

EL TIGRE SILVER CORP.

**Annual General Meeting
to be held on June 25, 2015**

**Notice of Annual General Meeting
and
Information Circular**

May 25, 2015

EL TIGRE SILVER CORP.

Suite 1000 - 355 Burrard Street
Vancouver, British Columbia
V6C 2G8

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of El Tigre Silver Corp. (the “**Company**”) will be held at Suite 2600 Oceanic Plaza, 1066 West Hastings Street, Vancouver, BC on Thursday, June 25, 2015 at 11:00 a.m. (local time in Vancouver, British Columbia). At the Meeting, the shareholders will receive the financial statements for the year ended December 31, 2014, together with the auditor’s report thereon, and consider resolutions to:

1. elect directors for the ensuing year;
2. appoint MNP LLP, Chartered Accountants, as auditor of the Company for the ensuing year;
3. authorize the directors to determine the remuneration to be paid to the auditor;
4. confirm the Company’s stock option plan, as required annually by the policies of the TSX Venture Exchange; and
5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 11:00 a.m. (local time in Vancouver, BC) on Tuesday, June 23, 2015 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on May 22, 2015 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 25th day of May, 2015.

ON BEHALF OF THE BOARD

/s/Wade Anderson

Wade Anderson
Chief Executive Officer and Director

EL TIGRE SILVER CORP.

Suite 1000 - 355 Burrard Street
Vancouver, British Columbia
V6C 2G8

INFORMATION CIRCULAR

(as at May 22, 2015 except as otherwise indicated)

SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of El Tigre Silver Corp. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general meeting of the shareholders of the Company to be held on Thursday, June 25, 2015 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

APPOINTMENT AND REVOCATION OF PROXY

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 11:00 a.m. (local time in Vancouver, Canada) on Tuesday, June 23, 2015, or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

Provisions Relating to Voting of Proxies

The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the

auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.

Advice to Beneficial Holders of Common Shares

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs 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 shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who

object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 11:00 a.m.(local time in Vancouver, Canada) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company

as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

Financial Statements

The audited financial statements of the Company for the year ended December 31, 2014, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares of which 62,727,900 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at May 22, 2015, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, the following persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company:

Shareholder	Number of Shares	Percentage of Issued Capital
Federals Silver Corporation	11,650,000	18.6%

Note:

- (1) Federals Silver Corporation is a corporation controlled by Ron Hodgson. Mr. Hodgson also directly holds 914,012 common shares of the Company.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director. The number of directors of the Company is currently set at four.

Pursuant to the advance notice provisions contained in the Company's articles, any additional director nominations for the Meeting must have been received by the Company no later than the close of business on May 20, 2015. As no such nominations were received by the Company prior to such date, Management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present⁽¹⁾
Wade Anderson ⁽²⁾⁽³⁾ Alberta, Canada <i>CEO and Chairman</i>	Chartered Accountant, President of Wade N. Anderson, P.C. since 1997.	December 10, 2007	2,084,000
Ernie Elko ⁽²⁾⁽³⁾ Alberta, Canada <i>Director</i>	Former President of Peter Kiewit & Sons Co. Ltd. (1992 to 2003); consultant with various engineering companies (2003 to 2008); current consultant with two small companies; current mayor of Summer Village. Ernie was a part owner and director of the NHL Edmonton Oilers for ten years	June 24, 2013	4,271,500
Ron Hodgson ⁽²⁾⁽³⁾ Alberta, Canada <i>Director</i>	Ron is a successful businessman in Alberta having opened Ron Hodgson Chevrolet Buick GMC in 1978. As well as owning a total of three dealerships, Ron has partnered in various businesses over the past 36 years including a steel company, brewery, radio station, metal fabricating company, a security company, and three race tracks. Ron was a part owner and director of the NHL Edmonton Oilers for ten years	October 15, 2014	12,564,012 ⁽⁴⁾
Carl Rosenau Alberta, Canada <i>Director</i>	Serves on the Board of Directors and as President of Mid-Nite Sun Transportation Ltd. group of companies, including Rosenau Transport Ltd., Acropolis Warehousing Inc., and Medicine Hat Express Ltd. Since Mr. Rosenau assumed control of the group of companies in 1988, Rosenau Transport Ltd has grown from 4 locations in Alberta to 24 locations in Western Canada with a work force of over 700 employees.	April 14, 2015	2,400,000

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the Compensation Committee.
- (3) A member of the Audit Committee.
- (4) Mr. Hodgson holds 914,012 common shares of the Company directly, and 11,650,000 common shares of the Company through Federals Silver Corporation, a corporation controlled by Mr. Hodgson.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

Corporate Cease Trade Orders or Bankruptcies

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, 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 order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order 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; 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.

Individual Bankruptcies

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of that individual.

Penalties or Sanctions

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

EXECUTIVE COMPENSATION

Named Executive Officers

During the financial year ended December 31, 2014, the Company had four Named Executive Officers (“NEOs”) being, Stuart R. Ross, former Co-Chief Executive Officer (“Co-CEO”), President and Secretary, Wade Anderson, former Co-CEO and current Chief Executive Officer (“CEO”), Lisa Dea, Chief Financial Officer (“CFO”), and Grant Smith, former CFO (“Former CFO”) of the Company. Following the completion of the financial year ended December 31, 2014, Mr. Ross resigned as Co-CEO, President and Secretary of the Company and Mr. Anderson was appointed as the sole CEO of the Company on April 6, 2015.

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, 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; and

(d) each individual who would be a NEO under (c) above 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.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation Discussion and Analysis

The Board's compensation program is designed to provide competitive levels of compensation, a significant portion of which is dependent upon individual and corporate performance and contribution to increasing shareholder value. The Board recognizes the need to provide a total compensation package that will attract and retain qualified and experienced executives as well as align the compensation level of each executive to that executive's level of responsibility. In general, a NEO's compensation is comprised of salary and stock option grants.

The objectives and reasons for this system of compensation are generally to allow the Company to remain competitive compared to its peers in attracting and retaining experienced personnel.

Neither the Board nor the compensation committee of the Company (the "**Compensation Committee**") has proceeded to a formal evaluation of the implications of the risks associated with the Company's compensation policies and practices. Risk management is a consideration of the Board when implementing its compensation programme, and the Board and the Compensation Committee does not believe that the Company's compensation programme results in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

The Company's NEOs and directors are not permitted to purchase financial instruments, including for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Share-Based and Option-Based Awards

The Company does not grant share-based awards. The Board is responsible for granting options to the NEOs. Stock option grants are designed to reward the NEOs for success on a similar basis as the shareholders of the Company, but these rewards are highly dependent upon the volatile stock market, much of which is beyond the control of the NEOs. When new options are granted, the Board takes into account the previous grants of options, the number of stock options currently held, position, overall individual performance, anticipated contribution to the Company's future success and the individual's ability to influence corporate and business performance. The purpose of granting such stock options is to assist the Company in compensating, attracting, retaining and motivating the officers, directors and employees of the Company and to closely align the personal interest of such persons to the interest of the shareholders.

The exercise price of the stock options granted is generally determined by the market price at the time of grant, less any allowable discount.

Compensation Governance

The Compensation Committee, on behalf of the Board, monitors compensation for the executive officers of the Company. The Compensation Committee currently consists of three members; namely, Wade Anderson, Ernie Elko and Ron Hodgson. Of the Company's current Compensation Committee members,

Ernie Elko and Ron Hodgson are considered to be independent. Wade Anderson is not “independent” as he is also the CEO of the Company.

The following is a summary description of the mandate and responsibilities of the Compensation Committee as it relates to NEO compensation:

- (a) to review and approve corporate goals and objectives relevant to NEO compensation, including the evaluation and performance of the CEO in light of those corporate goals and objectives, and to make recommendations to the Board with respect to NEO compensation levels (including the award of any cash bonuses or share ownership opportunities);
- (b) to consider the implementation of short and long-term incentive plans, including equity-based plans, proposed by management, to make recommendations to the Board with respect to these plans and to annually review such plans after their implementation; and
- (c) to annually review any other benefit plans proposed by management and to make recommendations to the Board with respect to their implementation.

All members of the Compensation Committee have direct experience which is relevant to their responsibilities as Compensation Committee members. All members currently hold or have held senior executive roles within public companies, and therefore have a good understanding of compensation programmes. They also have good financial understanding which allows them to assess the costs versus benefits of compensation plans. The members’ combined experience in the resource sector provides them with the understanding of the Company’s success factors and risks, which is very important when determining metrics for measuring success.

SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company’s three most recently completed financial years to the Company’s NEOs.

Summary Compensation Table

Name and principal position	Year	Salary (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual Incentive plans	Long-term incentive plans			
Stuart R. Ross ⁽²⁾ <i>Former Co-CEO, President and Secretary</i>	2014	Nil	N/A	N/A	N/A	N/A	216,000	\$216,000
	2013	Nil	\$12,800	\$17,500	N/A	N/A	\$216,000 ⁽³⁾	\$246,300
	2012	Nil	\$25,400	N/A	N/A	N/A	\$216,000	\$241,400
Wade Anderson ⁽⁴⁾ <i>CEO and Former Co-CEO</i>	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lisa Dea ⁽⁵⁾ <i>CFO</i>	2014	90,000 ⁽⁶⁾	24,533	N/A	N/A	N/A	N/A	\$114,533
	2013	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Name and principal position	Year	Salary (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
				Annual Incentive plans	Long-term incentive plans			
Grant T. Smith⁽⁷⁾ <i>Former CFO</i>	2014	Nil	N/A	N/A	N/A	N/A	97,632	\$97,632
	2013	Nil	\$5,800	N/A	N/A	N/A	\$80,353 ⁽⁸⁾	\$86,153
	2012	Nil	\$21,100	N/A	N/A	N/A	\$79,199 ⁽⁷⁾	\$102,299

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions for the three most recently completed financial years:

	<u>2014</u>	<u>2013</u>	<u>2012</u>
Risk-free interest rate:	1.72	1.79	1.37%
Expected dividend yield:	0.00%	0.00%	0.00%
Expected volatility:	134%	61%	75%
Expected option life in years:	3.50	3.50	3.50

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

- (2) Subsequent to the year ended December 31, 2014, Mr. Ross resigned as Co-CEO, President and Secretary of the Company on April 6, 2015 and Wade Anderson was appointed as the sole CEO of the Company in his place.
- (3) On June 1, 2011, the Company entered into a consulting agreement with SRR Consulting Ltd. (the "**Consultant**"), as amended July 30, 2013, pursuant to which the Company agreed to pay the Consultant \$18,000 per month. The Consultant is wholly-owned by Stuart R. Ross, who as at December 31, 2014 was the Co-CEO, President and Secretary of the Company. On April 6, 2015, Mr. Ross resigned from the Company.
- (4) Mr. Anderson was appointed as Co-CEO of the Company on October 16, 2014.
- (5) Ms. Dea was appointed as CFO of the Company on April 1, 2014.
- (6) On April 1, 2014, the Company entered into an employment agreement with Ms. Dea, pursuant to which the Company agreed to pay Ms. Dea a base salary of \$10,000 per month.
- (7) Mr. Smith was resigned as CFO of the Company on April 1, 2014.
- (8) During the year ended December 31, 2013, the Company paid or accrued fees of \$80,353 to Clearline Chartered Accountants, a company controlled by Mr. Smith.

Narrative Discussion

On June 1, 2011, the Company entered into a consulting agreement with SRR Consulting Ltd. (the "**SRR Agreement**"), which commenced on June 1, 2011 for a term of three years, unless terminated earlier or renewed, pursuant to the terms of the SRR Agreement. On July 30, 2013, the SRR Agreement was amended to extend the term of the SRR Agreement to May 31, 2017. Stuart R. Ross owns and is the CEO, President and Secretary of SRR Consulting Ltd. (the "**Consultant**"). Under the terms of the SRR Agreement, Mr. Ross, the Consultant's CEO, President and Secretary, or an employee or agent of the Consultant, agreed to act as President and CEO of the Company. The Company agreed to pay the Consultant a fee of \$18,000 (CDN) per month, plus GST. Pursuant to the terms of the SRR Agreement, Company could, in its sole discretion, provide an annual bonus payment to the Consultant. On April 6, 2015, Mr. Ross resigned from the Company and the SRR Agreement was terminated by mutual agreement of the Company and Mr. Ross.

On April 1, 2014, the Company entered into an employment agreement with Lisa Dea, the Company's CFO, whereby the Company will pay a monthly base salary of \$10,000 to Ms. Dea for her services.

Upon completion of a financing of \$4,500,000 or greater, Ms. Dea's salary will be increased to an annual salary of \$192,000. The Company may, in its sole discretion, provide an annual bonus payment to the Ms. Dea.

Up until April 1, 2014, the Company paid fees to Clearline Chartered Accountants, a company controlled by Grant T. Smith, the Former CFO.

Other than as disclosed above, the Company does not have any paid employees or employment agreements.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the most recently completed financial year:

Outstanding Share -Based Awards and Option-Based Awards

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$) ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Stuart R. Ross , <i>Former Co-CEO, President and Secretary</i>	175,000	0.17	July 8, 2018	14,000
	240,000	0.20	December 24, 2017	12,000
	75,000	0.33	August 11, 2016	Nil
	80,000	0.35	January 5, 2016	Nil
	325,000	0.35	February 11, 2015	Nil
Wade Anderson , <i>CEO and Former Co-CEO</i>	30,000	0.33	August 11, 2016	Nil
	40,000	0.35	January 5, 2016	Nil
	125,000	0.35	February 11, 2015	Nil
Lisa Dea , <i>CFO</i>	175,000	0.25	April 1, 2019	Nil
Grant T. Smith , <i>Former CFO</i>	80,000	0.17	July 8, 2018	6,400
	200,000	0.20	December 24, 2017	10,000
	25,000	0.33	August 11, 2016	Nil
	30,000	0.35	January 5, 2016	Nil
	100,000	0.35	February 11, 2015	Nil

Note:

- (1) "In-the-Money Options" means the excess of the market value of the Company's shares on December 31, 2014 over the exercise price of the options. The market price for the Company's common shares on December 31, 2014 was \$0.25.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Stuart R. Ross , <i>Former Co-CEO, President and Secretary</i>	N/A	N/A
Wade Anderson , <i>CEO and Former Co-CEO</i>	N/A	N/A
Lisa Dea , <i>CFO</i>	24,533	N/A
Grant T. Smith , <i>Former CFO</i>	N/A	N/A

Narrative Discussion

The following information is intended as a brief description of the Company's stock option plan (the "**Stock Option Plan**") and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting:

1. The maximum aggregate number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding share capital of the Company, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the last closing price of the Company's shares traded through the facilities of the TSX Venture Exchange (the "**Exchange**") prior to the announcement of the option grant, or such other price as may be required or permitted by the Exchange, or if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The Board shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the Board grants and announces the granting of the option.
4. If the option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire 90 days following the date that the option holder ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

The Board retains the discretion to impose vesting periods on any options granted. In accordance with the policies of the Exchange, stock options granted to consultants performing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the stock options vesting in any three month period.

PENSION BENEFITS

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as set out below, the Company has not entered into any other contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement a change in control of the Company or a change in an NEOs responsibilities.

In accordance with the terms of the SRR Agreement, the Company may terminate the SRR Agreement at any time without further obligation by providing the Consultant with a payment equal to the value of twelve times the monthly fees (as defined in the SRR Agreement) in place at the time of termination plus the amount of any bonus paid to the Consultant over the preceding thirteen month period. If the SRR Agreement is terminated by either party or any successor corporation or person within one year of a Change of Control (as defined in the SRR Agreement), subject to the terms of the SRR Agreement, the Consultant shall receive a payment equal two times the payment referred to in the paragraph above. Upon a Change of Control or termination of the SRR Agreement for any reason, any options held by the Consultant immediately vest. On April 1, 2015, Mr. Ross resigned from the Company with no further fees due under the terms of his contract. The Company paid Mr. Ross \$130,000 to enter into a non-compete agreement effective April 1, 2015 through to March 31, 2016 No further payments are owed to Mr. Ross under the SRR Agreement.

Pursuant to an employment agreement dated April 1, 2014 (the “**CFO Agreement**”), Lisa Dea was retained as the Company’s Chief Financial Officer at a monthly base salary of \$10,000, four weeks annual vacation and provision of group benefits, if applicable. The CFO Agreement provides that if the Company terminates Ms. Dea’s employment within 24 months of a change of control (which is defined as being an acquisition of more than 50% of the Company or an amalgamation, merger or arrangement where the holders of voting securities immediately prior thereto will hold less than 51% of the voting securities upon completion of the transaction), the Company is required to pay an amount equal to 24 months annual compensation. The CFO Agreement provides that Ms. Dea may terminate such agreement for any reason by giving the Company not less than four weeks’ written notice. At the time of such notice, the Company shall have the right to elect to terminate Ms. Dea’s employment at any time prior to the effective date of Ms. Dea’s resignation, and upon such election, the Company shall pay Ms. Dea a lump sum payment equal to her base salary payable for the number of days that remain outstanding to the effective date of resignation. The CFO Agreement further provides that if the Company terminates the CFO Agreement without cause, the Company will pay Ms. Dea 12 months of her base salary, plus any bonus from the preceding 12 month period.

DIRECTOR COMPENSATION

Other than compensation paid to the NEOs, and except as noted below, no compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of

a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

Set out below is a summary of compensation paid or accrued during the Company's most recently completed financial year to the Company's directors, other than the NEOs previously disclosed:

Director Compensation Table

Name	Fees earned (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Ernie Elko	Nil	Nil	N/A	N/A	N/A	N/A
Ron Hodgson ⁽²⁾	Nil	Nil	N/A	N/A	N/A	N/A
John Bluher ⁽³⁾	Nil	Nil	N/A	N/A	N/A	N/A
Jeffrey Wilson ⁽⁴⁾	Nil	Nil	N/A	N/A	N/A	N/A
Ken Booth ⁽⁵⁾	Nil	Nil	N/A	N/A	N/A	N/A
Patrick Avery ⁽⁶⁾	Nil	Nil	N/A	N/A	N/A	N/A

Note:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	<u>2014</u>
Risk-free interest rate:	1.72%
Expected dividend yield:	0.00%
Expected volatility:	134%
Expected life of option in years:	3.50

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

- (2) Mr. Hodgson was appointed a Director of the Company on October 15, 2014.
(3) Mr. Bluher was appointed a Director of the Company on October 15, 2014 and resigned effective March 18, 2015.
(4) Mr. Wilson was appointed a Director of the Company on February 28, 2010 and resigned effective October 15, 2014.
(5) Mr. Booth was appointed a Director of the Company on February 28, 2010 and resigned effective October 15, 2014.
(6) Mr. Avery was appointed a Director of the Company on October 15, 2014 and resigned effective January 16, 2015.

Narrative Discussion

Directors are compensated through the grant of stock options, however, no stock options were granted to directors in the last fiscal year. No directors' fees are paid.

INCENTIVE PLAN AWARDS

Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company, which are outstanding at the end of the most recently completed financial year.

Outstanding Option-Based Awards

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$) ⁽¹⁾	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Ernie Elko	175,000	\$0.17	July 8, 2018	14,000
Ron Hodgson	Nil	N/A	N/A	N/A
John Bluher	Nil	N/A	N/A	N/A
Jeffrey Wilson	80,000	\$0.17	July 8, 2018	6,400
	175,000	0.20	December 24, 2017	8,750
	30,000	0.33	August 11, 2016	Nil
	175,000	0.35	February 11, 2015	Nil
	40,000	0.35	January 5, 2016	Nil
Ken Booth	80,000	\$0.17	July 8, 2018	6,400
	175,000	0.20	December 24, 2017	8,750
	30,000	0.33	August 11, 2016	Nil
	175,000	0.35	February 11, 2015	Nil
	40,000	0.35	January 5, 2016	Nil
Patrick Avery	Nil	N/A	N/A	N/A

Note:

- (1) “In-the-Money Options” means the excess of the market value of the Company’s shares on December 31, 2014 over the exercise price of the options. The market price for the Company’s common shares on December 31, 2014 was \$0.25.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Ernie Elko	Nil	Nil
Ron Hodgson	Nil	Nil
John Bluher	Nil	Nil
Jeffrey Wilson	Nil	Nil
Ken Booth	Nil	Nil
Patrick Avery	Nil	Nil

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	3,694,500	\$0.27	2,522,010
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
Total	3,694,500	\$0.27	2,522,010

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

APPOINTMENT OF AUDITOR

Auditor

Management intends to nominate MNP LLP, Chartered Accountants, of Suite 2300 - 1055 Dunsmuir Street, Vancouver, British Columbia, for re-appointment as auditor of the Company. MNP LLP, Chartered Accountants was initially appointed as the Company's auditor on December 5, 2011. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of MNP LLP, Chartered Accountants, as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

AUDIT COMMITTEE

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

Audit Committee Charter

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

Composition of Audit Committee and Independence

The Company's current Audit Committee consists of Wade Anderson, Ernie Elko and Ron Hodgson.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Ernie Elko and Ron Hodgson are considered to be independent. Wade Anderson is not "independent" as he is also the Chief Executive Officer of the Company.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee are "financially literate" as that term is defined. The following sets out the Audit Committee members' education and experience that is relevant to the performance of his responsibilities as an audit committee member.

Relevant Education and Experience

Based on their business and educational experiences, each audit committee member has a reasonable understanding of the accounting principles used by the Company; an ability to assess the general application of such principles in connection of the accounting for estimates, accruals and reserves; experience analyzing and evaluating financial statements that present a breadth and level of complexity of

issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more individuals engaged in such activities; and an understanding of internal controls and procedures for financial reporting.

Wade Anderson - Mr. Anderson has been a Chartered Accountant for over 19 years. He graduated from the University of Saskatchewan with a Bachelor of Commerce degree in 1987 and has obtained his chartered accountant designation in Saskatchewan, Alberta and Manitoba.

Ernie Elko - Mr. Elko was the President of Peter Kiewit & Sons Co. Ltd. from 1992 to 2003, in the Canadian Division responsible for all requirements to manage a North American construction company. Volumes of work completed were in the \$300 million to \$600 million range. From 2003 to 2008, Mr. Elko was a consultant with various engineering companies, including a P3 project valued at more than \$1 billion. Mr. Elko is currently consulting to two smaller companies as well as assuming the duties of Mayor of Summer Village. For ten years he was part owner and director of the NHL Edmonton Oilers.

Ron Hodgson - Mr. Hodgson opened Ron Hodgson Chevrolet Buick GMC in 1978 as well as owning three automobile dealerships, he is partnered in various businesses the past 36 years including a steel company, brewery, radio station, metal fabricating company, a security company and three race tracks. For ten years he was part owner and director of the NHL Edmonton Oilers.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services.

Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to MNP LLP, Chartered Accountants, for services rendered in the last two financial years:

	<u>2014</u>	<u>2013</u>
	(\$)	(\$)
Audit fees ⁽¹⁾	30,000	30,000
Audit related fees ⁽²⁾	N/A	N/A

Tax fees ⁽³⁾	N/A	N/A
All other fees ⁽⁴⁾	N/A	N/A
Total	<u>\$30,000</u>	<u>\$30,000</u>

Notes:

- (1) “Audit fees” include aggregate fees billed by the Company’s external auditor in each of the last two fiscal years for audit fees.
- (2) “Audited related fees” include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company’s external auditor that are reasonably related to the performance of the audit or review of the Company’s financial statements and are not reported under “Audit fees” above. The services provided include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) “Tax fees” include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company’s external auditor for tax compliance, tax advice and tax planning. The services provided include tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) “All other fees” include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company’s external auditor, other than “Audit fees”, “Audit related fees” and “Tax fees” above.

Exemption in Section 6.1

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

CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “**Guidelines**”) adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company’s approach to corporate governance is set out below.

Board of Directors

Management is nominating four individuals to the Board, all of whom are current directors of the Company.

The Guidelines suggest that the board of directors of every reporting issuer 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. The “material relationship” is defined as a relationship which could, in the view of the Company’s Board, reasonably interfere with the exercise of a director’s independent judgement. All of the current members of the Board are considered “independent” within the meaning of NI 52-110, except for Wade Anderson, who is the CEO of the Company.

The Board has a stewardship responsibility to supervise the management of and oversee the conduct of the business of the Company, provide leadership and direction to Management, evaluate Management, set policies appropriate for the business of the Company and approve corporate strategies and goals. The day-to-day management of the business and affairs of the Company is delegated by the Board to the CEO and the President. The Board will give direction and guidance through the President to Management and

will keep Management informed of its evaluation of the senior officers in achieving and complying with goals and policies established by the Board.

The Board recommends nominees to the shareholders for election as directors, and immediately following each annual general meeting appoints an Audit Committee and a Compensation Committee and the chairperson of each committee. The Board establishes and periodically reviews and updates the committee mandates, duties and responsibilities of each committee, elects a chairperson of the Board and establishes his or her duties and responsibilities, appoints the CEO, CFO and President of the Company and establishes the duties and responsibilities of those positions and on the recommendation of both the CEO and the President, appoints the senior officers of the Company and approves the senior management structure of the Company.

The Board exercises its independent supervision over Management by its policies that (a) periodic meetings of the Board be held to obtain an update on significant corporate activities and plans; and (b) all material transactions of the Company are subject to prior approval of the Board. The Board shall meet not less than three times during each year and will endeavour to hold at least one meeting in each fiscal quarter. The Board will also meet at any other time at the call of the President, or subject to the By-laws of the Company, of any director.

The mandate of the Board, as prescribed by the *Business Corporations Act* (British Columbia) is to manage or supervise 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.

Directorships

None of the current directors of the Company are directors of other reporting issuers.

Orientation and Continuing Education

The Board does not have any formal policies with respect to the orientation of new directors nor does it take any measures to provide continuing education for the directors. At this stage of the Company's development the Board does not feel it necessary to have such policies or programs in place.

Ethical Business Conduct

The Board encourages and promotes a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. In addition, the Board has adopted a Corporate Conduct and Code of Ethics Policy (the "**Code**") to be followed by the Company's directors, officers, employees and principal consultants and those of its subsidiaries. The Code is also to be followed, where appropriate, by the Company's agents and representatives, including consultants where specifically required. The purpose of the Code is to, among other things, promote honest and ethical conduct, avoid conflict of interest, protect confidential information and comply with the applicable government laws and securities rules and regulations.

Nomination of Directors

The Board has not adopted a formal process with respect to nominating new directors to the Board. The Board expects that when the time comes to appoint new directors to the Board that the nominees would be recruited by the current Board members, and the recruitment process would involve both formal and

informal discussions among Board members and the CEO. The Board monitors, but does not formally assess, the performance of individual Board members and their contributions.

Compensation Committee

The Compensation Committee is a committee comprised of at least three directors whose primary purpose is to enable the Company to recruit, retain and motivate employees and ensure conformity between compensation and other corporate objectives and review and recommend for Board consideration, all compensation packages, both present and future, for the Company's management and directors (including annual retainer, meeting fees, bonuses and option grants) including any severance packages. A majority of the members shall not be officers or employees of the Company and shall be unrelated, independent directors.

Members of the Compensation Committee shall be appointed or reappointed at the meeting of the Board following the Company's annual general meeting and from among the appointees to the Compensation Committee, the Board shall appoint a chairperson (the "**Compensation Committee Chairperson**"). The duties of the Compensation Committee Chairperson include overseeing the proper functioning of the Compensation Committee to ensure the proper discharge of its duties, to schedule meetings and to ensure timely reporting to the Board.

The Compensation Committee will meet as often as may be necessary or appropriate in its judgment.

In exercising its mandate, the Compensation Committee sets the standards for the compensation of directors, employees and officers based on industry data and with the goal to attract, retain and motivate key persons to ensure the long term success of the Company. Compensation generally includes the three (3) following components: base salary, annual bonus based on performance and grant of stock options. The Compensation Committee takes into account the North American context of its activities and increased competition in the market for its key personnel while also taking into account the performance and objectives set forth for the Company.

The Compensation Committee is accountable to the Board and reports to the Board at its next regular meeting all deliberations and actions it has taken since any previous report. Minutes of Compensation Committee meetings will be available for review by any member of the Board on request to the Compensation Committee Chairperson.

The members of the Compensation Committee are Wade Anderson, Ernie Elko and Ron Hodgson.

Other Board Committees

At the present time, the only standing committees are the Audit Committee and the Compensation Committee. The written charter of the Audit Committee, as required by NI 52-110, is contained in Schedule "A" to this Circular. As the Company grows, and its operations and management structure became more complex, the Board expects it will constitute more formal standing committees, such as a Corporate Governance Committee and a Nominating Committee.

Assessments

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 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.

PARTICULARS OF MATTERS TO BE ACTED UPON

Confirming Stock Option Plan

Shareholders are being asked to confirm approval of the Stock Option Plan which was initially approved by the shareholders of the Company at a meeting of shareholders held on June 8, 2009. There have been no changes to the Stock Option Plan since it was adopted by the directors. The Stock Option Plan is subject to approval by the Exchange.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the Board in its sole discretion, shall not be less than the closing price of the Company's shares traded through the facilities of the Exchange prior to the announcement of the option grant, or, if the shares are no longer listed for trading on the Exchange, then such other exchange or quotation system on which the shares are listed or quoted for trading.
2. The Board shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding five years from the date on which the Board grant and announce the granting of the option.
4. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire 90 days following the date that the option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

"IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed."

General Matters

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with

respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Financial information about the Company is provided in the Company's comparative annual financial statements to December 31, 2014, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at www.sedar.com. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, at (604) 639-0044.

BOARD APPROVAL

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 25th day of May, 2015.

ON BEHALF OF THE BOARD

/s/Wade Anderson

Wade Anderson
Chief Executive Officer and Director

EL TIGRE SILVER CORP.
(the “Corporation”)

Schedule “A”
Audit Committee Charter

The audit committee is a committee of the board of directors to which the board delegates its responsibilities for the oversight of the accounting and financial reporting process and financial statement audits.

The audit committee will:

- (a) review and report to the board of directors of the Corporation on the following before they are published:
 - (i) the financial statements and MD&A (management discussion and analysis) (as defined in National Instrument 51-102) of the Corporation,
 - (ii) the auditor’s report, if any, prepared in relation to those financial statements;
- (b) review the Corporation’s annual and interim earnings press releases before the Corporation publicly discloses this information;
- (c) satisfy itself that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements and periodically assess the adequacy of those procedures;
- (d) recommend to the board of directors:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, and
 - (ii) the compensation of the external auditor;
- (e) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (f) monitor, evaluate and report to the board of directors on the integrity of the financial reporting process and the system of internal controls that management and the board of directors have established;
- (g) monitor the management of the principal risks that could impact the financial reporting of the Corporation;
- (h) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters, and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters;
- (i) pre-approve all non-audit services to be provided to the Corporation or its subsidiary entities by the Corporation’s external auditor;

- (j) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation; and
- (k) with respect to ensuring the integrity of disclosure controls and internal controls over financial reporting, understand the process utilized by the Chief Executive Officer and Chief Financial Officer to comply with Multilateral Instrument 52-109.

Composition of the Committee

The committee will be composed of three directors from the Corporation's board of directors, a majority of whom are not officers or employees of the Corporation or an affiliate of the Corporation.

All members of the committee will be financially literate as defined by applicable legislation. If, upon appointment, a member of the committee is not financially literate as required, the person will be provided a three month period in which to achieve the required level of literacy.

Authority

The committee has the authority to engage independent counsel and other advisors as it deems necessary to carry out its duties and the committee will set the compensation for such advisors.

The committee has the authority to communicate directly with and to meet with the external auditors and the internal auditor, without management involvement. This extends to requiring the external auditor to report directly to the committee.

Reporting

The reporting obligations of the committee will include:

1. reporting to the board of directors on the proceedings of each committee meeting and on the committee's recommendations at the next regularly scheduled directors' meeting; and
2. reviewing, and reporting to the board of directors on its concurrence with, the disclosure required by Form 52-110F2 in any management information circular prepared by the Corporation.