



*ANNUAL GENERAL AND SPECIAL MEETING  
OF SHAREHOLDERS  
TO BE HELD  
OCTOBER 29, 2019*

*NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR*

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*September 12, 2019*

## **CIELO WASTE SOLUTIONS CORP.**

101 – 1500 Howe Street  
VANCOUVER BC V6Z 2N1

### **NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON THURSDAY, OCTOBER 29, 2019**

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the “Meeting”) of the shareholders of CIELO WASTE SOLUTIONS CORP. (“Cielo ” or the “Company”) will be held at Cambridge Red Deer Hotel and Conference, 3310 50 Ave, Red Deer, AB T4N 3X9, on Tuesday, October 29, 2019 at 11:00 a.m. (Mountain Time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended April 30, 2019 and the report of the auditor on those statements;
2. To elect directors for the ensuing year;
3. To appoint A. Chan & Company LLP, Chartered Accountants, the auditor for the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
4. To consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to amend, ratify and approve the Company's stock option plan, as more particularly described in the accompanying Information Circular;
5. To consider and, if thought advisable, to pass, with or without variation, an ordinary resolution to amend, ratify and approve the Company's Restricted Share Unit Incentive Plan, as more particularly described in the accompanying Information Circular; and
6. To transact such other business as may properly come before the Meeting or any adjournments thereof.

Shareholders may also call into the Meeting by calling the following toll-free number at 11:00 a.m. (Mountain Time) on October 29, 2019: 1-877-385-4099, and then dialing the following participant number: 7013581.

**The matters set out above can be located in the section of this Information Circular entitled “Business of the Meeting – Annual Matters to be Voted On” and “Business of the Meeting - Special Matters to be Voted On”.**

The record date for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting or any adjournments or postponements thereof is September 19, 2019 (the “Record Date”). Shareholders whose names have been entered in the register of Shareholders at the close of business on the Record Date will be entitled to receive notice of, and to vote, at the Meeting or any adjournments or postponements thereof.

#### **NOTICE-AND-ACCESS**

The Company is utilizing the notice-and-access mechanism (the “Notice-and-Access Provisions”) that came into effect on February 11, 2013 under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer and National Instrument 51-102 – Continuous Disclosure Obligations, for distribution of Meeting materials to registered and beneficial Shareholders.

#### **WEBSITE WHERE MEETING MATERIALS ARE POSTED**

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“SEDAR”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the information circular, financial statements of the Company for the years ended April 30, 2018 and April 30, 2019 (“Financial Statements”) and management's discussion and analysis of the Company's results of operations and financial condition for the years ended April 30, 2018 and April 30, 2019 (“MD&A”) may be found on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Company's

website at [www.cielows.com](http://www.cielows.com) under “Investor Reports”. The Company will not use procedures known as “stratification” in relation to the use of Notice-and-Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of the Circular to some Shareholders with this notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of the Circular.

## **OBTAINING PAPER COPIES OF MATERIALS**

The Company anticipates that using notice-and-access for delivery to all Shareholders will benefit the Company through a reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. If you would like to receive a paper copy of the current meeting materials by mail and you haven’t yet so requested, you must submit a request by calling 1 (403) 348-2972 (collect calls accepted). There is no charge for a copy.

A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Company by no later than October 7, 2019 (“Request Deadline”) in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, BC) prior to the time set for the Meeting or any adjournments or postponements thereof (the “Proxy Deadline”). If a Shareholder elects to receive a document in a physical form, the Company shall send to that person such document within seven (7) days of receipt of notice of that Shareholder’s election, subject to the Request Deadline. If you do request the current materials, please note that another Voting Instruction Form/Proxy will not be sent; please retain your current one for voting purposes. No Annual Financial Information is included in this mailing.

## **VOTING**

All Shareholders are invited to attend the Meeting and may attend in person or may be represented by proxy. A “beneficial” or “non-registered” Shareholder will not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her/its broker; however, a beneficial Shareholder may attend the Meeting as proxyholder for the registered Shareholder and vote the common shares in that capacity. Only Shareholders as of the Record Date are entitled to receive notice of and vote at the Meeting. Shareholders who are unable to attend the Meeting in person, or any adjournments or postponements thereof, are requested to complete, date and sign the enclosed form of proxy (registered holders) or voting instruction form (beneficial holders) and return it in the envelope provided. As set out in the notes to the Proxy, the Proxy is solicited by management, but you may amend it, if you so desire, by striking out the names listed on it and inserting in the space provided the name of the person you wish to represent you at the Meeting.

**To be effective, you must submit the Proxy at least 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment (a) by delivering the completed and signed proxy using the pre-addressed envelope provided for this purpose; (b) by hand delivery to Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; (c) over the internet by going to [www.investorvote.com](http://www.investorvote.com) and following the instructions provided; or (d) by telephone, by calling 1-866-732-VOTE (8683) (toll free within North America) or 312-588-4290 (International).**

Unregistered shareholders who received the Proxy through an intermediary must deliver the proxy in accordance with the instructions given by the intermediary. Shareholders with questions about notice and access can contact Computershare Investor Services Inc. by toll free telephone at 1-800-564-6253.

**SHAREHOLDERS ARE REMINDED TO REVIEW THE INFORMATION CIRCULAR BEFORE VOTING.**

**DATED** at Red Deer Alberta, this 12<sup>th</sup> day of September, 2019

**CIELO WASTE SOLUTIONS CORP.**

(signed) *“Don Allan”*

By: Don Allan  
President & CEO

## **CIELO WASTE SOLUTIONS CORP.**

### **INFORMATION CIRCULAR**

Cielo Waste Solutions Corp. (the “**Company**” or “**Cielo**”) is utilizing the notice-and-access mechanism (the “**Notice-and-Access Provisions**”) that came into effect on February 11, 2013 under National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”) and National Instrument 51-102 – Continuous Disclosure Obligations (“**NI 51-102**”) for distribution of this Circular to both registered and non-registered (or beneficial) shareholders of the Company (collectively, the “**Shareholders**”). Further information on notice-and-access is contained below under the heading General Information Respecting the Meeting – Notice-and-Access and Shareholders are encouraged to read this information for an explanation of their rights.

#### **GENERAL INFORMATION RESPECTING THE MEETING**

##### **Time, Date and Place**

The Meeting will be held at 11:00 a.m. (Mountain Time) on Tuesday, October 29, 2019 at Cambridge Red Deer Hotel and Conference, 3310 50 Ave, Red Deer, AB T4N 3X9. Shareholders may also call into the Meeting by calling the following toll-free number at 11:00 a.m. (Mountain Time) on October 29, 2019: 1-877-385-4099, and then dialing the following participant number: 7013581.

##### **Solicitation of Proxies**

This information circular is furnished in connection with the solicitation of proxies by the management of the Company for use at the annual general meeting (the “**Meeting**”) of the Shareholders of the Company for the purposes set forth in the Notice of Annual General and Special Meeting of Shareholders (the “**Notice**”). References in this information circular to the Meeting include any adjournment(s) or postponement(s) thereof. It is expected that the solicitation of proxies will be primarily by mail, however, proxies may also be solicited by the officers, directors and employees of the Company by telephone, electronic mail, telecopier or personally. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The cost of soliciting proxies in connection with the Meeting will be borne directly by the Company.

The board of directors of the Company (the “**Board**”) has fixed September 19, 2019 as the record date, being the date for the determination of the registered Shareholders entitled to receive notice of, and to vote at, the Meeting. All duly completed and executed proxies must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, BC) prior to the time set for the Meeting or any adjournments or postponements thereof.

In this information circular, unless otherwise indicated, all dollar amounts “\$” are expressed in Canadian dollars.

Unless otherwise stated, the information contained in this Circular is as of September 11, 2019.

##### **Voting of Proxies**

The common shares in the capital stock of the Company (“**Common Shares**”) represented by the form of proxy delivered to registered Shareholders (if same is properly executed and is received at the offices of Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, BC) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof), will be voted at the Meeting, and, where a choice is specified in respect of any matter to be acted upon, will be voted or withheld from voting in accordance with the specification made on any ballot that may be called for. In the absence of such specification, proxies in favour of management will be voted in favour of all resolutions described below under the heading “**Matters to be Acted Upon**”. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.

At the time of the filing of this information circular, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the form of proxy will be voted on such matters in accordance with the best judgment of the named proxies.

At the time of printing this Information Circular, the management of the Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

**If you have appointed the Management Proxyholders as your proxyholder, they will, unless you give contrary instructions, vote your shares at the Meeting as follows:**

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the appointment of A. Chan & Company, LLC, Chartered Accountants, which is a division of ACAL Group, Chartered Accountants, as the auditor of Cielo;**
- ✓ **FOR the approval and ratification of the Company's amended Stock Option Plan.**
- ✓ **FOR the approval and ratification of the Company's amended Restricted Share Unit Plan**

#### **Appointment of Proxies**

The persons named in the enclosed form of proxy are officers and/or directors of the Company. **A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent him or her at the Meeting, may do so by inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the offices of Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1, not later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, BC) prior to the time set for the Meeting or any adjournment(s) or postponement(s) thereof.**

A Shareholder forwarding the enclosed form of proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the form of proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the form of proxy.

To be valid, a form of proxy must be executed by a Shareholder or a Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney.

#### **Revocation of Proxies**

A proxy given pursuant to this solicitation may be revoked at any time prior to its use. A Shareholder who has given a proxy may revoke the proxy by:

**(i)** completing and signing a proxy bearing a later date and depositing it at the offices of Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1;

**(ii)** depositing an instrument in writing executed by the Shareholder or by the Shareholder's attorney duly authorized in writing or, if the Shareholder is a body corporate, under its corporate seal or, by a duly authorized officer or attorney either with Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1 at any time up to and including the last business day preceding the day of the Meeting or any adjournment(s) or postponement(s) thereof or with the Chairman of the Meeting prior to the commencement of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof; or

**(iii)** in any other manner permitted by law.

Such instrument will not be effective with respect to any matter on which a vote has already been cast pursuant to such proxy.

### Voting by Non-Registered Shareholders

Only registered Shareholders or the persons they appoint as their proxies are permitted to vote at the Meeting. Most Shareholders are “**non-registered**” or “**beneficial**” Shareholders (“**Non-Registered Shareholders**”) because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. Common Shares beneficially owned by a Non-Registered Shareholder are registered either: (i) in the name of an intermediary (“**Intermediary**”) that the Non-Registered Shareholder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency, such as CDS Clearing and Depository Services Inc. (“**CDS**”), of which the Intermediary is a participant. In accordance with applicable securities law requirements, the Company will have distributed copies, via mail or electronically, of the Notice, this information circular in accordance with notice-and-access requirements, the form of proxy and a request card for interim and annual materials (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Shareholders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will either:

(i) be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Shareholder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in Canada and the United States. Broadridge typically prepares a machine-readable voting instruction form, mails those voting instruction forms to Non-Registered Shareholders and asks Non-Registered Shareholders to return the voting instruction forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for this form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company. A Non-Registered Shareholder who receives a voting instruction form cannot use that form to vote his or her Common Shares at the Meeting; or

(ii) be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Investor Services Inc., at 100 University, Ave, 8th Floor, North Tower, Toronto, ON M5J 2Y1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives one of the above forms wish to vote at the Meeting, or any adjournment(s) or postponement(s) thereof, (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the persons named in the voting instruction form and insert the Non-Registered Shareholder or such other person’s name in the blank space provided. In either case, Non-Registered Shareholders should carefully follow the instructions of their Intermediary, including those regarding when and where the voting instruction form is to be delivered.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Meeting Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required

to act on a revocation of a voting instruction form or of a waiver of the right to receive Meeting Materials and to vote, which is not received by the Intermediary at least seven (7) days prior to the Meeting.

Non-Registered Shareholders fall into two categories: those who object to their identity being made known to the issuers of securities which they own (“**Objecting Beneficial Owners**” or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**” or “**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from intermediaries. Pursuant to NI 54-101, issuers may obtain and use the NOBO list in connection with any matter relating to the affairs of the issuer, including the distribution of proxy-related materials directly to NOBOs. The Company is not sending Meeting Materials directly to the NOBOs. The Company will use and pay intermediaries and agents, such as Broadridge, to send the Meeting Materials. As more particularly outlined below under the heading “Notice and Access”, Meeting Materials will be sent to Non-Registered Shareholders using the Notice-and-Access Provisions.

### Notice and Access

As noted above, the Company is utilizing the Notice-and-Access Provisions that came into effect on February 11, 2013 under NI 54-101 and NI 51-102 for distribution of this Circular to all registered Shareholders and Non-Registered Shareholders.

The Notice-and-Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (such as proxy circulars and annual financial statements) on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. Electronic copies of the information circular, financial statements of the Company for the years ended April 30, 2018 and April 30, 2019 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the years ended April 30, 2018 and April 30, 2019 (“**MD&A**”) may be found on the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com) and also on the Company’s website at [www.auraniresources.com](http://www.auraniresources.com) under “Investor Reports”. The Company will not use procedures known as “stratification” in relation to the use of Notice-and- Access Provisions. Stratification occurs when a reporting issuer using the Notice-and-Access Provisions provides a paper copy of this information circular to some Shareholders with the notice package. In relation to the Meeting, all Shareholders will receive the required documentation under the Notice-and-Access Provisions, which will not include a paper copy of this information circular. Shareholders are reminded to review this Circular before voting.

Although this information circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a “notice package” via prepaid mail containing the Notice with information prescribed by NI 54-101 and NI 51-102, a form of proxy or voting instruction form, and a supplemental mail list return card for Shareholders to request they be included in the Company’s supplementary mailing list for receipt of the Company’s interim financial statements for fiscal year ended April 30, 2019.

The Company anticipates that notice-and-access will directly benefit the Company through a reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

Shareholders with questions about notice and access can contact Computershare Investor Services Inc. by toll free telephone at 1-800-564-6253.

If you would like to receive a paper copy of the current meeting materials by mail and you haven’t yet so requested, you must submit a request by calling 1 (403) 348-2972 (collect calls accepted). There is no charge to you for requesting a copy. A request for paper copies which are required in advance of the Meeting should be sent so that they are received by the Company by no later than October 7, 2019 (“**Request Deadline**”) in order to allow sufficient time for Shareholders to receive the paper copies and to return their proxies or voting instruction forms to intermediaries not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the City of Vancouver, BC) prior to the time set for the Meeting or any adjournments or postponements thereof (the “**Proxy Deadline**”). If a Shareholder elects to receive a document in a physical form, the Company shall send to that person such document within seven (7) days of receipt of notice of that Shareholder’s election, subject to the Request Deadline. If you do request the current materials, please note that another Voting Instruction Form/Proxy will not be sent; please retain your current one for voting purposes.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company has only one class of shares entitled to be voted at the Meeting, namely, an unlimited authorized number of Class A Common Shares without par value. As of September 11, 2019, there were 193,755,881 Class A Common Shares issued and outstanding.

Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The record date for the determination of Shareholders entitled to receive notice of the Meeting has been fixed at September 19, 2019 (the “**Record Date**”). **To be effective, each holder of Common Shares must submit the Proxy at least 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment (a) by delivering the completed and signed proxy using the pre-addressed envelope provided for this purpose; (b) by hand delivery to Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1; (c) over the internet by going to [www.investorvote.com](http://www.investorvote.com) and following the instructions provided; or (d) by telephone, by calling 1-866-732-VOTE (8683) (toll free within North America) or 312-588-4290 (International).**

Only those Shareholders of record as of September 19, 2019 will be entitled to vote at the Meeting or any adjournment thereof. To the knowledge of the directors and executive officers of the Company, no person beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company which have the right to vote in all circumstances other than the following, who do not act jointly or in concert with one another:

Name of Shareholder	Number of Class A Common Shares <sup>(1)(2)</sup>	Percentage of Class A Common Shares <sup>(1)(2)</sup>
Douglas Allan	22,854,356 <sup>(3)</sup>	11.8% <sup>(4)</sup>

**NOTES:**

(1) The information as to Common Shares beneficially owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information and/or furnished by the Shareholder listed above.

(2) On a non-diluted basis.

(3) Douglas Allan holds a \$100,000 convertible debenture subject to interest at a rate of 15% per annum, the principal and interest convertible at \$0.10 per share until maturity (June 2022) and 2,000,000 warrants convertible at \$0.20 until December 17, 2021.

CDS & Co. is a holding company for shares held in brokerage accounts for Non-Registered Holders. The Company’s management does not know who beneficially owns these shares.

## BUSINESS OF THE MEETING - ANNUAL MATTERS TO BE VOTED ON

### Financial Statements

The audited financial statements of the Company for the years ended April 30, 2018 and 2019 and the corresponding respective MD&A are available for review on SEDAR. Shareholders can request a copy of our future financial statements and MD&A by completing our supplemental request card which accompanies the Notice of Meeting and, if so requested, this Information Circular. Shareholders will not be asked to vote on the financial statements or MD&A.

### Election of Directors

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time. Under the Company's Articles and pursuant to the *Business Corporations Act* (British Columbia), the number of directors cannot be fewer than three. The Shareholders fixed the number of the directors at the Annual General and Special Meeting of the Company held on October 27, 2016 at five (5).

Management proposes to nominate the persons named under the heading "Nominees for Election" below for election as directors of the Company.

#### *Nominees for Election*

The following information relating to the nominees for directors is based partly on the Company's records and partly on information received by the Company from the nominees. It states the name of each person proposed to be nominated by management for election or re-election as a director, all offices of the Company now held by him, his principal occupation, the period of time for which he has been a director of the Company and the number of Common Shares of the Company beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

While management does not contemplate that the Nominees will be unable to serve as directors, if prior to the Meeting a vacancy occurs in this slate of Nominees for any reason, the management representatives designated in the Proxy solicited in respect of the Meeting shall have the discretionary authority to vote for the election of any other person as director. Proxies received by the directors on which no designation is made will be voted for the Nominees for election as directors or any substitute nominee thereof as may be determined by management, if necessary.

Name, Municipality of Residence and Position with Company	Present Principal Occupation	Director Since	Shares Owned <sup>(2)</sup>
<b>Don Allan</b> <sup>(1)(3)(4)</sup> Red Deer County, Alberta Canada <i>President, CEO and Chairman/Director</i>	Mr. Allan has more than three decades of executive leadership experience including experience in debt and equity capital markets, strategy and planning, risk management and investor relations. Mr. Allan has an extensive background in business development, marketing and project development. Mr. Allan was also President and CEO of Blue Horizon Industries Inc., past Board member of the Rainbow Council and was runner-up for the Ernst & Young "Entrepreneur of the Year" award in 2007.	March 1, 2013	15,650,712
<b>Chris Dovbniak</b> <sup>(3)</sup> Erskine, Alberta Canada <i>Director</i>	Mr. Dovbniak is a retired instrumentation/electrical technician with a vast array of supervisory and planning expertise. Mr. Dovbniak has over 30 years of process management, control and purchasing experience. Mr. Dovbniak has extensive experience in holding board positions on non-profit and profit	December 19, 2014	12,583

	corporations. Mr. Dovbniak will be able to provide extensive advice throughout engineering and construction of the refineries.		
<b>Mel Angeltvedt</b> <sup>(1)</sup> Provost, Alberta Canada <i>Director</i>	Mr. Angeltvedt has 30 years of experience in the oil and gas industry in process and production as well as in the service sector. Mr. Angeltvedt has been the President of Bozco Enterprises since its conception in 1998. Mr. Angeltvedt brings experience-based business knowledge and will be a valuable advisor on the financing, construction, operation and expansion of Cielo.	February 15, 2016	1,837,438 <sup>(5)</sup>
<b>Doug MacKenzie</b> <sup>(1) (3) (4)</sup> Oakville, Ontario Canada <i>Director</i>	Mr. MacKenzie, a former oil industry executive, has over 20 years' experience as a senior executive, strategist and innovator in the ethanol and biofuels industry. Mr. MacKenzie was the CEO and President of Permolex International. He has been involved extensively in community volunteer activities and works as a Real Estate agent. His education includes MBA (York), Management Science (Stanford) and Bachelor Science in Engineering Physics (U of Alberta, with Distinction)	June 7, 2013	Nil
<b>Christopher Robin Ray</b> <sup>(1)</sup> Lethbridge, Alberta Canada <i>Director (Former CFO)</i>	Mr. Ray is a Certified General Accountant. Since 1995 Mr. Ray has been a partner in the general accounting firm, MacNevin & Ray. Mr. Ray has been the President and Chief Executive Officer of Robix Environmental Technologies, Inc. since July 18, 2017. Mr. Ray also served from April 2001 to August 2011 as the Chief Financial Officer & as a director of MLB Industries Inc. ("MLB") and, following a business combination between MLB and Blue Horizon Industries Inc. ("BHI"), became a director of BHI, as well as Chief Financial Officer from January 2012 until August 2012. Mr. Ray brings extensive business experience to the board.	June 7, 2013	250,341

**NOTES:**

- (1) Member of Audit Committee.
- (2) The approximate number of shares of the Company carrying the right to vote in all circumstances beneficially owned, directly or indirectly, or over which control or direction is exercised by each proposed nominee as of September 11, 2019. This information is not within the knowledge of the management of the Company and has been furnished by the respective individuals, or has been extracted from the register of shareholdings maintained by the Company's transfer agent or from insider reports filed by the individuals and available through the Internet at [www.sedi.ca](http://www.sedi.ca).
- (3) Member of Compensation Committee.
- (4) Member of Governance Committee.
- (5) Mel Angeltvedt holds 1,495,250 Class A Common Shares directly and 342,188 through a corporation owned and/or controlled in whole or in part by him.

Under the provisions of the *Business Corporations Act* (British Columbia) and applicable securities legislation, the Company is required to have an audit committee whose members are indicated above, three (3) of which members are independent directors. See also the section entitled "*Audit Committee*" below.

The Company's management recommends that Shareholders vote in favour of the nominees for election as directors.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the five nominees as directors of the Company for the ensuing year.**

*Corporate Cease Trade Orders or Bankruptcy*

Save and except as set out below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, within ten years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period or more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Blue Horizon Industries Inc. (“BHI”), of which corporation Don Allan was President and CEO until its dissolution on July 2, 2017, was subject to a Cease Trade Order as of March 6, 2012. Christopher Robin Ray was also a director and Chief Financial Officer of BHI from January until August 2012

Robix Environmental Technologies, Inc., of which corporation Robin Ray is a former President, CEO and director, has been subject to a Cease Trade Order as of May 4, 2018, and the Cease Trade Order is still in effect today.

#### *Penalties or Sanctions*

Save and except as set forth below, as of the date of this Information Circular, no proposed nominee for election as a director of the Company is, or has been, subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely to be considered important to a reasonable investor making an investment decision.

#### *Personal Bankruptcy*

As of the date of this Information Circular, no proposed nominee for election as a director of the Company has, within the ten years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

#### *Conflicts of Interest*

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a Conflict of interest arises at a meeting of the board of directors, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, that directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Except as disclosed in this Information Circular, to the best of the Company’s knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management may from time to time serve as directors, officers, promoters and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of those other companies.

Certain of the directors of the Company also serve as directors and/or officers of other companies. Consequently, there exists the possibility for such directors and/or officers to be in a position of conflict. Don Allan is a director and officer of 18887711 Alberta Inc. (“1888”), the private Alberta corporation with which the Company entered into a licence agreement dated June 14, 2016 (as amended on November 1, 2017), which is available for review on SEDAR. Mel Algelvedt is also a director and officer of 1888 and Robin Ray is CFO of 1888.

Any decision made by directors or officers in such positions involving the Company will be made in accordance with their duties and obligations to deal fairly and in good faith with the Company and such other companies. In addition, such directors will declare, and refrain from voting on, any matter in which such directors may have a conflict of interest.

### Election of Directors

During the financial year ended April 30, 2019, A. Chan & Company LLP, Chartered Accounts of 114B - 8988 Fraserton Court Burnaby, BC V5J 5H8, Canada, served as the Company's auditor. See also the Section entitled "*Audit Committee – External Auditor Service Fees*".

The Company's management recommends that Shareholders vote in favour of the re-appointment of A. Chan & Company, LLC, Chartered Accountants as the Company's auditor for the ensuing year and in favour of granting the Board of Directors the authority to determine the remuneration to be paid to the auditor.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of A Chan & Company LLP, Chartered Accountants as the auditor of the Company until the close of the next annual meeting and also intend to vote FOR the proposed resolution to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

## **BUSINESS OF THE MEETING - SPECIAL MATTERS TO BE VOTED ON**

### Approval of Amended Restricted Share Unit Plan and Amended Stock Option Plan

At the Meeting, the Shareholders will be asked to separately approve the adoption of an amended restricted share unit plan (the "Amended RSU Plan") and an amended "rolling" stock option plan (the "Amended Stock Option Plan" as defined below), which together will form the Company's long term incentive plans (the "Incentive Plans").

If Shareholders approve both the Amended RSU Plan and the Amended Stock Option Plan, 10% of the issued and outstanding common shares of the Company will at all times be collectively reserved for issuance for the Amended RSU Plan and the Amended Stock Option Plan, divided such that 4% of the issued and outstanding common shares will be reserved under the Amended RSU Plan and 6% of the issued and outstanding common shares will be reserved for issuance under the Amended Stock Option Plan. As at the date of this Circular, there are 193,755,881 common shares issued and outstanding, which would allow for and result in a maximum grant of 11,625,353 stock options and a maximum grant of 7,750,235 RSUs (as defined below). As the Amended Stock Option Plan would be a "rolling" plan, these maximums would increase as additional common shares are issued. As at the date of this Circular, 10,240,000 stock options have been granted, all of which have vested, and 4,750,000 RSUs have been granted, none of which have vested. Under the Current Incentive Plans (as defined below), the Company can issue a maximum of 11,212,730 common shares under the Current Stock Option Plan (as defined below) and 7,475,154 common shares under the Current RSU Plan (as defined below), approximately a 60/40 split. See section entitled "*Background – Current Incentive Plans*" for additional details.

If the requisite shareholder approval for each of the Amended RSU Plan and the Amended Stock Option Plan is not obtained at the Meeting, the Company shall continue to operate under its current incentive plans (the "Current Incentive Plans") approved at the Company's Annual General and Special Meeting of the Shareholders on October 26, 2017 (see section entitled "*Background – Current Incentive Plans*" for details).

The changes are intended to provide a long term incentive compensation structure that aligns the interests of the directors, officers, employees and consultants of the Company with the interests of the Company's shareholders as the Company grows.

The aggregate number of common shares that may be issued pursuant to the Incentive Plans is subject to the following limitations:

- 1) Common Shares up to 10% of the issued and outstanding common shares of the Company at any time may be reserved for issuance collectively under the Incentive Plans, 4% under the Amended RSU Plan and 6% under the Amended Stock Option Plan.
- 2) The aggregate number of common shares which may be reserved for issuance under the Incentive Plans, within any one-year period:
  - (a) to any one person, shall not exceed 5% of the total number of issued and outstanding shares on the grant date;
  - (b) to any one consultant, shall not exceed 2% of the total number of issued and shares on the grant date; and
  - (c) to all plan participants engaged in investor relations activities, shall not exceed 2% in the total number of issued and outstanding shares on the grant date.
- 3) The Incentive Plans do not contain restrictions limiting the aggregate number of common shares reserved for issuance under the Incentive Plans granted to insiders (as a group) within a 12-month period or held by insiders at a given time. As such, the Company may grant to insiders/related persons, as a group, more than 10% of the total number of issued and outstanding shares on the grant date. Shareholder approval of the Incentive Plans will indicate an approval of the foregoing as well.

Each of the Incentive Plans is further described below.

#### *Background – Current Stock Option Plan*

At the meeting of shareholders of the Company held on April 26, 2012, the shareholders of the Company approved the amendment of the Company's Stock Option Plan from a "rolling" plan to a "fixed" plan which, at the time of such approval, allowed for a maximum number of 4,716,674 options to be granted, being 20% of the issued and outstanding common shares at the time of such meeting at the time. The maximum number was increased at subsequent shareholder meetings and, at the annual general and special meeting of shareholders held on October 27, 2016, the shareholders approved an amended a "fixed" stock option plan, allowing for a maximum of 18,687,884 options to be granted, which was 20% of the total issued and outstanding common shares of the Company at the time of approval.

The Board of Directors of the Company approved and proposed to the shareholders of the Company at an annual general and special meeting of the Shareholders held on October 26, 2017, that a Restricted Share Unit plan be implemented (the "Current RSU Plan") in addition to the Company's fixed stock option plan (the "Current Stock Option Plan"). The number of common shares collectively reserved for issuance (18,687,884, at the time of the meeting representing just under 16% of the Company's issued and outstanding shares) was not increased but, instead, that number was divided between the Current RSU Plan and the Current Stock Option Plan, such that the total number of options that could be granted under the Current Stock Option Plan were reduced. 11,212,730 common shares (9.5%) were reserved under the Current Stock Option Plan and 7,475,154 common shares (6.3%) were reserved under the Current RSU Plan (an approximately 60/40 split).

#### *Description of the Amended "Rolling" Stock Option Plan*

The Board of Directors of the Company has approved the amendment of the Current Stock Option Plan to a "rolling" stock option plan, such that at all times, 6% of the issued and outstanding shares of the Company will be reserved for issuance (10% together with the Amended RSU Plan).

The purpose of the Amended Stock Option Plan is to advance the interests of the Company by (i) providing certain employees, officers, directors or consultants of the Company (collectively, the "Optionees") with additional performance incentives; (ii) encouraging Common Share ownership by the Optionees; (iii) increasing the proprietary interest of the Optionees in the success of the Company; (iv) encouraging the Optionees to remain with the Company; and (v) attracting new employees, officers, directors and consultants to the Company.

The following is a summary of the material terms of the Amended Stock Option Plan, in addition to those terms which are applicable to both the both Incentive Plans, as set out above in the section entitled “*Approval of the Amended Restricted Share Unit Plan and the Amended Stock Option Plan*”:

1. **Number of Shares Reserved** The aggregate maximum number of Common Shares available for issuance from treasury under the Amended Stock Option Plan (including any options (“Option(s)”) granted by the Company prior to the adoption of the Amended Stock Option Plan) will not exceed an aggregate of Six Percent (6%) of the issued and outstanding common shares of the Company at the time of grant. Any common shares subject to an Option which has been granted under the Current Stock Option Plan and which has been cancelled, repurchased, expired or terminated in accordance with the terms of the Amended Stock Option Plan without having been exercised will again be available under the Amended Stock Option Plan.
2. **Eligibility** Any director, executive officer, employee, consultant or management company employee and their permitted assigns (as those terms are defined by the policies of the CSE and National Instrument 45-106 – Prospectus Exemptions, as amended from time to time) of the Company or any affiliate of the Company are eligible to receive Options (each an “Eligible Person”) subject to the terms of the Amended Stock Option Plan and Board approval.
3. **Exercise Price** The exercise price of an Option shall be determined by the Board at the time each option is granted, provided that such price shall not be less than (i) if the Common Shares are listed on the CSE, the greater of the closing price of the Common Shares on the CSE on the date of grant or on the date immediately prior to the date of grant; or (ii) if the Common Shares are not listed on the CSE, in accordance with the rules of the stock exchange on which the Common Shares are listed at the time of the grant; or (iii) if the Common Shares are not listed on any stock exchange, the minimum exercise price as determined by the Board.
4. **Amendment** The Board of Directors may amend the Amended Stock Option Plan at any time; however, an amendment may not be made without shareholder approval if shareholder approval is necessary to comply with applicable regulatory requirements.
5. **Vesting** The Board of Directors may determine vesting terms.
6. **Transferability** The Options are non-assignable and non-transferable.
7. **Termination** Any Options granted under the Amended Stock Option Plan will terminate at the end of a period of time (to be determined in each instance by the Board of Directors at the time of grant) not to exceed 12 months or the date on which the optionee (“Optionee”) ceases to be an Eligible Person by reason of termination for cause, unless he or she ceases to be an Eligible Person on account of death or disability, in which case the options terminate on the first anniversary of such disability or death.
8. **Administration** The Amended Stock Option Plan is administered by the Board of Directors of the Company and/or a Compensation Committee as determined by the Board of Directors, or an employee or senior officer to which such authority is delegated by the Board from time to time.
9. **Board Discretion** The Amended Stock Option Plan provides that, generally, the number of shares subject to each option, the exercise price, the expiry time, the extent to which such option is exercisable, including vesting, and other terms and conditions relating to such options will be determined by the Board of Directors of the Company or senior officer or employee to which such authority is delegated by the Board from time to time and in accordance with CSE requirements.

As at the date of this Information Circular, 10,240,000 have been granted, 100% of which have vested.

#### *Background – Current Restricted Share Unit Plan*

The board of directors of the Company approved the implementation of the Current RSU Plan on September 7, 2017. The purpose of the RSU Plan is to (i) encourage the attraction and retention of officers, directors, employees, consultants and other persons to serve the Company; and (ii) encourage such persons to improve the business results and earnings of the Company by providing to such persons an opportunity to acquire or increase a direct interest in the operations and future success of the Company. To this end, the RSU Plan provides for the grant of restricted share units (“RSU”). Any of these awards of RSU’s may, but need not, be made as performance incentives to reward attainment of annual or long-term performance goals.

For the reasons described in the section entitled “Shareholder Approval Requirements” below, the RSU Plan requires shareholder approval. At the Meeting, Shareholders will be asked to approve an ordinary resolution to adopt the RSU Plan.

A copy of the RSU Plan will be available for review at the Meeting. The full text of the RSU Plan will also be supplied free of charge to Shareholders upon written request made directly to the Company at its registered head office located at 101 – Howe Street, Vancouver, BC V6Z 2N1, Attention: Don Allan.

### *Description of the Amended RSU Plan*

The following is a summary of the key features of the RSU Plan, in addition to those terms which are applicable to both the Amended Stock Option Plan and the Amended RSU Plan, as set out above in the section entitled “*Approval of the Amended Restricted Share Unit Plan and the Amended Stock Option Plan*”:

#### **1. Eligibility**

- Directors, officers, employees and consultants of the Company will be entitled to receive RSUs subject to the terms of the Amended RSU Plan and Board approval.

#### **2. Awarding RSUs**

- The number of RSUs granted will be credited to the designated participant (the “Designated Participant”)’s account effective on the grant date.
- An aggregate of Four Percent (4%) of the issued and outstanding common shares of the Company will be reserved for issuance under the Amended RSU Plan.
- Any rights with respect to RSUs will not be transferable or assignable other than for normal estate settlement purposes.

#### **3. Vesting**

- The vesting period for each grant of RSUs will be determined by the Board provided that no vesting period will exceed 3 years from the date of grant. Vesting may occur at one time or over several vesting dates (for example 1/3 on each anniversary of the date of grant).
- Unless otherwise determined by the Board, in the event that a Designated Participant dies, retires, becomes disabled or is terminated without cause prior to the vesting of the RSUs, the RSUs will vest within 90 days thereafter, as determined by the Board at the time of grant.
- If a Designated Participant is terminated for cause or resigns without good reason, his or her RSUs will immediately expire as of the date of termination.

#### **4. Cash or Equity Settlement**

- Each RSU entitles the holder, subject to the terms of the Amended RSU Plan and grant, to receive a payment in fully-paid Common Shares or by cash settlement, at the option of the Company, as of the vesting date.
- The value of the Common Shares or cash payment to be delivered to the Designated Participant upon vesting will be the market value of the Common Shares at the vesting date. Cash payment, if selected by the Company, or the issuance of Common Shares will be made within 15 business days after the RSU is fully vested.
- All payments, whether in cash or Common Shares, will be subject to applicable withholding taxes.

#### **5. Change of Control**

- If there is a corporate transaction that results in any person or group of persons acting in concert acquiring more than 20% of the Company’s outstanding common shares or substantially all of the Company’s assets, or the incumbent members of the Board no longer constitute a majority of the board, a change of control will have occurred for the purposes of the Amended RSU Plan.
- In the event of a change of control, for Designated Participants whose employment or engagement thereafter ceases for any reason other than resignation without good reason or termination for cause, the RSUs will immediately be deemed to vest and the Company shall, at its option, issue Common Shares or pay a cash amount equal to the market value of such vested RSUs to the Designated Participant.

- In the event of a change of control, should the person or group acquiring the common shares of the Company not agree to assume all of the obligations of the Company under the Amended RSU Plan, all unvested RSUs held by Designated Participants will immediately be deemed to vest and the Company shall, at its option, issue Common Shares or pay a cash amount equal to the market value of such vested RSUs to the Designated Participant.

**6. Amendment:**

- The Board may amend, suspend or terminate the Amended RSU Plan at any time without shareholder approval, unless shareholder approval is required by law or by the rules, regulations and policies of the CSE, or any exchange upon which the Common Shares are listed at such time, provided that, without the consent of a Designated Participant, such amendment, suspension or termination may not in any manner adversely affect the Designated Participant's rights.
- Subject to the terms of the RSU Plan, the Board may approve amendments relating to the RSU Plan, without obtaining shareholder approval, to the extent that such amendment:
  - is of a typographical, grammatical, clerical or administrative nature or is required to comply with applicable regulatory requirements;
  - is an amendment relating to administration of the Amended RSU Plan and eligibility for participation under the Amended RSU Plan;
  - changes the terms and conditions on which RSUs may be or have been granted pursuant to the RSU Plan,
  - including change to the vesting provisions of the RSUs;
  - changes the termination provisions of an RSU or the Amended RSU Plan; or
  - is an amendment of a "housekeeping nature".

**7. Shareholder Approval**

Shareholder Approval will be required for the following:

- increasing the number of securities issuable under the Amended RSU Plan;
- amending the restriction on transferability of RSUs;
- permitting awards other than RSUs to be made under the Amended RSU Plan; and
- deleting or reducing the amendments that require shareholders' approval under the Amended RSU Plan.

As at the date of this Information Circular, 4,750,000 have been granted, none of which have vested.

*Shareholder Approval Requirements*

The common shares of the Company are listed on the CSE, whose policies do not currently require that the Company to seek shareholder approval for any incentive plans.

Under National Instrument 45-106 ("NI 45-106"), an "unlisted reporting issuer" (such as the Company), requires disinterested shareholder approval in the following cases: a) in the event that the number of securities, calculated on a fully diluted basis, reserved for issuance under options granted to related persons exceeds 10% of the outstanding securities of the issuer or to one related person exceeds 5% of the outstanding securities of the issuer; or b) in the event that the number of securities, calculated on a fully diluted basis, issued within 12 months to related persons exceeds 10% of the outstanding securities of the issuer or to one related person and his or her associates exceeds 5% of the outstanding securities of an issuer. Previously, given the terms of the Current Incentive Plans and, in particular, as the maximum number of options and/or RSUs allowed to be granted under the Current Incentive Plans is, in aggregate, greater than 10% of the issued and outstanding common shares of the Company, the Company sought and obtained "securityholder approval" as defined in NI 45-106, which means/includes approval for the issuance of securities of an issuer as compensation or under a plan given by a majority of the votes cast at a meeting of security holders of the issuer other than votes attaching to securities beneficially owned by related persons to whom securities may be issued as compensation or under that plan.

Given the foregoing, and as the maximum aggregate number of common shares to be reserved for issuance under the Amended Stock Option Plan and Amended RSU Plan will not exceed 10% of the issued and outstanding shares at any time, the Company is not required to seek shareholder approval.

However, as disclosed in the Company's information circular dated September 8, 2017 in advance of the annual general and special meeting of shareholders held on October 26, 2017, in the event of an increase in the maximum number of shares that can be issued under

each Incentive Plan, shareholder approval would be required. The Current RSU Plan has a maximum limit of 7,475,154 and the Current Stock Option Plan has a limit of 11,212,730. There are currently 193,755,881 issued and outstanding common shares, 6% of this being 11,625,352 and 4% of this being 7,750,235. In both cases, this number exceeds the limits previously approved. As such, the Company is seeking shareholder approval.

**“BE IT RESOLVED** as an ordinary resolution of the shareholders that:

1. implementation by the Board of Directors of the Amended Stock Option Plan, as more particularly described in the Company’s Management Information Circular dated September 11, 2019, is approved, ratified and confirmed; and
2. any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.”

The Board of Directors recommends that the shareholders vote in favour of the resolution to approve the Amended Stock Option Plan.

**Unless they are instructed otherwise, the persons named in the enclosed form of proxy intend to vote FOR the resolution to approve the Amended Stock Option Plan.**

1. **“BE IT RESOLVED** as an ordinary resolution of the shareholders that:

2. implementation by the Board of Directors of the Amended RSU Plan, as more particularly described in the Company’s Management Information Circular dated September 11, 2019, is approved, ratified and confirmed; and
3. any director or officer of the Company is hereby authorized for and on behalf of the Company to execute and deliver all documents and instruments and to take such other actions as such director or officer may determine to be necessary or desirable to implement these resolutions and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.”

The Board of Directors recommends that the shareholders vote in favour of the resolution to approve the Amended RSU Plan.

**Unless they are instructed otherwise, the persons named in the enclosed form of proxy intend to vote FOR the resolution to approve the Amended RSU Plan.**

## EXECUTIVE COMPENSATION

As defined under applicable securities legislation, the Company has two "Named Executive Officers" during the financial year ended April 30, 2019, as set out below:

Don Allan – President and Chief Executive Officer

Shannon Wyzykoski – Chief Financial Officer

### *Definitions:*

#### *For the purpose of this Information Circular:*

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

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

**"closing market price"** means the price at which the Company's security was last sold, on the applicable date,

(a) in the security's principal marketplace in Canada, or

(b) if the security is not listed or quoted on a marketplace in Canada, in the security's principal marketplace;

**"company"** includes other types of business organizations such as partnerships, trusts and other unincorporated business entities;

**"equity incentive plan"** means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of Section 3870 of the Handbook;

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

**"grant date"** means a date determined for financial statement reporting purposes under Section 3870 of the Handbook;

**"Handbook"** means the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time;

**"incentive plan"** means any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specified period;

**"incentive plan award"** means compensation awarded, earned, paid, or payable under an incentive plan;

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

(a) a CEO;

(b) a CFO;

(c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102, for that financial year; and

(d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year;

**"NI 52-107"** means National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

**"non-equity incentive plan"** means an incentive plan or portion of an incentive plan that is not an equity incentive plan;

**"option-based award"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights, and similar instruments that have option-like features;

**"plan"** includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, securities, similar instruments or any other property may be received, whether for one or more persons;

**"replacement grant"** means an option that a reasonable person would consider to be granted in relation to a prior or potential cancellation of an option;

**"repricing"** means, in relation to an option, adjusting or amending the exercise or base price of the option, but excludes any adjustment or amendment that equally affects all holders of the class of securities underlying the option and occurs through the operation of a formula or mechanism in, or applicable to, the option;

**"share-based award"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units, and stock.

## Compensation Discussion and Analysis

### *Goals and Objectives*

The Compensation Committee was composed of three directors, being Don Allan, Chris Dovbniak and Doug MacKenzie throughout the year ended April 30, 2019. Management directors are required to abstain from voting in respect of their own compensation thereby providing the independent members of the Board with considerable input as to executive compensation.

The Board reviews on an annual basis the corporate goals and objectives relevant to executive compensation; evaluates each executive officer's performance in light of those goals and objectives and sets the executive officer's compensation level based, in part, on this evaluation. The Board also takes into consideration the Company's overall performance, shareholder returns, and the value of similar incentive awards to executive officers at comparable companies, and the awards given to executive officers in past years.

### *Executive Officer Compensation*

Prior to the year ended April 30, 2018, as the Board and management of the Company had focused on furthering the business goals of the Company since its change of business (April 14, 2014), securing financing for these business goals as well as limiting expenditures, the Compensation Committee and the Board had recommend the deferral of executive compensation. During the year ended April 30, 2018, as the Company began to move closer to commercialization of its technology and nearing revenues, all officers of the Company had begun to receive compensation in accordance with their respective agreements.

Stock options and Restricted Share Units ("RSUs") are an important part of the Company's long-term incentive strategy for its directors, officers, employees and consultants, permitting them to participate in any appreciation of the market value of the Company's shares over a stated period of time, and are intended to reinforce commitment to long-term growth and shareholder value. Stock options and RSUs reward overall corporate performance as measured through the price of the Company's shares and enables executives to acquire and maintain an ownership position in the Company.

### *Director Compensation*

While the Company has been in a period of change and growth, no compensation was paid to the directors of the Company up to and including April 30th, 2019 (other than stock options). It is anticipated that directors will begin to receive cash compensation once the Company begins to generate revenues. (Those directors who received compensation during the year ended April 30, 2019 received such compensation for services other than the services of a director.)

### *Option Based Awards*

Executive officers of the Company, as well as directors, employees and consultants, are eligible to participate in the Company's stock option plan (the "Stock Option Plan"). Individual stock options are granted by the Board as a whole and the size of the options is dependent on, among other things, each officer's level of responsibility, authority and importance to the Company and the degree to which an officer's long term contribution to the Company will be crucial to its overall long-term success.

The Board of Directors approved the implementation of a Restricted Share Unit Plan (the "RSU Plan") on September 7, 2017 as an alternative to stock options as a means of compensating directors and officers of the Company. Stock option and RSU grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's level of ongoing responsibility within the Company. The Board will evaluate, as applicable, the number of options or RSUs an officer has been granted, the exercise price of the options and the term and vesting period remaining on those options or RSUs when considering further grants. Options and RSUs are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant or the date of grant and the current policy of the Board is that options expire two to five years from the date of grant.

The Company has no arrangements, standard or otherwise, under which Directors are compensated by the Company for their services in their capacity as Directors, or for committee participation, or involvement in special assignments during the most recently completed financial year or subsequently, up to and including the date of this Listing Statement.

### Summary Compensation Tables

The following disclosure sets out the compensation paid, made payable, awarded, granted, given or otherwise provided to each NEO and director for the financial years ended April 30, 2018 and April 30, 2019. During the financial years ended April 30, 2018, and April 30, 2019, the NEOs were Don Allan (CEO) and Shannon Wyzykoski (CFO). No other officer of the Company received a salary greater than \$150,000 per year.

#### *Director and named executive officer compensation, excluding compensation securities*

#### *Table of compensation excluding compensation securities*

The following tables sets forth the summary information concerning compensation excluding compensation securities earned by the Company's President and Chief Executive Officer ("CEO"), the Chief Financial Officer ("CFO"), and the directors of the Company during the most recently completed financial years ended on or after April 30, 2018.

#### *Compensation Excluding Securities*

Name and Principal Position	Year (period) Ended	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meetings fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total Compensation (\$)
<b>Don Allan</b> <i>President &amp; Chief Executive Officer</i>	2018	158,508	Nil	Nil	Nil	Nil	158,508
	2019	325,246	Nil	Nil	Nil	Nil	325,246
<b>Shannon Wyzykoski, CPA</b> <i>Chief Financial Officer</i>	2018	77,880	N/A	N/A	N/A	N/A	77,880
	2019	136,490	N/A	N/A	N/A	N/A	136,490
<b>Chris Dovbniak</b> <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2019	5,787	Nil	Nil	Nil	Nil	5,787
<b>Mel Angletvedt</b> <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Doug MacKenzie</b> <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2019	Nil	Nil	Nil	Nil	Nil	Nil
<b>Christopher Robin Ray</b> <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2019	4,000	Nil	Nil	Nil	Nil	4,000

### *Stock Options and other compensation securities*

The following tables sets forth the summary information concerning compensation securities earned by the Company’s President and Chief Executive Officer (“CEO”), and Chief Financial Officer (“CFO”), and the directors of the Company during the most recently completed financial years ended on or after April 30, 2018.

### *Compensation Securities*

<b>Name and Principal Position</b>	<b>Type of Compensation Security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class<sup>(1)</sup></b>	<b>Date of issue of grant</b>	<b>Issue, conversion or exercise of price (\$)</b>	<b>Closing price of security or underlying security on date of grant (\$)</b>	<b>Closing price of security or underlying security at year end (\$)</b>	<b>Expiry Date</b>
<b>Don Allan</b> <i>President &amp; Chief Executive Officer</i>	Stock options (2018)	2,250,000	January 12, 2018	0.25	\$0.21	\$0.14	January 12, 2021
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A
	RSUs (2018)	3,000,000	January 12, 2018	N/A	\$0.21	\$0.14	50% vesting January 12, 2020 and 50% vesting January 12, 2021
	RSUs (2019)	Nil	N/A	N/A	N/A	N/A	N/A
<b>Shannon Wzykoski, CPA</b> <i>Chief Financial Officer</i>	Stock options (2018)	100,000	January 12, 2018	\$0.25	\$0.21	\$0.14	January 12, 2018
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A

<b>Chris Dovbniak</b> <i>Director</i>	Stock options (2018)	250,000	January 12, 2018	\$0.25	\$0.21	\$0.14	January 12, 2021
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A
<b>Mel Angletvedt</b> <i>Director</i>	Stock options (2018)	250,000	January 12, 2018	\$0.25	\$0.21	\$0.14	January 12, 2021
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A
<b>Doug MacKenzie</b> <i>Director</i>	Stock options (2018)	250,000	January 12, 2018	\$0.25	\$0.21	\$0.14	January 12, 2021
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A
<b>Christopher Robin Ray</b> <i>Director</i>	Stock options (2018)	250,000	January 12, 2018	\$0.25	\$0.21	\$0.14	January 12, 2021
	Stock options (2019)	Nil	N/A	N/A	N/A	N/A	N/A

#### Pension Plan Benefits

The Company does not have any pension, retirement or deferred compensation plans, including defined contribution plans.

#### Termination and Change of Control Benefits

Except as listed below, the Company has not entered into any compensatory plans, contracts or arrangements with any of its Named Executive Officers (NEOs) whereby those officers are entitled to receive compensation as a result of the resignation, retirement or any other termination of employment of the NEO with the Company or from a change in control of the Company or a change in the Named Executive Officer's responsibilities following a change in control.

Pursuant to his employment agreement with the Company dated November 1, 2017, in the event that Don Allan is terminated without cause or there is a change of control event, Don Allan will be entitled to receive payment equal to four (4) times his then-current annual

salary, in addition to any outstanding remuneration owing. All unvested options and RSUs will vest immediately and Don Allan will continue to be entitled to receive an operating income bonus under the terms of the agreement.

### Management, Employment and Consulting Agreements

The Company has entered into the following agreements with the NEOs:

Shannon Wyzykoski provided her services as CFO through SSCR Corporate Solutions Ltd. pursuant to a consulting agreement with the Company, which includes non-disclosure but not non-competition provisions.

Don Allan, President and CEO of the Company, entered into an employment agreement with the Company on November 1, 2017. In addition to his salary, Don Allan is entitled to an operating income bonus calculated at 2.5% of the Company's EBITDA each year. Pursuant to his employment agreement with the Company dated November 1, 2017, in the event that Don Allan is terminated without cause or there is a change of control event, Don Allan will be entitled to receive payment equal to four (4) times his then-current annual salary, in addition to any outstanding remuneration owing. All unvested options and RSUs will vest immediately and Don Allan will continue to be entitled to receive the operating income bonus under the terms of the agreement.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of April 30, 2019, the Company's most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	5,500,000 <sup>(1)</sup> 4,740,000 <sup>(2)</sup> 4,750,000 <sup>(3)</sup>	\$0.10 \$0.25 N/A	972,730 <sup>(4)</sup> 2,725,154 <sup>(4)</sup>
Equity Compensation plans not approved by securityholders	Nil	Nil	Nil
Total:	5,500,000 <sup>(1)</sup> 4,740,000 <sup>(2)</sup> 4,750,000 <sup>(3)</sup>	Nil	972,730 <sup>(4)</sup> 2,725,154 <sup>(4)</sup>

#### NOTES:

(1) On November 7, 2016, 5,500,000 stock options were issued to directors, officers, employees and consultants of the Company. The options are exercisable at a price of \$0.10 per share for a period of 3 years from the date of grant and all vested immediately.

(2) On January 12, 2018, 4,740,000 stock options were issued to directors, officers, employees and consultants of the Company. The options are exercisable at a price of \$0.25 per share for a period of 3 years from the date of grant and all vested immediately.

(3) On January 12, 2018, 4,750,000 restricted share units ("RSU"s) were issued to directors, officers and employees of the Company. 50% of the RSUs will vest on January 12, 2020 and 50% on January 12, 2021 (amended from an original vesting schedule over 3 years). Upon vesting, holders of RSUs will be entitled to receive 1 common share for each RSU or the equivalent cash value, at the discretion of the Company, subject to applicable taxes.

(4) At the Annual General and Special Meeting of the Shareholders held on October 26, 2017, a 2017 Fixed Stock Option Plan and an RSU Plan were each approved, such that a maximum of 11,212,730 options and 11,212,730 RSUs were approved for grant (collectively just under 16% of the Company's issued and outstanding shares at the time of such meeting). An Amended Stock Option Plan and Amended RSU Plan are being presented for approval at this Meeting, which would amend the number of securities available for grant.

## AUDIT COMMITTEE

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

### *The Audit Committee Charter*

The Company’s audit committee is governed by an audit committee charter which will be available at the Meeting.

### *Composition of Audit Committee*

As a result of amendments to National Instrument 52-110 in 2015, the Company, a venture issuer, is required to have an audit committee consisting of at least three members, with at least two members being independent directors. The Audit Committee as at September 11, 2019 consists of Don Allan (not independent), Robin Ray (independent), Doug MacKenzie (independent) and Mel Angeltvedt (independent).

All Audit Committee members have the ability to read and understand 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 and are therefore considered “financially literate”.

### *Relevant Education and Experience*

All of the Audit Committee members are businessmen with experience in financial matters; each has an understanding of accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour.

Name	Determination of Independence
<b>Don Allan</b> Red Deer, Alberta  <i>President, CEO, Chairman and Director</i>	Mr. Allan has more than three decades of executive leadership experience including experience in debt and equity capital markets, strategy and planning, risk management and investor relations. Mr. Allan has an extensive background in business development, marketing and project development. Mr. Allan was the President and CEO of Blue Horizon Industries Inc. and past Board member of the Rainbow Council. Mr. Allan was also runner up for the Ernst & Young “Entrepreneur of the Year” award in 2007.
<b>Robin Ray</b> Lethbridge, Alberta Canada  <i>Director</i>	Mr. Ray is a Certified General Accountant. Since 1995 Mr. Ray has been a partner in the general accounting firm, MacNevin & Ray. Mr. Ray has been the President and Chief Executive Officer of Robix Environmental Technologies, Inc. since July 18, 2017. Mr. Ray also served from April 2001 to August 2011 as the Chief Financial Officer & as a director of MLB Industries Inc. (“MLB”) and, following a business combination between MLB and Blue Horizon Industries Inc. (“BHI”), became a director of BHI, as well as Chief Financial Officer from January 2012 until August 2012. Mr. Ray brings extensive business experience to the board.
<b>Mel Angeltvedt</b> Provost, Alberta  <i>Director</i>	Mr. Angeltvedt has 30 years of experience in the oil and gas industry in process and production as well as in the service sector. Mr Angeltvedt has been the President of Bozco Enterprises since its conception in 1998. Mr Angeltvedt brings experience-based business knowledge and will be a valuable advisor on the financing, construction, operation and expansion of Cielo.

<p><b>Doug MacKenzie</b> Oakville, Ontario  <i>Director</i></p>	<p>Mr. MacKenzie, a former oil industry executive, has over 20 years' experience as a senior executive, strategist and innovator in the ethanol and biofuels industry. Mr. MacKenzie was the CEO and President of Permolex International. He has been involved extensively in community volunteer activities and works as a real estate agent. His education includes MBA (York), Management Science (Stanford) and Bachelor Science in Engineering Physics (U of Alberta, with Distinction)</p>
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#### *Audit Committee Oversight*

Since the commencement of the Company's most recently completed financial year ended April 30, 2019, the board of directors has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

#### *Reliance on Certain Exemptions*

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in sections 2.4 or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "Article 2 – Pre-Approval of Non-Audit Services" of the Audit Committee Charter. The Audit Committee Charter will be available to view at the Meeting.

#### *External Audit Service Fees (By Category)*

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

The fees billed to the Company to its external auditor for services rendered to the Company in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit / Audit Related Fees	Tax Fees	All Other Fees
April 30, 2017	\$25,000 <sup>(1)</sup>	Nil	Nil
April 30, 2018	\$25,500 <sup>(1)</sup>	Nil	Nil
April 30, 2019	31,900 <sup>(1)</sup>	Nil	Nil

Notes:

1. Excluding GST.

#### *Exemption*

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 5 (Reporting Obligations) of NI 52-110.

## CORPORATE GOVERNANCE

Corporate governance relates to the activities of the board of directors of the Company (the “Board”), the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day to day management of the Company. The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Company.

National Policy 58-201 *Corporate Governance Guidelines* (“NP 58-201”) establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company’s practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted.

National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) also requires the Company to disclose annually in its Information Circular certain information concerning its corporate governance practices.

### Board of Directors

#### *Structure and Composition*

The Board was composed of five directors for the fiscal year ending April 30, 2019: Don Allan, Robin Ray, Chris Dovbniak, Mel Angeltvedt and Doug MacKenzie. Subject to shareholder approving at the Meeting, the Board will continued to be composed of the following five directors: Robin Ray, Chris Dovbniak, Doug MacKenzie, Mel Angeltvedt and Don Allan.

NP 58-201 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 52-110, 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 of directors be reasonably expected to interfere with the exercise of a director’s independent judgment.

The Company has determined independence as follows:

<b>Name</b>	<b>Independent</b>	<b>Determination of Independence</b>
<b>Don Allan</b> <i>President, CEO, Chairman and Director</i>	No	Mr. Allan, as President and CEO of the Company, is an “inside” or management director and accordingly is considered “non-independent”.
<b>Doug MacKenzie</b> <i>Director</i>	Yes	Mr. MacKenzie is an outside director. He is not an officer, nor does he provide services to the Company other than in his role as director. He does not receive any compensation for his service to the Company; he is therefore considered independent.
<b>Mel Angeltvedt</b> <i>Director</i>	Yes	Mr. Angeltvedt is an outside director. He is not an officer, nor does he provide services to the Company other than in his role as director. He does not receive any compensation for his service to the Company; he is therefore considered independent.
<b>Robin Ray</b> <i>Director</i>	Yes	Mr. Ray is an outside director. He is not an officer, nor does he provide services to the Company other than in his role as director. He does not receive any compensation for his service to the Company; he is therefore considered independent.
<b>Chris Dovbniak</b> <i>Director</i>	Yes	Mr. Dovbniak is an outside director. He is not an officer, nor does he provide services to the Company

		other than in his role as director. He does not receive any compensation for his service to the Company; he is therefore considered independent.
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Following the Meeting, provided all five (5) directors are elected, the Board will have 4 independent directors, and 1 “non-independent” director. As such, the Company does have a majority of independent Board members.

#### *Mandate of the Board*

The mandate of the Board is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company’s affairs directly and through its committees (see “*Committees of the Board of Directors*” below). In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company’s overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure that the Company’s proposed actions accord with shareholder objectives; reviewing succession planning; assessing management’s performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders’ equity interests through the optimum utilization of the Company’s capital resources. The Board also takes responsibility for identifying the principal risks of the Company’s business and for ensuring these risks are effectively monitored and mitigated to the extent reasonably practicable. At this stage of the Company’s development, the Board does not believe it is necessary to adopt a written mandate, as sufficient guidance is found in the applicable corporate and securities legislation and regulatory policies. However, as the Company grows, the Board will move to develop a formal written mandate.

In keeping with its overall responsibility for the stewardship of the Company, the Board is also responsible for the integrity of the Company’s internal control and management information systems and for the Company’s policies respecting corporate disclosure and communications.

The Board delegates to management, through the Chief Executive Officer and the Chief Financial Officer, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans, and annual operating plans.

Currently, the positions of President and Chief Executive Officer are combined. However, given the size of the Company’s current operations, the Board believes that the Company is well serviced and the independence of the Board from management is not compromised by the combined role. Further, the role of Chief Financial Officer is no longer held by a director. In addition, the Board has found that the fiduciary duties placed on management by the Company’s governing corporate legislation and common law and the restrictions on an individual director’s participation in decisions of the Board in which the director has an interest under applicable corporate and securities legislation provide the “independent” directors with significant input and leadership in exercising their responsibilities for independent oversight of management. In addition, each member of the Board understands that he is entitled to seek the advice of an independent expert if he reasonably considers it warranted under the circumstances and the “independent” directors have the ability to meet independently of management whenever deemed necessary. As of the year ended April 30, 2019 the independent directors had not exercised their right to meet independently of management given the Company’s limited operations at the current time; as such the decisions required of the board have been considered routine and in the ordinary course of business, the independent directors have not deemed it necessary to review such materials separate and apart from management.

#### *Directorships*

The directors of the Company are not currently directors or officers of any other reporting issuers.

### *Ethical Business Conduct*

The Board of Directors expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

However, to date, the Board has not adopted a formal written Code of Business Conduct and Ethics. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate and securities legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company and its shareholders.

In addition, the limited size of the Company's operations and the small number of officers and employees allows the Board to monitor on an ongoing basis the activities of management and to ensure that the highest standard of ethical conduct is maintained. As the Company grows in size and scope, the Board anticipates that it will formulate and implement a formal Code of Business Conduct and Ethics.

### *Nomination, Education and Assessment*

Given its current size and stage of development, the Board has not appointed a nominating committee and these functions are currently performed by the Board as a whole. Nominees are generally the result of recruitment efforts by Board members, including both formal and informal discussions among Board members and the President, and proposed directors' credentials are reviewed in advance of a Board meeting with one or more members of the Board prior to the proposed director's nomination.

New directors are briefed on strategic plans, short, medium, and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current operations.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing public companies. Board members are encouraged to communicate with management, auditors, and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference is made to the table under the heading "Election of Directors" in the section entitled "Business of the Meeting" for a description of the current principal occupations of the Company's Board.

The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's current size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness and the effectiveness and contribution of its committees or individual directors on an ad hoc basis.

## **Committees of the Board of Directors**

### *Audit Committee*

The Board has appointed an audit committee. The audit committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting of the Company, as well as internal controls to achieve the objectives of safeguarding the Company's assets; reliability of information; and compliance with policies and laws. See section entitled "Audit Committee" for details.

### *Compensation Committee*

Throughout the fiscal year ended April 30, 2019, the Board had 3 members that sat on the compensation committee: Doug MacKenzie, Chris Dovbniak and Don Allan. The Compensation Committee did not meet during the fiscal year ended April 30, 2019. The Compensation Committee intends to meet at least one (1) time during the year ended April 30, 2019.

In addition, compensation to be paid to executive officers who are also directors must be approved by the disinterested directors thereby providing the non-executive officer directors with significant input into compensation decisions. See the section entitled “Executive Compensation – Compensation of Named Executive Officers” above for details of the compensation paid to the Company’s Named Executive Officers

During the financial year ended April 30, 2019, the Board did not pay any compensation in the form of cash or incentive stock options to the Company’s non-management directors for their services (with respect to their services as directors). See the section entitled “Executive Compensation – Compensation for Directors”.

### *Corporate Governance*

Throughout the fiscal year ended April 30, 2018, the Corporate Governance Committee was comprised of 2 members: Don Allan and Doug MacKenzie.

## **OTHER INFORMATION**

### **Indebtedness of Directors and Executive Officers**

Since the beginning of the most recently completed financial year ended April 30, 2019 and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of the Company, nor any nominee for election as a director of the Company, nor any associate of any such person, was indebted to the Company during the most recently completed financial year ended April 30, 2019, for other than “routine indebtedness”, as that term is defined by applicable securities law; nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

### **Interest of Informed Persons in Material Transactions**

Other than as disclosed below, no proposed nominee for election as a director, and no director or officer of the Company who has served in such capacity since the beginning of the last financial year of the Company, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company’s outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with the Company or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company or is likely to do so.

Don Allan is a director of 1888711 Alberta Inc. (“1888”), which is a private corporation with which the Company entered into an exclusive license agreement (the “License Agreement”) on June 14, 2016 (as amended on or about November 1, 2018). The License Agreement and its Amendment are available for review on SEDAR. The License Agreement does not constitute a related party transaction under MI 61-101, however certain directors and officers of the Company are also directors or officers of the 1888. More information on the License Agreement, and its Amendment, is available on SEDAR.

### **Interest of Certain Persons in Matters to be Acted on at the Meeting**

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company’s last completed financial year, none of the other insiders of the Company and no associate or affiliate of any of the foregoing persons has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of the directors.

### Other Matters

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. 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.

### Other Material Facts

There are no material facts related to the fiscal years ended April 30, 2018 or April 30, 2019 or up to September 11, 2019 other than as disclosed in this Information Circular, the Company's Financial Statements or Management's Discussion and Analysis, or otherwise disclosed and available on SEDAR.

### Additional Information

Financial information about the Company is provided in its comparative financial statements and Management's Discussion and Analysis for the years ended April 30, 2018 and April 30, 2019. Copies of these documents will be available at the Meeting and they are also available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

### Board Approval

The Board of Directors of the Company has approved the contents and the delivery of the Information Circular to its shareholders.

DATED at Red Deer, Alberta, this 12<sup>th</sup> day of September, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

"Don Allan"

Don Allan, President, CEO and Chair