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**VANSTAR MINING RESOURCES INC.**

INFORMATION CIRCULAR

OF

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
TO BE HELD ON SEPTEMBER 14, 2020

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August 18, 2020

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**VANSTAR MINING RESOURCES INC.**  
(the “Corporation”)

**MANAGEMENT INFORMATION CIRCULAR**

(Containing information as August 18, 2020 unless indicated otherwise)

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**SOLICITATION OF PROXIES**

**The management of the Corporation solicits proxies to be used at the annual general and special meeting of shareholders (the “Meeting”) of the Corporation to be held at the time and place and for the purposes set forth in the attached Notice of Meeting and at any adjournment thereof. The cost of this solicitation will be borne by the Corporation. Accordingly, the management of the Corporation has drafted this management information circular (the “Circular”) that it is sending to all the security holders entitled to receive a Notice of Meeting.**

If you cannot attend the Meeting in person, complete and return the enclosed form of proxy to the Registrar and Transfer Agent of the Corporation, Computershare Investor Services Inc. (“**Computershare**”), 100, University Street, 8<sup>th</sup> Floor, Toronto, Ontario, H5J 2Y1, not less than forty-eight (48) hours (excluding Saturdays, Sundays and Holidays) before the time fixed for the Meeting.

**APPOINTMENT OF PROXYHOLDER AND RIGHT OF REVOCATION OF PROXIES**

The persons named in the enclosed form of proxy are directors and officers of the Corporation. **A shareholder has the right to appoint as his or her proxy a person, who need not be a shareholder, other than those whose names are printed on the accompanying form of proxy. A shareholder wishing to appoint some other person to represent him or her at the Meeting may do so either by inserting such other person’s name in the blank space provided in the form of proxy and signing the form of proxy or by completing and signing another proper form of proxy.**

A shareholder may revoke a proxy at any time by an instrument in writing executed by him or, if the shareholder is a Corporation, under its corporate seal or by an officer or attorney thereof duly authorized in writing, and filed at the offices of Computershare, at the same address and within the same delays as mentioned above, or two business days preceding the date the Meeting resumes if it is adjourned, or remitted to the chairman of such Meeting on the day of the Meeting or any adjournment thereof.

**EXERCISE OF DISCRETION BY PROXIES**

The management undertakes to respect the holder's instructions.

**In the absence of any indication, the agent will exercise the right to vote in favour of each question defined on the form of proxy, in the notice of meeting or in the Circular.**

**Unless otherwise specified herein, all resolutions will be adopted by a simple majority of the votes represented at the Meeting.**

Management does not know and cannot foresee as at the present time any amendments or new points to be brought before the Meeting. If such amendments or new points were to be brought before the Meeting, the persons named in the enclosed form of proxy will vote on such matters in the way they consider advisable.

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

The authorized capital stock of the Corporation consists of an unlimited number of common shares without par value. As at the Record Date, there were 52,872,728 common shares of the Corporation issued and outstanding. Each common share of the Corporation confers upon its holder the right to one vote.

The Board of Directors of the Corporation (the “**Board**”) fixed the close of business on August 11, 2020 as the record date (the “**Record Date**”) for determining which shareholders shall be entitled to receive notice of the Meeting, but failure to receive such notice does not deprive a shareholder of his right to vote at the Meeting.

As of the August 18, 2020, to the knowledge of the Corporation’s directors and executive officers, no person is beneficially owning, controlling or directing, directly or indirectly, 10% or more of the number of common shares of the Corporation issued and outstanding.

## **NON-REGISTERED SHAREHOLDERS**

Only registered shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, shares beneficially owned by a person are not registered in his or her name but are held in the name of an intermediary, which is usually a security broker, a trust corporation or other financial institutions, or in the name of a clearing agency (such as the CDS Clearing and Depository Services Inc.) of which the intermediary is a participant. In accordance with National Instrument 54-101 of the Canadian Securities Administrators – *Communication with Beneficial Owners of Securities of a Reporting Issuer*, the Corporation has distributed copies of the Notice of Meeting and the Circular (collectively the “**Meeting Materials**”) to the intermediaries which are required to forward the Meeting Materials to non-registered holders unless the non-registered holders have waived the right to receive them. Intermediaries very often call on service companies to forward the Meeting Materials to non-registered holders. **Each intermediary has its own signing and return instructions, which a non-registered shareholder should follow carefully to ensure that his or her shares are voted.** The form of proxy supplied to a non-registered shareholder by its broker is similar to the form of proxy provided by the Corporation to the registered shareholder. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the non-registered shareholder.

Should a non-registered holder who receives a voting instruction form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the non-registered holder), the non-registered holder should print his or her own name, or that of such other person, on the voting instruction form and return it to the intermediary or its service corporation. Should a non-registered holder who receives a proxy form wish to vote at the Meeting in person (or have another person attend and vote on behalf of the non-registered holder), the non-registered holder should strike out the names of the persons set out in the proxy form and insert the name of the non-registered holder or such other person in the blank space provided and submit it to Computershare at the address set out above.

A non-registered holder may revoke voting instructions which have been given to an intermediary at any time by written notice to the intermediary.

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

To the knowledge of the Management of the Corporation, unless otherwise disclosed in this Circular, as at the date hereof, no person has an interest in any matter to be acted upon.

## MATTERS FOR CONSIDERATION

### 1. Presentation of Financial Statements

The Corporation's annual financial statements for the fiscal year ended December 31, 2019, and the Auditors' report thereon will be presented to the Meeting but will not be subject to a vote.

### 2. Number of Directors

The Board presently consists of six (6) directors. The Board proposes that the number of directors to be elected to the Board be fixed at seven (7). At the Meeting, the Shareholders will be asked to approve to fix the number of Board positions at seven (7) for the ensuing year, subject to the power of the Board to appoint additional directors between annual meetings, until the next annual meeting of shareholders or until their respective successors are duly elected or appointed, unless their respective office is earlier vacated in accordance with the By-laws of the Corporation.

### 3. Election of Directors

At the Meeting, the persons named hereunder will be proposed for election as directors of the Corporation for the forthcoming year. You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them.

**Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the election of each of the persons named hereunder as directors of the Corporation.**

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares entitled to vote in person or represented by proxy at the Meeting. Management does not contemplate that any nominee will be unable or unwilling to serve as a director.

The following table sets forth certain information concerning the persons nominated for election as directors of the Corporation, including the office presently held in the Corporation, their principal occupation and the number of Common Shares over which they exercise control.

Name, Residence and Office Held	Director Since	Principal Occupation	Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>
<b>Jonathan Hamel</b> Montréal, Québec Director	August 21, 2018	Interim President and CEO of Vanstar Mining Resources Inc	-
<b>Luc Gervais</b> Montréal, Québec Director	May 4, 2020	Consultant Mining Engineer	-

<b>Name, Residence and Office Held</b>	<b>Director Since</b>	<b>Principal Occupation</b>	<b>Number and Percentage of Common Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly <sup>(1)</sup></b>
<b>Jonathan Gagné</b> Montréal, Québec Proposed director	-	Mining Engineering Consultant at Greensone Gold Mines LP	-
<b>Wanda Cutler</b> Toronto, Ontario Proposed director	-	President of Cutler McCarthy.	-
<b>Claude Dufresne</b> Montréal, Québec Proposed director	-	President and CEO of Niobay Metals Inc.	-
<b>Victor Cantore</b> Montréal, Québec Proposed director	-	President and CEO at Amex Exploration Inc.	-
<b>Albert Contardi</b> Toronto, Ontario Proposed director	-	President of General Capital Corporation Interim President and CEO of QcX Gold	-

**Notes:**

- (1) Each nominee as director supplied the information concerning the number of Common Shares over which he exercises control or direction.
- (2) Member of the Audit Committee.
- (3) Members of the Human Resources and Corporate Governance Committee.

***Biographical notes:***

**Jonathan Hamel – Director, Secretary of the Board, Interim President and CEO**

Mr. Hamel joined Vanstar’s Board of Directors in 2018 and subsequently contributed to various projects and roles related to business development and public relations and acted as Secretary of the Board. In August 2020, he was appointed interim President and CEO to lead the company in its period of management transition. Mr. Hamel is an Associate Researcher at the Montreal Economic Institute, an independent public policy think tank focused on proposing reforms based on market principles and entrepreneurship. He is also an invited lecturer at ESG+ UQAM and École des Dirigeants HEC Montréal.. Mr. Hamel is a member of the Advisory Committee on Technological Innovation of L’Autorité des Marchés Financiers (Quebec Financial Markets Regulator) since 2017.

**Luc Gervais, Eng. – Director**

Mr. Gervais has 35 years of engineering, construction and maintenance experience in the mining and metallurgical sectors. He has held several management positions for metallurgical producers as well as for contractors and consulting engineering firms. He has directed numerous studies for mining companies and worked on various projects in Canada such as the Perseverance mine, extension of Mont-Wright in Fermont, extension of potash factories in Colonsay and Esterhazy, Saskatchewan, as well as setting up the Port Daniel Cement Plant. Abroad, he worked on the design of the incineration gas treatment of electronic components at Micro Metallics, in California, design and installation of a Noranda Reactor at the Daye Corp. foundry, in the Hubei province, China, commissioning and setting-up a lithium pilot plant in Centenario-Ratones in north-west Argentina. Mr. Gervais has a strong business experience, he is a graduate mining engineer from Laval University and a member of the Order of Engineers of Quebec (OIQ).

### **Jonathan Gagné – Proposed Director**

Mr. Gagné has a B.Sc. in Mining Engineering from École Polytechnique de Montréal and an MBA with a specialization in Corporate Finance from Université du Québec à Montréal. Mr. Gagné has more than 13 years of experience in the mining sector in terms of project development, operation and management. Mr. Gagné began his career being involved in the construction and commissioning of the Meadowbank gold project located in Nunavut. He was head of the mining engineering department for SGS Geostat and was the responsible engineer to support the open-pit operations for Glencore Zinc globally. Most recently, he was General Manager of Sayona Quebec and currently works for Greenstone Gold Mines, which aims to develop the Hardrock Gold Project located in Ontario. He is also a director of Vision Lithium Inc and Infinite Ore Corp.

### **Wanda Cutler – Proposed Director**

Ms. Cutler has worked with reporting issuers for more than 20 years in capital markets, corporate development, marketing, and investor communications. She has acted as a strategic advisor to several public companies including multiple junior mining companies, investment companies and alternative energy companies. During her career she been involved in a numerous equity/debt financings, mergers and acquisitions, strategic alliances and has incubated new companies. In addition, she has sat on the boards of various public companies. Wanda holds a Bachelor of Social Science (Political Science) from the University of Ottawa and is President of Cutler McCarthy, a capital markets advisory firm.

### **Claude Dufresne, P. Eng. – Proposed Director**

Mr. Dufresne, P. Eng., is recognized worldwide for his expertise in the niobium market. Mr. Dufresne was responsible for the sale and marketing of ferro-niobium produced by the Niobec mine in Quebec from 2001 to 2012. In 2007, Mr. Dufresne founded Camet Metallurgy Inc., a company specialized in the sale and marketing of various metals. He participated in economic studies on several rare earths, niobium, manganese and bauxite projects and acted as a supplier of various raw material for the steel industry. Prior to that, Mr. Dufresne served as Director of Marketing at IAMGOLD and he worked during 10 years as a metallurgist and mill superintendent for Cambior in Quebec and in Guyana. Mr. Dufresne graduated from Laval University in 1991 with a degree in mining engineering with a specialty in mineral processing and he is a member of the Ordre des Ingénieurs du Québec. He has been President, CEO and director of Niobay Metals Inc. since June 2014.

### **Victor Cantore – Proposed Director**

Mr. Cantore is a seasoned capital markets professional specializing in the resource and hi-tech sectors. He is currently President & CEO at Amex Exploration Inc., which has identified significant gold discoveries on its Perron project, in Quebec. He has more than 25 years of advisory and leadership experience having begun his career as an investment advisor and then moving into management roles at both public and private companies. During his career he has organized and structured numerous equity and debt financings, mergers and acquisitions, joint venture partnerships and strategic alliances.

### **Albert Contardi – Proposed Director**

Mr. Contardi is a consultant/adviser with over 15 years of legal, investment and capital markets experience. He is currently President of Generic Capital Corporation, a Toronto based EMD finance firm as well as Interim President and CEO of QcX Gold, a Quebec based junior exploration company. Mr. Contardi's experience involves advising and structuring corporate finance transactions in the mining, tech and bio tech

sectors to maximize the value of projects/assets. He has been called to the Ontario Bar and is a graduate of Queen's University Law School.

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

Except as described below, to the best of the Corporation's knowledge, after having made due inquiry, the Corporation confirms that no proposed director of the Corporation:

- (a) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company, including the Corporation, that while that person was acting in that capacity:
  - (i) was subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
  - (ii) was subject to an event that resulted, after the proposed director ceased to be a director, chief executive officer or chief financial officer, in the company being the subject of a cease trade or similar order or an order that denied the company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) is, as at the date hereof, or has been, within the 10 years before the date hereof, a director or executive officer of any company, including the Corporation, 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;
- (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; and
- (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, nor has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

### **3. Appointment of Auditors**

Brunet Roy Dubé, CPA, chartered professional accountants ("BRD"), was appointed the auditors of the Corporation at the annual meeting of the Corporation dated June 13, 2019. At the meeting, the shareholders of the Corporation are being asked to approve the re-appointment of BRD as the auditors of the Corporation until the close of the next annual meeting of the shareholders at a remuneration to be fixed by the Board of the Corporation.

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares present, in person or represented by proxy, at the Meeting.

**Unless such authority is withheld, the persons designated in the enclosed form of proxy will vote FOR the appointment of BRD as auditors of the Corporation, for the current financial year and the authorization to the directors to establish the auditors' compensation.**

## STATEMENT OF EXECUTIVE COMPENSATION

The information contained below is provided as required under Form 51-102F6V – Statement of Executive Compensation – Venture Issuers of *Regulation 51-102 respecting Continuous Disclosure Obligations*.

For the purposes of this Circular, “Named Executive Officers” (“NEO”) of the Corporation means, at any time during the most recently completed financial year, the following persons:

- a) the Chief Executive Officer (“CEO”);
- b) the Chief Financial Officer (“CFO”);
- c) the most highly compensated executive officer, other than the CEO and CFO 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 (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the end of the most recently completed financial year.

### Compensation Program Objectives and Purpose

The executive compensation policy of the Corporation is designed to offer competitive compensation enabling the Corporation to attract and retain qualified, high-calibre staff. It will seek to motivate executive officers to exceed strategic objectives so as to maximize the long-term return on shareholders' investment.

The objectives of the Corporation’s executive compensation program are as follows:

- to attract, retain and motivate talented executives who create and sustain the Corporation’s continued success;
- to align the interests of the Corporation’s executives with the interests of the Corporation’s shareholders; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in similar business in appropriate regions.

Overall, the executive compensation program aims to design executive compensation packages that meet executive compensation packages for executives with similar talents, qualifications and responsibilities at companies with similar financial, operating and industrial characteristics. The Corporation is a mining exploration corporation and will not be generating significant revenues from operations for a significant period of time. As a result, the use of traditional performance standards, such as corporate profitability, is not considered by the Corporation to be appropriate in the evaluation of the performance of the NEOs.

The purpose of the Corporation’s executive compensation program has been designed to reward executives for reinforcing the Corporation’s business objectives and values, for achieving the Corporation’s performance objectives and for their individual performances.

## Components of Aggregate Compensation

The aggregate compensation of the NEO currently consists of one or more of the following elements:

- a) a base monetary compensation which is competitive; and
- b) option grants designed to attract experienced personnel and encourage them to promote the Corporation's interests and activities to the best of their knowledge.

## Base Compensation

The base cash compensation review of each NEO takes into consideration the current competitive market conditions, experience, proven or expected performance, and the particular skills of the NEO. Base compensation is not evaluated against a formal "peer group". The Board relies on the general experience of its members in setting base compensation amounts.

## Incentive compensation

Option grants are designed to attract and retain key personnel. Option grants to Beneficiaries are established by the Board of Directors on a continuous basis, based on the progress of the Corporation.

## Summary Compensation Table

The following table details all compensation paid, made payable, awarded, granted, gave or otherwise provided for the two most recently completed financial years to all persons acting as NEO and director of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or its subsidiaries. These amounts include the annual base salary and certain other forms of remuneration, the payment having been made or postponed.

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation <sup>(1)</sup> (\$)	Total Compensation (\$)
<b>Guy Morissette</b> Former President and Chief Executive Officer	2019	115,638	150,000	-	-	-	265,638
	2018	82,417	25,000	-	-	-	107,417
<b>Michel Perron</b> Former Chief Financial Officer	2019	50,000	50,000	-	-	-	100,000
	2018	-	-	-	-	-	-
<b>Denis Tremblay<sup>(2)</sup></b> Former Chief Financial Officer	2019	20,000	154,000	-	-	-	174,000
	2018	55,000	-	-	-	-	55,000
<b>Jonathan Hamel</b> Director and Interim CEO	2019	-	-	-	-	-	-
	2018	16,666	-	-	-	-	16,666
<b>Pascal Germain<sup>(3)</sup></b> Former Director	2019	33,800	-	-	-	-	33,800
	2018	4,800	-	-	-	-	4,800
<b>Gary Claytens</b> Director	2019	30,000	-	-	-	-	30,000
	2018	-	-	-	-	-	-

Table of Compensation excluding Compensation Securities							
Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites (\$)	Value of all Other Compensation <sup>(1)</sup> (\$)	Total Compensation (\$)
<b>Sébastien Plouffe</b> Director	2019	4,167	-	-	-	-	4,167
	2018	-	-	-	-	-	-

**Notes:**

- (1) The Corporation does not offer any pension plan or defined benefit or contribution plans in favor of its NEOs and directors.  
(2) Mr. Tremblay resigned as Chief Financial Officer and Corporate Secretary on April 24, 2019.  
(3) Mr. Germain held his position during the period from August 28, 2018 to September 10, 2019..

### Stock Options and Other Compensation Securities

There is no compensation securities were granted or issued to the Corporation's NEOs and directors by the Corporation or its subsidiaries during the most recently completed financial year ended December 31, 2019 for services provided or to be provided, directly or indirectly, to the Corporation or its subsidiaries other than those disclosed in the table below.

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
<b>Michel Perron</b> <sup>(1)</sup> Former Chief Executive Office	Options	300,000 (10 %)	2019-09-24	0.22 \$	0.23 \$	0.44 \$	2024-09-24
		290,000 (10 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Éric Beaudesne</b> Former Director	Options	140,000 (5 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Gary Claytens</b> Director	Options	200,000 (10 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Martin Richard</b> Director	Options	140,000 (5 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Jonathan Hamel</b> Director	Options	290,000 (10 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Bernard Lapointe</b> <sup>(2)</sup> Director	Options	140,000 (5 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10
<b>Sébastien Plouffe</b> <sup>(2)</sup> Director	Options	300,000 (10 %)	2019-12-02	0.275 \$	0.295 \$	0.44 \$	2024-12-02
		290,000 (10 %)	2019-12-10	0.35 \$	0.35 \$	0.44 \$	2024-12-10

**Notes:**

- (1) Mr. Perron was appointed Chief Financial Officer on April 24, 2019.  
(2) Mr. Lapointe was appointed director on September 24, 2019.  
(3) Mr. Plouffe was appointed director on December 2, 2019.

The table below presents the exercise by a director or NEO of compensation securities during the most recently completed financial year ended on December 31, 2019.

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security or underlying security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
<b>Guy Morissette</b> Former President, Chief Executive Officer and Director	-	-	-	-	-	-	-
<b>Michel Perron</b> Former Chief Financial Officer	Options	150,000	0.05	2019-03-07	0.165	0.115	17,250
	Options	50,000	0.05	2019-03-26	0.195	0.145	7,250
	Options	150,000	0.12	2019-10-19	0.34	0.22	33,000
	Options	50,000	0.08	2019-03-26	0.195	0.115	5,750
<b>Denis Tremblay</b> Former Chief Financial Officer	Options	50,000	0.05	2019-01-14	0.15	0.10	5,000
	Options	150,000	0.05	2019-03-15	0.21	0.16	24,000
	Options	150,000	0.12	2019-05-14	0.235	0.185	37,000
	Options	50,000	0.08	2019-05-14	0.235	0.185	28,750
<b>Éric Gervais</b> Director	Options	200,000	0.08	2019-01-11	0.15	0.07	14,000
<b>Gary Claytens</b> Director	-	-	-	-	-	-	-
<b>Martin Richard</b> Director	-	-	-	-	-	-	-
<b>Jonathan Hamel</b> Director	-	-	-	-	-	-	-
<b>Bernard Lapointe</b> Director	-	-	-	-	-	-	-
<b>Sébastien Plouffe</b> Director	-	-	-	-	-	-	-

**Stock Option Plan and Other Incentive Plans**

The Corporation has established a fixed stock option plan (the “**Plan**”) under which stock options are granted to directors, officers, employees and consultants as an incentive to serve the Corporation in attaining its goal of improved shareholder value. The Board determines which NEOs (and other persons) are entitled to participate in the Plan, determines the number of options granted to such individuals and determines the date on which each option is granted and the corresponding exercise price.

The number of shares so set aside for issuance to an individual must not exceed, within a 12-month period, 5% of the number of issued and outstanding shares of the Corporation. (On a non-diluted basis) less the

aggregate number of shares already reserved for issuance to such person under any other stock option granted as an incentive or compensation.

The total number of options granted to a consultant or to all persons providing investor relations services during a 12-month period shall not exceed 2% of the issued and outstanding shares of the Corporation. In addition, options granted to a person providing investor relations services are vested over a 12-month period following their grant, at a rate of 25% per three-month period. Options are not transferable and the period during which an option may be exercised may not exceed five years from the date of its grant. The exercise price of the option is fixed with the closing price of the shares the day before the press release announcing the option grant.

At the time of early retirement, resignation, termination or termination of a Beneficiary for any reason other than death or serious cause, the maturity date of an option held by the Beneficiary is deemed to be the maturity date indicated on the option holder's option certificate or on a date that is 90 days after the termination of employment or the time at which the option holder ceased to hold a position or to hold office, whichever is earlier. In the case of a person providing investor relations services, the maturity date of an option held by such person is deemed to be the maturity date indicated on the Option Certificate or on a date falling 30 days after he ceased to hold office, whichever is earlier.

The Board makes these determinations subject to the provisions of the existing Plan and, where applicable, the policies of the TSX Venture Exchange (the “**Exchange**”).

### **Employment, Consulting and Management Agreements with the NEOs**

The Corporation does not have presently employment, consulting and management agreements with the NEOs, other than CEO, as disclosed hereinafter.

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

As at financial year ended December 31, 2019, the Corporation did not have any contract, agreement, plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company or a change in an NEOs responsibilities, with the exception of the one for CEO.

The employment contract between the CEO and the Corporation contains a compensation clause in case of termination of employment or change of control. If the termination of employment is without cause or part of a change of control with important changes to the functions of the officer would have happened on December 31, 2019, the amount that would have been paid is \$175,100. In the case of a termination with cause, no compensation would have been paid.

The said contract also contains a clause granting an annual performance bonus determined by the board of directors, for a maximum of 50 % of the paid salary. Also, from 150,000 ounces of gold measured, indicated and/or presumed from a 43-101 report, a bonus of \$150,000 will be granted to the CEO. In an eventual production phase, \$0.60 per ounce of gold produced will be paid to the CEO.

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

### *Executive Officers*

The Board analyses all questions relating to human resources planning, compensation for executive officers, directors and other employees, short and long term incentive programs, employee benefits programs, and recommends the appointment of executive officers.

The compensation paid to executive officers has the following primary objectives:

- offer total compensation capable of attracting and retaining top level executive officers required to ensure the Corporation's short and long term goals and success; and
- motivate the executive officers in achieving and exceeding the goals of the Corporation and of its shareholders.

### *Compensation and Risk Management*

Considering the size of the Corporation, the Board has considered the implications of the risks associated with the Corporation's compensation policy and practices and decided they are not material.

No executive officer or director of the Corporation is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward 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 officers or directors.

### General

The compensation seeks to primary reward the superior performance through both individual and corporate results and the increased shareholder value. In reviewing executive officers compensation, the Board will take into consideration numerous factors that are not easily measurable but which consider the individual performance, experience, integrity, peer appreciation and Market comparators.

### *Directors*

In general, the Board determines the number of options granted annually to the directors without applying any known or measurable objectives. Criteria such as the Corporation's global performance are looked at in determining the number of options to be granted to the directors.

### **Pension Plan Benefits**

The Corporation does not offer any pension plan that benefits to any of its NEOs, nor to the directors of the Corporation.

## Equity Compensation Plan Information <sup>(1)</sup>

Plan Category	Number of Common Shares to be Issued Upon Exercise of Outstanding Option <sup>(1)</sup>	Weighted Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under the Equity Compensation Plans <sup>(1)</sup>
Equity Compensation Plans of the Corporation approved by the shareholders	5,780,000	\$0.19	3,772,655
Equity Compensation Plans of the Corporation not approved by the shareholders	-	-	-
<b>Total:</b>	5,780,000	\$0.19	3,772,655

**Note:**

(1) As at December 31, 2019.

## Indebtedness to the Corporation of Directors and Executive Officers

As at the date hereof, no amounts are owed to the Corporation by any director, executive officer, employees or any former director, executive officer or employee of the Corporation or any of its subsidiaries, or any proposed director of the Corporation or associate of the foregoing. During the year ended December 31, 2019, the Corporation did not grant any loan.

## Interest of Informed Persons in Material Transactions

To the knowledge of the Corporation, no director, executive officer or proposed director, or any other insider of the Corporation or person associated or affiliated to said officials has any material interest, direct or indirect, in a transaction having been concluded since the beginning of the most recently completed financial year or in any proposed transaction that has or would affect in a material manner the Corporation.

## Directors' and Officers' Liability Insurance

The Corporation subscribes to an insurance on behalf of its directors and officers to cover for potential liabilities incurred in connection with their services to the Corporation. The coverage is for \$1,000,000 per insurance period, with a cost is \$ 9,055 per year and a \$25,000 deductible.

## AUDIT COMMITTEE INFORMATION

### Audit Committee Charter

The Audit Committee has a formal charter, the text of which is attached to this Circular as Schedule A. The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee after careful consideration of *Regulation 52-110 respecting Audit Committees* (“**Regulation 52-110**”) of the Canadian Securities Administrators and other applicable policies.

## Composition of Audit Committee

Name	Independent	Financially Literate
<b>Bernard Lapointe</b> (Chairman) <sup>(1)</sup>	Yes	Yes
<b>Martin Richard</b>	Yes	Yes
<b>Guy Morissette</b> <sup>(1)(2)</sup>	No	Yes
<b>Jonathan Hamel</b> <sup>(2)(3)</sup>	No	Yes

**Note:**

- (1) Mr. Morissette was not independent for he was the President and CEO of the Corporation.
- (2) Mr. Morissette resigned on August 2, 2020, and has been replaced by Mr. Hamel.
- (3) Mr. Morissette is not independent for he is the interim President and CEO of the Corporation.

The Audit Committee is comprised of three directors, two of whom is independent under Regulation 52-110. All the members of the Committee are “financially literate” and have the ability to read and understand a set of financial statements.

### Relevant Education and Experience

The education and experience of each Audit Committee member has enabled each to perform his responsibilities as an Audit Committee member and has provided the member with an understanding of the accounting principles used by the Corporation to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions as well as experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issued that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements, or experience actively supervising one or more individuals engaged in such activities and an understanding of internal controls and procedures for financial reporting.

Please see the biographical notes for a description of each Audit Committee member relevant experience hereinabove under the heading “**Matters for Consideration – 2. Election of Directors**”.

### Audit Committee Oversight

At no time since the commencement of the Corporation’s most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Corporation’s external auditors not been adopted by the Board.

### Reliance on Certain Exemptions

At no time since the commencement of the Corporation’s most recently completed financial year has the Corporation relied on exemptions in Section 2.4 of Regulation 52-110 (*De Minimis Non-Audit Services*) or any exemption, in whole or in part, provided by Parts 6 and 8 of Regulation 52-110, other than the exemption granted to venture issuers under Section 6.1 of Regulation 52-110, which exempts issuers whose shares are listed only on the Venture from the requirements of Part 3 (*Composition of Audit Committee*) and Part 5 (*Reporting Obligations*).

### Pre-Approval Policies and Procedures

The Audit Committee approves the engagement terms for all audit and non-audit services to be provided by the Corporation’s accountants before such services are provided to the Corporation.

The Corporation has not adopted any specific policies or procedures for the engagement of non-audit services other than the pre-approval by the Audit Committee.

### External Auditor Service Fees

The fees charged to the Corporation by its external auditor in each of the last two fiscal years are as follows:

	2019	2018
Audit Fee <sup>(1)</sup>	\$29,320	\$22,775
Audit-Related Fees <sup>(2)</sup>	-	\$1,245
Tax Fees <sup>(3)</sup>	\$4,525	\$1,650
All Other Fees <sup>(4)</sup>	-	-
Total	\$33,845	\$25,670

**Notes:**

- (1) Audit fees include fees for services related to the audit of the Corporation's financial statements or other services that are normally provided by the external auditors in connection with statutory or regulatory filings or engagements. These fees also include fees for comfort letters, statutory audits, attest services, consents and assistance with the preparation and review of documents filed with regulators, as well as in connection with the interpretation of accounting and financial reporting standards.
- (2) Audit-related fees include assurance and related services that are performed by the Corporation's external auditors. These services also include accounting consultations in connection with acquisitions and divestitures and internal control reviews.
- (3) Tax fees include fees for assistance with tax planning, during restructurings and when taking a tax position, as well as preparation and review of income and other tax returns and tax opinions.
- (4) Administrative fees.

### MANAGEMENT CONTRACTS

The Corporation has not entered into any management contract during the most recently completed financial year and no prior agreement of similar nature were still in force.

### PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

#### ADOPTION OF NEW BY-LAWS

The Corporation has adopted a general by-law on May 4, 2007 (the "**Former By-Laws**"). It is recommended by the Board of the Corporation to amend the by-laws of the Corporation to ensure that the by-laws are current. The Board proposes to repeal the Former By-Laws and to adopt the By-Laws 1-A (the "**General By-Laws**") which constitute a modernization of the general by-laws to reflect the current state of corporate law in compliance with the *Canada Business Corporations Act*. A copy of the General By-laws are available on the Corporation website at <https://vanstarmining.com/en/agm/>.

Concurrently, the Board also proposes to adopt the By-Law 1-B relating to advance notice requirements for director elections (the "**Advance Notice By-Law**") to provide shareholders, directors and management of the Corporation with a clear framework for nominating directors of the Corporation in connection with any annual or special meeting of the shareholders. The full text of the Advance Notice By-Law is also available on the Corporation website at <https://vanstarmining.com/en/agm/>.

The purpose of the Advance Notice By-Law is (i) to ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) to facilitate an orderly and efficient process for annual or special meetings of shareholders of the Corporation. The Advance Notice By-Law fixes the deadlines by which shareholders must submit director nominations to the Corporation prior to any annual or special

meeting of shareholders and sets forth the information that a shareholder must include in a timely written notice to the Corporation for any director nominee to be eligible for election at such annual or special meeting of shareholders.

Pursuant to the Advance Notice By-Law, shareholders seeking to nominate candidates for election as directors other than pursuant to a proposal or requisition of shareholders made in accordance with the provisions of the *Canada Business Corporations Act* must provide timely written notice in proper form to the Corporate Secretary of the Corporation. To be timely, a shareholder's notice must be received (i) in the case of an annual meeting of Shareholders, not less than 30 days prior to the date of the annual meeting; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 40 days after the date on which the first public announcement of the date of the annual meeting was made, notice by the shareholder may be received not later than the close of business on the 10th day following the date of such public announcement; and (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the Board, not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting was made. The Advance Notice By-Law also prescribes the proper written form for a shareholder's notice. The Board of Directors may, in its sole discretion, waive any requirement under these provisions.

The shareholders will be asked to review and, if deemed appropriate, to adopt the following resolution in order to approve the adoption of the General By-Laws and Advance Notice By-Law of the Corporation:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE SHAREHOLDERS, THAT:

1. the repeal of the Former By-laws of the Corporation be and is hereby approved and authorized;
2. General By-Law, in the form presented to the Board of Directors of the Corporation and the full text of which is reproduced on the Corporation website at <https://vanstarmining.com/en/agm/>, be and is hereby approved and adopted;
3. the Advance Notice By-Law in the form presented to the Board of Directors of the Corporation and the text of which is reproduced on the Corporation website at <https://vanstarmining.com/en/agm/>, be and is hereby approved and adopted; and
4. any director or officer of the Corporation be and is hereby authorized and directed, for and on behalf of the Corporation, to do all acts and things as such director or officer may deem necessary or advisable to give effect to this resolution.”

The Board of Directors and Management believe that the approval to the adoption of the General By-Laws and the Advance Notice By-Law is in the best interests of the Corporation and its shareholders and, consequently, recommend that the shareholders vote FOR the approval of the resolution, which requires the affirmative vote of at least the simple majority of the votes cast, in person or by proxy, at the meeting in order to be adopted.

**Unless contrary instructions are given, the persons named on the proxy form or on the voting instruction form will vote “FOR” the approval of the resolution adoption of the General By-laws and Advance Notice By-Law of the Corporation.**

## **CORPORATE GOVERNANCE PRACTICES**

The Board considers good corporate governance to be important to the effective operations of the Corporation and to ensure that the Corporation is managed so as to enhance shareholder value. The Board is responsible for ensuring that the Corporation addresses all relevant corporate governance issues in compliance with the corporate governance guidelines set forth in Policy Statement 58-201 - *Corporate Governance Guidelines* of the Canadian Securities Administrators.

The Corporation's disclosure of corporate governance practices pursuant to *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* is set out in Schedule B to this Circular in the form required by Form 58-101F2.

## **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's financial statements and management's discussion and analysis for the year ended December 31, 2019 a copy of which may be obtained on request to Jonathan Hamel, interim President and Chief Executive Officer, 410 St-Nicolas, suite 236, Montreal, QC, H2Y 2P5. The Corporation may require the payment of a reasonable charge when the request is made by someone other than a shareholder.

## **APPROVAL OF CIRCULAR**

The Board of the Corporation has approved the contents of the Circular and its sending to the shareholders.

Montréal, Québec, August 18, 2020.

## **VANSTAR MINING RESOURCES INC.**

Per: (s) Johnathan Hamel  
JOHNATHAN HAMEL  
Interim Chief Executive Officer

## **SCHEDULE A**

### **AUDIT COMMITTEE CHARTER**

#### **VANSTAR MINING RESOURCES INC. (the “Corporation”)**

##### **Purpose**

The audit committee is a standing committee of the board of directors. Its primary duty is to assist the board of directors in fulfilling its supervisory role with regard to the following:

1. The completeness of the financial statements and the information provided to shareholders and to other persons concerned.
2. The Corporation’s compliance with financial regulatory requirements.
3. The accuracy and effectiveness of the internal control mechanisms implemented and maintained by management.
4. The competency, independence and performance of the external auditor who must report to the audit committee, to the board of directors and to the shareholders.

##### **Composition**

The audit committee is comprised of at least three directors, including one chairman, who are named by the board of directors every year after the annual meeting. The majority of the committee members must not be officers or other employee of the Corporation or of an affiliate.

Each committee member must meet the requirements in matters of independence, financial knowledge and experience, the requirements of the applicable laws that govern the Corporation and the rules of the Stock Exchanges on which the Corporation’s shares are listed as well as the requirements of competent securities authorities.

The board of directors may, at any time, terminate a committee member’s duties or replace him or her and it must fill vacant positions on the committee.

##### **Structure and Functioning**

The chairman of the board, the chairman of the committee or two members of the committee may call a committee meeting at any time. The committee meets as required but not less than four times per year. *Quorum* is reached where two members are present at committee meetings, irrespective of their status, and the composition thereof must comply with the requirements of the *Canada Business Corporations Act*.

The chairman of the committee, in cooperation with the chairman of the board, draws up the agenda for each committee meeting taking into account the items appearing in the committee’s activity program which is approved each year by the board of directors. At each meeting, the committee may also sit privately with only the committee members in attendance. The committee may retain the services of special consultants, where it deems it expedient, at the expense of the Corporation.

The chairman of the committee or the person appointed by him or her submits a committee activity report to the board of directors after each meeting and makes recommendations to the board of directors regarding issues that require board approval.

Each year, the committee reviews this charter and the items appearing in the committee activity program and, where necessary, recommends changes to the board of directors so that it will approve them. The committee will prepare a report to be attached to the proxy documents regarding the annual meeting. Together with the board of directors, the committee evaluates and considers the committee's annual performance.

### **Duties and Responsibilities of the Audit Committee and Review**

1. Review the unaudited interim financial statements and management's analysis of the financial situation and operating results with management and the external auditors by addressing, in particular, with the external auditors, questions that must be the subject matter of discussion pursuant to the generally accepted auditing standards that apply to the Corporation.
2. Review the press releases announcing the Corporation's financial results.
3. Review with management and the external auditors, after completion of the annual audit:
  - (a) the audited annual financial statements;
  - (b) the audit of the annual financial statements made by the external auditor as well as the latter's report thereon;
  - (c) management's analysis of the financial situation and operating results;
  - (d) any material change that had to be made to the external audit plan;
  - (e) any material question brought to management's attention during the audit, including any restriction on the scope of activities or access to information;
  - (f) any question related to the performance of the audit that must be the subject matter of discussion pursuant to the generally accepted auditing standards that apply to the Corporation.
4. Ensure that the external auditor is convinced that judgment and accounting estimates made by management as well as the accounting principles chosen by management reflect the adequate application of generally accepted accounting principles.
5. Review the Corporation's main accounting policies and methods with management and the external auditor.
6. Ensure the independence of the external auditor, given the requirements in respect thereto provided by the laws governing the Corporation and by the applicable rules of the Stock Exchanges on which the Corporation's shares are listed. At least once a year, the external auditor submits a written statement to the committee outlining all its relations with the Corporation; the committee reviews it with him or her and, where necessary, recommends that the board take the requisite measures to ensure the independence of the external auditors and their responsibility toward the committee and the board.
7. Evaluate the performance of the external auditor and recommend to the board the appointment or, where it deems it expedient, the replacement of the external auditor subject to shareholder approval.
8. Consider, review and approve the services offered by the external auditor and the fees to be paid to the external auditors with regard to the audit, to the related services rendered and to other services that are provided for by law and that comply with the guidelines established by the board limiting the recourse to the services of the external auditor.

9. Review with the external auditor and management the general scope of the annual audit plan and the resources that the external auditor will devote to the audit.
10. Require that management implement and maintain appropriate internal control mechanisms and review, evaluate and approve such mechanisms.
11. Review and discuss with the chief executive officer and chief financial officer the certificates related to the communication of the financial information and to the controls which such officers must file with securities authorities pursuant to the law.
12. Discuss the qualifications required to be a financial expert and determine if a committee member is a financial expert and ensure that the committee members have the financial knowledge.
13. Approve the methods established to deal with complaints, including anonymous complaints made by employees, regarding issues related to accounting, internal control and audit.
14. Review the Corporation's practices to ensure that any transaction made with affiliates and likely to adversely affect the solvency or the stability of the Corporation is identified.
15. Perform the other duties or exercise the powers that the board may, on a timely basis, entrust or assign to the committee as well as any other duty which the law, regulations or the applicable rules of the Stock Exchanges might impose on an audit committee.

## **SCHEDULE B**

### **CORPORATE GOVERNANCE**

#### **VANSTAR MINING RESOURCES INC. (the “Corporation”)**

The Board has carefully reviewed the corporate governance guidelines of Policy Statement 58-201 *to Corporate Governance Guidelines. Regulation 58-101 respecting Disclosure of Corporate Governance Practices* (“**Regulation 58-101**”) of the Canadian Securities Administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. Those practices are as follows.

##### **Board of Directors**

The board of directors delegates to management the responsibility for the development of these strategies and holds itself responsible for the approval of the strategies finally adopted. In addition to those matters which must by law be approved by the board of directors, management is required to seek board of director’s approval for significant acquisitions, divestitures and capital expenditures. Other matters of strategic importance to the Corporation or which impact significantly on the operations of the Corporation are brought to the board of director’s attention for its input, consideration and approval.

The board of director oversees the identification of the principal risks of the Corporation’s business and the implementation by management of appropriate systems to manage such risks. The board of director reviews from time to time organizational matters such as succession planning. Given current management’s tenure, their vast experience and low turnover, succession planning is not seen as critical at the present time by the board of director.

To the exception of Jonathan Hamel, the interim President and Chief Executive Officer of the Corporation, all the directors are “independent” pursuant to Regulation 58-101 in that they are free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with the best interests of the Corporation, other than interests and relationships arising from shareholding.

The independent directors hold meetings without the attendance of the non-independent director and the executive officers.

##### **Orientation and Continuing Education**

The Board of the Corporation takes the following steps to ensure that all new directors receive orientation regarding the role of the board of director, its committees and its directors, and the nature and operation of the Corporation.

Reports and other documentation relating to the Corporation’s business and affairs are provided to new directors.

Orientation and education of directors is an ongoing matter. As such, ongoing informal discussions between management and members of the board of director are encouraged and visits to the Corporation’s operations are organized.

##### **Ethical Business Conduct**

The Corporation is committed to promote the highest standard of ethic and integrity in the pursuance of all of its activities.

Furthermore, the directors, officers and employees of the Corporation are expected to act and to hold their office within the best interests of the Corporation. The Corporation expects that all directors shall act in compliance of all laws and regulations applicable to their office as director of the Corporation.

In the event any transactions or agreements occur in respect of which a director or executive officer has a material interest, the matter must be initially reviewed by the Audit Committee and is then submitted to the Board. The board of director may implement any measures that it finds necessary in order to ensure the exercise of independent judgment. In the event a director has a material interest in any transaction or agreement, such director will abstain from voting in that regard.

### **Nomination of Directors**

The Board of the Corporation does not feel it is necessary to increase the number of directors on the board of director at this time.

The Chairman of the board of director and President of the Corporation seeks qualified candidates to be considered for nomination as directors. Proposed nominations are subject to review and approval by the board of director.

Any new appointees or nominees to the Board must have a favourable track record in general business management, special expertise in areas of strategic interest to the Corporation, the ability to devote the time required and a willingness to serve as a director.

### **Compensation**

The Human Resources and Corporate Governance Committee shall regularly assess the compensation policies in view of practices in the marketplace, the practices and risks typical of the industry and the inherent responsibilities of being an effective director. The Corporation's main activity is mining exploration and, at the present time, it is not generating any profits.

In order to determine the compensation of the directors and the CEO, the Board of Directors shall notably take into account the contribution made by each person to the Corporation, the financial resources available to the Corporation and the compensation given to people occupying similar positions in comparable Canadian companies. To date, the Corporation's directors have not received any compensation in cash for the services they have rendered in their capacity as directors.

### **Other Board Committees**

The board of director has no standing committee other than the Audit Committee and Human Resources and Corporate Governance Committee.

### **Assessments**

The informal mechanism has been implemented by the Human Resources and Corporate Governance Committee to evaluate the contribution and performance of the Board, of each of the Board's Committees and of each director of the Corporation. This Committee is currently composed of the following directors: Jonathan Hamel and Martin Richard