to that of a 10% rolling stock option plan (the "**Rolling Plan**") which provides for at any time a total of 10% of the issued and outstanding Common Shares of the Company available for issuance thereunder. In accordance with policy 4.4 of the Exchange all rolling stock option plans, such as the Company's proposed plan requires the approval of the Shareholders of the Company on adoption and thereafter on an annual basis.

### ***Summary of Rolling Plan***

The Rolling Plan will allow for 10% of the issued and outstanding shares of the Company to be available for issuance thereunder. The purpose of the Rolling Plan is to allow Jiulian to grant options to directors, officers, employees, management employee and consultants ("**Eligible Person**"), as additional compensation, and as an opportunity to participate in the success of Jiulian. The granting of such options is intended to align the interests of such Eligible Persons with that of the shareholders.

The Rolling Plan provides that, subject to the requirements of the Exchange, the aggregate number of securities reserved for issuance, set aside and made available for issuance under the Rolling Plan may not exceed 10% of the issued and outstanding shares of the Company at the time of granting of options (including all options granted by the Company to date). The number of Common Shares which may be reserved in any 12 month period for issuance to any one individual upon exercise of all stock options held by that individual may not exceed 5% of the issued and outstanding Common Shares of the Company at the time of the grant. The number of Common Shares which may be reserved in any 12 month period for issuance to any one consultant may not exceed 2% of the issued and outstanding Common Shares and the maximum number of Common Shares which may be reserved in any 12 month period for issuance to all persons engaged in investor relations activities may not exceed 2% of the issued and outstanding Common Shares of the Company. The Rolling Plan provides that options granted to any person engaged in investor relations activities will vest in stages over 12 months with no more than  $\frac{1}{4}$  of the stock options vesting in any three month period.

The Rolling Plan will be administered by the Board or a special committee of directors, either of which will have full and final authority with respect to the granting of all stock options thereunder. Stock options may be granted under the Rolling Plan to such Eligible Persons, as the board of directors may from time to time designate.

The exercise price of any stock options granted under the Rolling Plan shall be determined by the Board, but may not be less than the market price of the Common Shares on the Exchange on the date of the grant (less any discount permissible under Exchange rules). The term of any stock options granted under the Rolling Plan shall be determined by the Board at the time of grant but, subject to earlier termination in the event of termination or in the event of death, the term of any stock options granted under the Rolling Plan may not exceed ten years. Options granted under the Rolling Plan are not to be transferable or assignable other than by will or other testamentary instrument or pursuant to the laws of succession. Subject to certain exceptions, in the event that an Eligible Person ceases to be an Eligible Person, in relation to the Company, stock options granted to such Eligible Person under the Rolling Plan will expire 90 days after such individual or entity ceases to act in that capacity in relation to the Company, or such later date as may be reasonably determined by the Board, notwithstanding such later date may not exceed 12 months from the date the Eligible Person ceased to be and Eligible Person.



Stock options granted to optionees engaged in investor relations activities on behalf of the Company expire 30 days after such optionees cease to perform such investor relations activities for the Company. In the event of death of an option holder, options granted under the Rolling Plan expire one year from the date of the death of the option holder.

The full text of the Rolling Plan is attached hereto as Schedule "B".

Accordingly, at the Meeting, Jiulian shareholders will be asked to pass an ordinary resolution ratifying and approving the Rolling Plan. All Jiulian shareholders present at the Meeting, whether in person or by proxy, will be entitled to vote on such resolution as follows:

Shareholder Approval of the Rolling Plan

"RESOLVED, as an ordinary resolution that:

1. the adoption of the Rolling Plan be ratified, confirmed and approved, subject to acceptance by the Exchange;
2. the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Rolling Plan at any time to a maximum of 10% of the issued and outstanding shares of the Company on the applicable grant date;
3. all issued and outstanding stock options previously granted under the Fixed Plan are hereby continued under and governed by the Rolling Plan;
4. the Board of Directors be authorized on behalf of the Company to make any amendments to the Rolling Plan as may be required by regulatory authorities, without further approval of the Shareholders of the Company, in order to ensure adoption of the Rolling Plan; and
5. any one or more directors and officers of the Company be authorized and directed to perform all such acts and deeds and things and execute, under seal of the Company or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions."

**Unless otherwise instructed, the person named in the enclosed proxy or voting instruction form intend to vote such proxy or voting instruction form in favour of the approval of the Rolling Plan. The directors of the Company recommend that shareholders vote in favour of the approval of the Plan. To be adopted, this resolution is required to be passed by the affirmative vote of a majority of the votes cast on the resolution.**

**Approval of the Grant of Options**

On July 2, 2020, the Company granted an aggregate of 300,000 options ("**Rolling Options**") at an exercise price of \$0.05 per Common Share and expiring on July 2, 2025 to certain directors of the Company (the "**Grantees**") pursuant to the proposed Rolling Plan including to the following insiders of the Company:

<b>Name</b>	<b>Number of Options</b>
Douglas Meirelles	150,000
Marc Leduc	150,000

Since the Rolling Options were granted prior to the requisite shareholder approval for the proposed Rolling Plan having been obtained, the policies of the Exchange require that the Company obtain disinterested shareholder approval for the grant of Rolling Options. In addition, such Rolling Options may not be exercised until disinterested shareholder approval for the grant of the Rolling Options is obtained. For this purpose, disinterested shareholders will include all shareholders of the Company other than the Grantees and each of



their respective associates. At the Meeting, the disinterested shareholders of the Company will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution (the "**Option Grant Resolution**") confirming and approving the grant of an aggregate of 300,000 Options pursuant to the Rolling Plan to the Grantees. All Jiulian shareholders present at the Meeting, whether in person or by proxy, will be entitled to vote on such resolution as follows:

Approval of Rolling Option Grant

"RESOLVED, as an ordinary resolution of disinterested shareholders that:

1. the grant of an aggregate of 300,000 Rolling Options as further described in the Circular of the Company dated October 10, 2020, be, and the same hereby is, ratified, confirmed and approved."

In order to be passed, the Option Grant Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Company present in person or represented by proxy at the Meeting, excluding any votes attaching to shares beneficially owned by the Grantees and each of their respective associates. The directors of the Company unanimously recommend that shareholders vote in favour of the Option Grant Resolution.

**The persons named in the form of proxy accompanying this Circular intend to vote FOR the Option Grant Resolution, unless the shareholder of the Company who has given such proxy has directed that the Common Shares represented by such proxy be voted against the Option Grant Resolution.**

Other Business

While management of the Company is not aware of any business other than that mentioned in the Notice of Meeting to be brought before the Meeting for action by the shareholders, **it is intended that the proxies hereby solicited will be exercised upon any other matter or proposal that may properly come before the Meeting, or any adjournment thereof, in accordance with the discretion of the persons authorized to act thereunder.**

**GENERAL STATEMENT OF EXECUTIVE COMPENSATION – Venture Issuers**

For the purpose of this Statement of Executive Compensation:

"**Company**" means Jiulian Resources Inc.;

"**compensation securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries;

"**external management company**" includes a subsidiary, affiliate or associate of the external management company;

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

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer ("**CEO**"), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer ("**CFO**"), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and



- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

During the financial year ended February 29, 2020 and February 28, 2019 the Company had two Named Executive Officers (“NEO”) being:

- a) Xiaolin (“Charlie”) Cheng, President and CEO of the Company (Mr. Cheng resigned April 2, 2020); and
- b) Terese Gieselman, CFO and Secretary of the Company.

“underlying securities” means any securities issuable on conversion, exchange or exercise of compensation securities.

**Director and Neo Compensation**

*Director and NEO compensation, excluding options and compensation securities*

The following table sets forth all compensation for the two most recently completed financial years being February 29, 2020 and February 28, 2019, paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company or its subsidiary, to each NEO and director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or a director of the Company for services provided and for services to be provided, directly or indirectly, to the Company or its subsidiary.

<b>Table of Compensation Excluding Compensation Securities</b>							
Name and Principal Position <sup>5,6</sup>	Year February 29 and February 28	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
Charlie Cheng <i>CFO, President Director</i> <sup>1</sup>	2020	9,750	Nil	Nil	Nil	Nil	9,750
	2019	50,375	Nil	Nil	Nil	Nil	50,375
Terese Gieselman <sup>2</sup> <i>CFO &amp; Secretary</i>	2020	8,770	Nil	Nil	Nil	6,500 <sup>3</sup>	15,270
	2019	4,850	Nil	Nil	Nil	18,255 <sup>3</sup>	23,105
Nanmao Su <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Oliver Friesen <i>Director</i>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
Scott Dorian <i>Director</i> <sup>4</sup>	2020	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil



**NOTES:**

- 1 Consulting fees were paid or accrued to Charlie Cheng for his services as President and CEO, Mr. Cheng resigned as President and CEO effective July 2, 2020 and Mr. Douglas Meirelles was appointed in his stead.
- 2 Consulting fees were paid or accrued to Terese Gieselman for her services as CFO and Corporate Secretary through Minco Corporate Management Inc. ("Minco"), (See *External Management Companies for further details*);
- 3 Other compensation includes fees for administration, accounting and employment services provided to the Company by Minco personnel (See *External Management Companies*); and
- 4 Scott Dorian resigned as director on April 8, 2020.
- 5 Douglas Meirelles was appointed Director on April 8, 2020 and appointed President and CEO on July 2, 2020.
- 6 Marc Leduc was appointed director on April 8, 2020.

*External Management Companies*

The Company retained the services of Terese Gieselman, through her management company, Minco Corporate Management Inc. ("Minco"). Minco is a private company wholly-owned by Terese Gieselman, the CFO and Corporate Secretary of the Company at rate of \$85 per hour. Minco provides accounting and administration personnel services at rates between \$50 - \$65 per hour on a month to month basis.

**Compensation Securities Table**

During the most recently completed financial year February 29, 2020 there were no options granted to NEO's and directors.

As at February 29, 2020 NEO' and directors held the following options:

- 1 Mr. Cheng held 200,000 options exercisable at \$0.07 into on common share of the Company and which are fully vested and exercisable until December 17, 2023;
- 3 Minco held 125,000 options exercisable at \$0.07 into on common share of the Company and which are fully vested and exercisable until December 17, 2023
- 4 Mr. Friesen held 170,000 options exercisable at \$0.07 into on common share of the Company and which are fully vested and exercisable until December 17, 2023
- 5 Mr. Su held 50,000 options exercisable at \$0.07 into on common share of the Company and which are fully vested and exercisable until December 17, 2023.
- 6 Mr. Dorian held 25,000 options exercisable at \$0.07 into on common share of the Company and which are fully vested and exercisable until December 17, 2023. Mr. Dorion resigned as director on April 8, 2020.

*See Securities Authorized for Issuance Under Equity Compensation Plans for additional information.*

**Exercise of Compensation Securities by Directors and NEO's**

During the most recently completed year end February 29, 2020 there was no exercise of compensation securities by directors or NEO's.

**Stock Option Plan**

The Company currently has a Fixed Plan that provides that the maximum number of options eligible for issuance under the Fixed Plan is 1,159,000 common shares. On July 2, 2020 the Board approved a new incentive rolling stock option plan, on which shareholders are asked to vote at the Meeting. Please see "Particulars of Matters to be Acted Upon-Incentive Stock Option Plan" for additional details.

**Employment, consulting and management agreements**

Other than set out herein, the Company did not have any formal employment, management or consulting agreements under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company or any of its subsidiaries that were performed by a director or NEO.





### **Termination and Change of Control Benefits**

The Company does not have any pension or retirement plan which is applicable to the NEOs. The Company has not provided compensation, monetary or otherwise, during the most recently completed financial year, to any person who now or previously has acted as an NEO of the Company, in connection with or related to the retirement, termination or resignation of such person, and the Company has provided no compensation to any such person as a result of a change of control of the Company. The Company is not party to any compensation plan or arrangement with a NEO resulting from the resignation, retirement or termination of employment of any such person.

There are no compensatory plans or arrangements between the Company and a NEO with respect to the resignation, retirement or other termination of employment of the NEO, a change of control of the Company or a change in the NEO's responsibilities following a change of control of the Company.

### **Oversight and Description of Director and NEOs Compensation**

#### *Compensation Review Process*

The Company does not have a formal compensation program. The Company's officers in most cases are compensated based on a daily or fixed monthly, amounts and are paid indirectly through professional management and consulting companies in which they are owners, contractors or employees. In establishing fees or salaries for the Company's CEO, other executive officers and directors, consideration is given to salary ranges for comparable positions in similar size resource industry companies. Data for such comparisons is obtained from the evaluation of compensation against industry peers including those with a similar market capitalization, in the business of exploring similar minerals in similar jurisdictions, and from reviewing similar other companies' compensation information included in their information circulars. In setting salaries within competitive ranges, the Company considers performance related factors including the Company's overall results during the past year and its performance relative to a budgeted plan or stated objectives. Consideration also is given to an individual's contribution to the Company and the accomplishments of departments for which that officer has management responsibility, and the potential for future contributions to the Company.

In keeping with the relatively simple compensation structure adopted by most venture issuers, the Company's executive compensation for its executive officers has two primary components, cash compensation and incentive stock options.

#### *Compensation Risk Assessment and Mitigation*

Although the Company does not have formal policies specifically targeting risk-taking in a compensation context, the practice of management and the Board is to consider all factors relating to an executive officer's performance, including any risk mitigation efforts or excessive risk-taking, in determining compensation.

Under the Company's policies, executive officers and directors are not permitted to purchase financial instruments (including prepaid variable contracts, equity swaps, collars or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held directly or indirectly by the executive officer or director.

#### *Elements of Executive Compensation Program*

The Company's compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Plan.



#### *Base Salary or Consulting Fees*

Base salary ranges for NEOs were initially determined upon review of salaries paid by other companies that are comparable in size to the Company.

In determining the base salary of a NEO, the Board considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the same industry, which were similar in size and stage of development as the Company;
- (c) the experience level of the NEO;
- (d) the amount of time and commitment which the NEO devotes to the Company; and
- (e) the NEO's overall performance and performance in relation to the achievement of corporate milestones and objectives.

#### *Bonus Payments*

Each of the NEOs, as well as all employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Board's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash management and share price performance) and operational criteria (such as significant acquisitions of mineral properties and the attainment of corporate milestones). The Company did not award any bonuses during its financial years ended February 29, 2020 and February 28, 2019.

#### *Equity Participation*

The Company currently offers equity participation in the Company through the Plan.

#### *Executive Compensation*

Except for the grant of Options to the NEOs and any compensation payable pursuant consulting fees incurred for the performance of duties by the CEO the CFO there are no additional arrangements under which NEOs were compensated by the Company during the two most recently completed financial years for their services in their capacity as NEOs, directors or consultants.

#### *Director Compensation*

The Company does not currently pay compensation to non-management directors, nor are they paid for attendance at board meetings. The directors are reimbursed for expenses occurred in carrying out their duties as directors and are granted Options. The Board at its discretion may in the future elect to award directors fees for meeting attendance and chair committee members pursuant to industry standards.

The Company's current Fixed Plan and subsequently amended Rolling Plan (See Particular Matters to be Acted On) allows the Company to grant Options to the officers, employees and directors. The purpose of granting such Options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the Shareholders.



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

The following table sets forth as at the year ended February 29, 2020, the number of securities authorized for issuance under the Company’s Plan:

Plan Category	Number of securities to be issued upon exercise of outstanding Options (a)	Weighted-average exercise price of outstanding Options (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) <sup>1</sup>
Equity compensation plans approved by security holders	1,020,000	\$0.07	139,500
Equity compensation plans not approved by security holders	—	—	—
Total	1,020,000	\$0.07	139,500 <sup>2</sup>

**NOTES:**

1. The above numbers are based on the Fixed Plan and allowable option of 1,159,000 as at February 29, 2020.
2. Subsequent to February 29, 2020 the Company granted 300,000 option exercisable at \$0.05 per share until July 2, 2025 to directors (See Particular Matters to be Acted On).

**MANAGEMENT CONTRACTS**

The Company’s management functions are performed by its NEOs and the Company has no management agreements or arrangements in place under which such management functions are performed by persons other than NEOs.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the directors, executive officers, and employees, proposed nominees for election as directors or their associates has been indebted to the Company or to any of its subsidiaries nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company or any of its subsidiaries for the financial years ended February 29, 2020 and February 28, 2019.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as otherwise disclosed herein or as previously disclosed in an information circular of the Company, no informed person (i.e. insider) of the Company, no proposed director of the Company, and no associate or affiliate of any informed person or proposed director has had any material interest, direct or indirect, in any transaction since financial year ended February 28, 2018 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

**INFORMATION ON CORPORATE GOVERNANCE**

The following information of the Company’s Corporate Governance Policy is given in accordance with Form 58-101F2 of National Instrument 58-101.

**Board of Directors**

The Board is currently composed of six (6) directors, and it is proposed that six (6) directors will be nominated at the Meeting.

Form 58-101F2 suggests that the board of directors of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 58-101, which provides that a director



is independent if he or she has no direct or indirect “material relationship” with the Company. “Material relationship” is defined as a relationship which could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Of the six proposed nominees, one nominee, Douglas Meirelles is considered “not independent”. Mr. Meirelles is the current President and CEO and is considered an “inside” or a management director. Each of the remaining five proposed directors are considered by the Board to be “independent”, within the meaning of NI 58-101. The independent board determines executive compensation from time to time.

**Directorships**

The following table sets forth the directors of the Company who currently hold directorships on other reporting issuers:

Name of Director	Other Issuer
Antenor Silva	Amarillo Gold Corporation
Douglas Meirelles	Gold Lion Exploration Inc.
Marc Leduc	Silver Elephant Mining Corp. South Star Mining Corp.

**Orientation and Continuing Education**

The Board does not have a formal orientation and education program for new directors. Upon joining the Board, each director is provided with an orientation program regarding the role of the Board, its committees and its directors, and the nature and operation of the Company’s current and past business. They are also provided with a copy of the audit committee charter. The Board encourages directors to participate in continuing education opportunities in order to ensure that the directors may maintain or enhance their skills and abilities as directors and maintain a current and thorough understanding of the Company’s business.

**Ethical Business Conduct**

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board believes that the Company has in place corporate governance practices that are both effective and appropriate to the Company’s size and business operations.

To facilitate meeting this responsibility, the Board seeks to foster maintaining a culture of ethical business conduct and social responsibility as critically important. Management consistently strives to instill the Company’s principles into the practices and actions of the Company’s management and employees.

In that regard, the Board adopted a written **Code of Business Conduct** (the “Code”) for its directors, officers, employees and consultants. A copy of the Code can be found on the Company website at [www.julianresources.com](http://www.julianresources.com) and has been posted on SEDAR at [www.sedar.com](http://www.sedar.com);

**Nomination of Directors**

The Board has not established a nominating committee. In circumstances where the Company needs to nominate new directors, current directors put forward candidates to the Board for consideration and potential nomination as a director.

**Compensation**

The Company has not yet established a compensation committee and to date, decisions regarding compensation for the directors and the executive officers have been made by the independent board members.



**Other Board Committees**

The Company has no committees other than the audit committee. The Company is small and until now the duties of the recommended committees have been performed by the plenary Board. Going forward, upon the expansion in the size of the Board, the Board will review its corporate governance practices and consider, among other matters, whether it would be desirable to establish additional committees of the Board.

**Assessments**

The Board has not yet established a formal performance review process for assessing the effectiveness of the Board, the audit committee or the individual directors. It is expected that the contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the reasons for which the individual was nominated for appointment to the Board. The Company will continue to develop its approach to corporate governance in light of its own circumstances and what are recognized as best practices in this area.

***DISCLOSURE BY VENTURE ISSUERS***

NI 52-110F2 requires the Company as a 'venture issuer' to disclose annually in its information circular the following information concerning the audit committee and its relationship with its independent auditors.

**Audit Committee Charter**

The audit committee is governed by its charter, which is set out in the attached Schedule "A" of this Circular.

**Composition of the Audit Committee**

As at the date of this Circular are the current members of the audit committee:

Marc Leduc	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Nanmao Su	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
Oliver Friesen	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

<sup>(1)</sup> A member of an audit committee is independent if the member meets the meaning of that term as defined in section 1.4 of National Instrument 52-110 - *Audit Committees* ("NI 52-110").

<sup>(2)</sup> As defined by NI 52-110.

In accordance with section 6.1.1(3) of NI 52-110 relating to the composition of the audit committee for venture issuers a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Company.

A member of the audit committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of an issuer's board of directors, reasonably interfere with the exercise of a member's independent judgment, or is one of the relationships that is deemed material, which are described above under *Board of Directors*.

A member of the audit committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

After the Meeting, the Board will be appointing new members to the Audit Committee. The proposed members of the Audit Committee will be Messrs Su, Friesen and Silva. In making these appointments, the Board will consider those individuals who are well-qualified to serve on the Audit Committee, given the



expertise they have accrued in their business careers, and who meet the independence and financial literacy requirements of National Instrument 52-110 *Audit Committees*.

### **Relevant Education and Experience**

Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financing statements and will seek clarification from the Company's auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies and experience in preparing, auditing analyzing or evaluating financial statements similar to those of the Company.

All members of the Audit Committee are financially literate as required by section 1.6 of NI 52-110.

**Oliver Friesen**, B.Sc., M.Sc., GIT - Mr. Friesen has been actively involved in mineral exploration since 2010. He has worked on a number of precious and base metal projects throughout Nevada, British Columbia, and the Yukon. His work has focused on sedimentary-hosted Carlin, Skarn and MVT type deposits. He specializes in the 3D modelling of ore-bodies using Geosoft Target as well as project implementation. Oliver holds a B.Sc (Hons.) degree in geology from University of British Columbia, a M.Sc degree focusing in sedimentology from Simon Fraser University and is a registered GIT with APEGBC.

**Nanmao Su** - Mr. Su holds a B.Sc. degree and a M.Sc. degree both in geology from China University of Geoscience. He has 14 years of experience as an officer and director of private and public companies. He is able to read and prepare financial statements.

**Antenor Silva** - Mr. Silva has over 50 years' experience in metallurgical plants engineering & operation, open pit and underground mines, in both International and Brazilian companies. Mr. Silva starts his professional career at Serrana de Mineração in 1966. Following in 1971, was a co-founder of Paulo Abib Eng. acting as COO/Pres. By 1986, join CMP/CMA, as CEO, first Brazilian gold companies listed at the BOVESPA stock market. In addition to other senior management positions within the mining industry, Mr. Silva was a co-founder of Yamana Gold, were acted as COO and Pres& COO, until he retired in 2009. Mr. Silva incorporates in 2010 a fertilizer company, MBAC Corp and served as CEO. Mr. Silva sat at the following public companies' boards, Yamana Gold-Canada, Oceana Gold-Australia, Colossus Minerals-Canada, Valdiam Resources-Canada, MbAC Fert-Canada, (TSX listed companies) and Alumbrera Mining-Argentina. Currently Mr. Silva sits on three non-public companies' boards, which include PA Gold, Genesis Mining (Cu-Au) and MTR (rare earths). Mr. Silva has a degree in Mining Eng. from Sao Paulo Univ.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

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

As at the date of this Circular, the Audit Committee has not adopted any specific policies or procedures for the engagement of non-audit services.



**External Auditor Service Fees (By Category)**

The aggregate fees billed by the Company'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
February 29, 2020	\$13,000	\$Nil	\$2,000	\$Nil
February 28, 2019	\$15,750	\$1,500	\$2,000	\$Nil

- <sup>1</sup> The Audit Fees are fees billed by the Company`s external auditor for services provided in auditing the annual financial statements.
- <sup>2</sup> Audit Related Fees are fees billed for assurance and related services by the Company`s external auditor that are reasonably related to the performance of the audit or review of the Company`s financial statements.
- <sup>3</sup> Tax Fees are fees billed by the external auditor for tax compliance, tax advice and planning.
- <sup>4</sup> All Other Fees are fees billed by the external auditor for products and services not included in the categories described above.

**Exemption for Venture Issuers**

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption contained in Section 6.1 of NI 52-110, which exempts the Company from the requirements of Parts 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110.

**OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available through the internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) which can be accessed at [www.sedar.com](http://www.sedar.com). Comparative financial information on the Company for the years ended February 29, 2020 and February 28, 2019, together with the auditors' report thereon and management discussion and analysis of the Company will be presented at the Meeting and which can also be accessed at [www.sedar.com](http://www.sedar.com). Shareholders may request copies of the Company's financial statements and MD&A by contacting the Company at Suite 335 - 1632 Dickson Avenue Kelowna, BC V1Y 7T2.

**BOARD APPROVAL**

The content and sending of this Circular has been approved by the Company's Board. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

DATED at Kelowna, British Columbia, this 10th<sup>th</sup> day of October 2020

**BY ORDER OF THE BOARD OF DIRECTORS**

**"Douglas Meirelles"**

**Douglas Meirelles, President and CEO**



## SCHEDULE "A"

### THE AUDIT COMMITTEE'S CHARTER

#### ***Purpose***

The overall purpose of the Audit Committee (the "**Committee**") of **JIULIAN RESOURCES INC.** (the "**Company**") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

#### ***Composition, Procedures and Organization***

- (1) The Committee shall consist of at least three members of the Board of Directors (the "**Board**").
- (2) At least two (2) members of the Committee shall be independent<sup>1</sup> and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. 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.
- (3) All of the members of the Committee shall be "financially literate"<sup>2</sup>.
- (4) The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (5) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (6) The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
- (7) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.





1 "Independent" member of an audit committee means a member who has no direct or indirect material relationship with the Company. A "material relationship" means a relationship which could, in the view of the Company's Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

2 "Financially literate" individual is an individual who 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.

(8) Meetings of the Committee shall be conducted as follows:

(A) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;

(B) the external auditors shall receive notice of and have the right to attend all meetings of the Committee;

(C) management representatives may be invited to attend all meetings except private sessions with the external auditors; and

(D) the proceedings of all meetings will be minuted.

(9) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

(10) Any member of the Committee may be removed or replaced at any time by the Board and shall cease to be a member of the Committee on ceasing to be a director. The Board may fill vacancies on the Committee by election from among its number. If and whenever a vacancy shall exist on the Committee, the remaining members may exercise all its powers so long as a quorum remains in office. Subject to the above, each member of the Committee shall hold office as such until the next Annual General Meeting of the Shareholders after his/her election.

(11) The members of the Committee shall be entitled to receive such remuneration for acting as members of the Committee as the Board may from time to time determine.

### **Roles and Responsibilities**

(1) The overall duties and responsibilities of the Committee shall be as follows:

(A) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;

(B) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;

(C) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and

(D) to report regularly to the Board on the fulfilment of its duties and responsibilities.



- (2) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
  - (A) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - (B) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (C) review the audit plan of the external auditors prior to the commencement of the audit;
  - (D) approve in advance provision by the external auditors of services other than auditing;
- (E) to review with the external auditors, upon completion of their audit:
  - (i) contents of their report;
  - (ii) scope and quality of the audit work performed;
  - (iii) adequacy of the Company's financial and auditing personnel;
  - (iv) co-operation received from the Company's personnel during the audit;
  - (v) internal resources used;
  - (vi) significant transactions outside of the normal business of the Company;
  - (vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
  - (viii) the non-audit services provided by the external auditors;
- (F) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles;
- (G) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management; and
- (H) review any significant disagreements between management and the external auditor regarding financial reporting.
- (3) The duties and responsibilities of the Committee as they relate to the Company's internal auditors are to:
  - (A) periodically review the internal audit function with respect to the organization, staffing and effectiveness of the internal audit department;
  - (B) review and approve the internal audit plan; and
  - (C) review significant internal audit findings and recommendations, and management's response thereto.
- (4) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
  - (A) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (B) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and



(C) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.

(5) The Committee is also charged with the responsibility to:

(A) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;

(B) review and approve the financial sections of:

- (i) the annual report to Shareholders;
- (ii) the annual information form, if required;
- (iii) annual and interim MD&A;
- (iv) prospectuses;
- (v) news releases discussing financial results of the Company; and
- (vi) other public reports of a financial nature requiring approval by the Board and report to the Board with respect thereto;

(C) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;

(D) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;

(E) review and report on the integrity of the Company's consolidated financial statements;

(F) establish procedures for:

- (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

(G) 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 Company;

(H) review and recommend updates to the charter and receive approval of changes from the Board;

(I) review the minutes of any audit committee meeting of subsidiary companies;

(J) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;

(K) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

(L) perform other functions as requested by the full Board.



(6) The Committee shall have the authority:

- (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; and
- (C) to communicate directly with the internal and external auditors.



## SCHEDULE "B"

### JULIAN RESOURCES INC.

#### 2020 OPTION PLAN – July 2, 2020

#### 1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for directors, senior officers Employees, Management Company Employees and Consultants (as such terms are defined below) of the Company and its subsidiaries (collectively "**Eligible Persons**"), to be known as the "Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable over periods of up to ten years as determined by the board of directors of the Company, to buy shares of the Company at a price not less than the Market Price prevailing on the date the option is granted less applicable discount, if any, permitted by the policies of the Exchanges and approved by the Board.

#### 2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 "**Associate**" means an "Associate" as defined in the Exchange Policies.
- 2.2 "**Black-Out**" means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company's securities until the restriction has been lifted by the Company
- 2.3 "**Board**" means the Board of Directors of the Company.
- 2.4 "**Change of Control**" means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the Securities Act) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.
- 2.5 "**Company**" means Julian Resources Inc. and its successors.
- 2.6 "**Consultant**" means a "Consultant" as defined in the Exchange Policies.
- 2.7 "**Consultant Company**" means a "Consultant Company" as defined in the Exchange Policies.
- 2.8 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
  - (a) being employed or engaged by the Company, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its subsidiaries; or
  - (b) acting as a director or officer of the Company or its subsidiaries.



- 2.9 **"Discounted Market Price"** of Shares means, if the Shares are listed only on the TSX Venture Exchange, the Market Price less the maximum discount permitted under the Exchange Policy applicable to Options;
- 2.10 **"Distribution"** means a "Distribution" as defined in the Exchange Policies.
- 2.11 **"Eligible Persons"** has the meaning given to that term in paragraph 1 hereof.
- 2.12 **"Employee"** means an "Employee" as defined in the Exchange Policies.
- 2.13 **"Exchanges"** means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.14 **"Exchange Policies"** means the policies included in the TSX Venture Exchange Corporate Finance Manual and "Exchange Policy" means any one of them.
- 2.15 **"Expiry Date"** means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.16 **"Grant Date"** means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.17 **"Insider"** means an "Insider" as defined in the Exchange Policies, other than a person who is an insider solely by virtue of being a director or senior officer of a subsidiary of the Company.
- 2.18 **"Investor Relations Activities"** means "Investor Relations Activities" as defined in the Exchange Policies.
- 2.19 **"Joint Actor"** means a person acting "jointly or in concert with" another person as that phrase is interpreted in section 96 of the Securities Act.
- 2.20 **"Management Company Employee"** means a "Management Company Employee" as defined in the Exchange Policies.
- 2.21 **"Market Price"** of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.22 **"Option"** means an option to purchase Shares granted pursuant to this Plan.
- 2.23 **"Option Agreement"** means an agreement, in the form attached hereto as Schedule "A", whereby the Company grants to an Optionee an Option.
- 2.24 **"Optionee"** means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.25 **"Option Price"** means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- 2.26 **"Option Shares"** means the aggregate number of Shares which an Optionee may purchase under an Option.



- 2.27 **"Plan"** means this 2020 Stock Option Plan – July 2, 2020.
- 2.28 **"Shares"** means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.29 **"Securities Act"** means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.30 **"Unissued Option Shares"** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.31 **"Vested"** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### **3. GRANT OF OPTIONS**

#### **3.1 Option Terms**

The Board may from time to time authorize the issue of Options to Eligible Persons. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

#### **3.2 Previously Granted Options**

In the event that on the date this Plan is implemented and effective (the **"Effective Date"**) there are outstanding stock options (the **"Pre-Existing Options"**) that were previously granted by the Company pursuant to any stock option plan in place prior to the Effective Date (a **"Pre-Existing Plan"**), all such Pre-Existing Options shall, effective as of the Effective Date, be governed by and subject to the terms of the Plan.

#### **3.3 Limits on Shares Issuable on Exercise of Options**

At the time of grant of any Option, the aggregate number of Shares reserved for issuance under the Plan which may be made subject to Options at any time and from time to time (including those issuable upon the exercise of Pre-Existing Options) shall not exceed 10% of the total number of issued and outstanding Shares, on a non-diluted basis, as constituted on the Grant Date of such Option. Any Common Shares subject to an Option which has been granted under the Plan and which has been subsequently cancelled or terminated in accordance with the terms of the Plan, without having been exercised, will again be available for issuance pursuant to the exercise of Options granted under the Plan.

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

- (a) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis;
- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis;



- (c) to any one Consultant shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (d) all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

### **3.4 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options to Employees, Consultants, Consultant Companies or Management Company Employees, the Company is representing herein and in the applicable Stock Option Agreement that the Optionee is a bona fide Employee, Consultant, Consultant Company or Management Company Employee, as the case may be, of the Company or its subsidiary. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

## **4. EXERCISE OF OPTION**

### **4.1 When Options May be Exercised**

Subject to sections 4.3 and 4.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. local time on the Expiry Date (the "Exercise Period") and shall not be exercisable thereafter. Notwithstanding anything else contained herein, Options may not be exercised during a Black-Out unless the Board determines otherwise. Notwithstanding any other provision of this Plan, the Exercise Period of Options that would expire during a Black-Out shall be extended to the date that is 10 business days following the expiry of the applicable Black-Out.

### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

### **4.3 Vesting of Option Shares**

The Directors, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at time of granting an Option, and subject to the other limits on Option grants set out in Section 3.3 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Consultants performing investor relations activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period. Notwithstanding the foregoing, in the event that a Pre-Existing Plan imposed vesting requirements on a Pre-Existing Option, such vesting requirements must be satisfied before any such Pre-Existing Options shall become Vested.





#### 4.4 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

- (a) Death or Disability  
If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a company, the death or Disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:
  - (i) 365 days after the date of death or Disability; and
  - (ii) the Expiry Date;
- (b) Termination For Cause  
If the Optionee, or in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of a Management Company Employee or a Consultant Company, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.
- (c) Early Retirement, Voluntary Resignation or Termination Other than For Cause  
If the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of the Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, ceases to be an Eligible Person.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

#### 4.5 Effect of a Take-Over Bid

If a *bona fide* offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the Securities Act, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges) all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or



- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Company under this paragraph 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days notice is required and more than 30 days notice is not required.

#### **4.7 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges, if necessary.

#### **4.8 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of a Management Company Employee or a Consultant Company, the Optionee's employer, retires, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.9 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

#### **4.10 Delivery of Certificate and Hold Periods**

As soon as practicable after the 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 a certificate to the Optionee for the appropriate number of Optioned Shares. Such certificate issued will bear a legend stipulating any resale restrictions required under applicable securities laws. In addition to any resale restrictions under applicable legislation, any options granted hereunder to Insiders or granted at any discount to Market Price, and all Shares issued on the exercise of such options will be subject to a four month hold period from the date the options are granted.



## 5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

### 5.1 Share Reorganization

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

### 5.2 Special Distribution

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board of Directors of the Company has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.



### 5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Directors.

### 5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

### 5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchanges and any other governmental authority having jurisdiction.

### 5.6 Disinterested Shareholder Approval

An Issuer must obtain disinterested Shareholder approval of stock options if:

- (a) a stock option plan, together with all of the Issuer's previously established and outstanding stock option plans or grants, could result at any time in:
  - (i) the number of shares reserved for issuance under stock options granted to Insiders exceeding 10% of the issued shares;
  - (ii) the grant to Insiders, within a 12 month period, of a number of options exceeding 10% of the issued shares; or
  - (iii) the issuance to any one Optionee, within a 12 month period, of a number of shares exceeding 5% of the issued shares; or
- (b) the Issuer is decreasing the exercise price of stock options previously granted to



Insiders.

## **6. MISCELLANEOUS**

### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary of the Company to terminate such employment.

### **6.2 Necessary Approvals**

The Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised upon the receipt of such approval. Disinterested shareholder approval (as required by the Exchanges) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

### **6.3 Administration of the Plan**

The Directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

### **6.4 Withholding Taxes**

If the Company is required under the Income Tax Act (Canada) or any other applicable law to make source deductions in respect of employee stock benefits and to remit to the applicable governmental authority an amount on account of tax of the value of the taxable benefit associated with the issuance of shares on exercise of Options, then the Optionee shall:

- (a) Pay to the Company, in addition to the exercise price for the Options, sufficient cash as is reasonably determined by the Company to be the amount necessary to permit the required tax remittance;
- (b) Authorize the Company on behalf of the Optionee, to sell in the market on such terms and at such time or times as the Company determines a portion of the Shares being issued upon exercise of the Option to realize cash proceeds to be used to satisfy the required tax remittance; or
- (c) Make other arrangements acceptable to the Company to fund the required tax remittance, in compliance with the Exchange Policy 4.4.



The requirements of this section 6.4 shall not supersede the requirements of the policies of the Exchange.

#### **6.5 Amendments to the Plan**

The Directors may from time to time, subject to applicable law and to the prior approval, if required, of the Exchanges or any other regulatory body having authority over the Company or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee. Any amendments to the Plan or options granted thereunder will be subject to the approval of the shareholders.

#### **6.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.8 Compliance with Applicable Law**

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

#### **6.9 No Assignment**

No Optionee may assign any of his or her rights under the Plan or any option granted thereunder. Each Option Agreement will provide that the Options granted thereunder are not transferable or assignable.

#### **6.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

#### **6.11 Conflict**

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

#### **6.12 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.



### **6.13 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

### **6.14 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.



## Schedule "A"

### **JULIAN RESOURCES INC.**

#### **STOCK OPTION PLAN - OPTION AGREEMENT**

This Option Agreement is entered into between Julian Resources Inc. (the "Company") and the Optionee named below pursuant to the Company Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on •, • (the "Grant Date");
2. • (the "Optionee");
3. was granted the option (the "Option") to purchase • Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$• per share;
5. which shall be exercisable in full upon approval [OR set forth applicable vesting schedule];
6. terminating on the •, • (the "Expiry Date");

all on the terms and subject to the conditions set out in the Plan. For greater certainty, Option Shares continue to be exercisable until the termination or cancellation thereof as provided in this Option Agreement and the Plan.

To exercise your Option, deliver a written notice specifying the number of Optioned Shares you wish to acquire, together with cash or a certified cheque payable to the Company for the aggregate Exercise Price, to the Company. A certificate for the Optioned Shares so acquired will be issued by the transfer agent as soon as practicable thereafter.

The Company and the Optionee represent that the Optionee under the terms and conditions of the Plan is a bona fide [DIRECTOR/ OFFICER/ EMPLOYEE/ CONSULTANT/ MANAGEMENT COMPANY EMPLOYEE/ INVESTOR RELATIONS] (mark applicable relationship) of the Company, entitled to receive Options under TSX Venture Exchange Policies.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

#### **Acknowledgement – Personal Information**

The undersigned hereby acknowledges and consents to:

- (a) the disclosure to the TSX Venture Exchange and all other regulatory authorities of all personal information of the undersigned obtained by the Company; and
- (b) the collection, use and disclosure of such personal information by the TSX Venture Exchange and all other regulatory authorities in accordance with their requirements, including the provision to third party service providers, from time to time.





IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ● day of ●, ●.

**JIULIAN RESOURCES INC.**

Per: \_\_\_\_\_  
Authorized Signatory

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Address



**JIULIAN RESOURCES INC.**  
**STOCK OPTION PLAN – EXERCISE NOTICE**

To: Julian Resources Inc. (the "Company")

The undersigned hereby irrevocably gives notice, pursuant to the Company's stock option plan (the "Plan"), of the exercise of the option to acquire and hereby subscribes for:

- (a) all of the shares; or
- (b) \_\_\_\_\_ of the shares, which are the subject of the option certificate attached hereto.

Calculation of the total exercise price:

- (i) number of shares to be acquired on exercise: \_\_\_\_\_ shares
- (ii) multiplied by the exercise price per share: \$ \_\_\_\_\_
- (iii) withholding taxes calculated \$ \_\_\_\_\_
- TOTAL EXERCISE PRICE, enclosed herewith: \$ \_\_\_\_\_

The undersigned tenders herewith a certified cheque, bank draft or wire transfer in an amount equal to the total exercise price of the aforesaid shares, as calculated above, and directs the Company to issue the share certificate evidencing said shares in the name of the undersigned to be mailed to the undersigned at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

\_\_\_\_\_  
Signature of Option Holder

\_\_\_\_\_  
Name of Option Holder (please print)