



www.azargametals.com

Unit 1 – 15782 Marine Drive,
White Rock, British Columbia, Canada V4B 1E6

**MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD
FEBRUARY 14, 2020**

Containing information as at January 10, 2020

PERSONS MAKING THE SOLICITATION

This Management Information Circular (the “**Information Circular**”) is furnished in connection with the solicitation of proxies by the management of Azarga Metals Corp. (the “**Corporation**” or “**Azarga Metals**”) for use at the Annual General and Special Meeting (the “**Meeting**”) of the Corporation’s shareholders (the “**Shareholders**”) to be held on February 14, 2020, at the hour of 9:00 a.m. (PST), in the Corporation’s office located at Unit 1 – 15782 Marine Drive, White Rock, British Columbia.

While it is expected that the solicitation will be made primarily by mail, proxies may be solicited in person or by telephone by directors, officers and employees of the Corporation. All costs of this solicitation will be borne by the Corporation.

Under the Articles of the Corporation, a quorum for the transaction of business at the Meeting is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares (the “**Shares**”) entitled to be voted at the Meeting.

References to dollars (\$) in this Information Circular shall mean Canadian dollars unless otherwise indicated.

PART 1 - VOTING

APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors and/or officers of the Corporation. **A SHAREHOLDER OF THE CORPORATION WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER’S BEHALF AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER FORM OF PROXY.**

A vote cast in accordance with the terms of a proxy will be valid notwithstanding the previous death, incapacity or bankruptcy of the Shareholder or intermediary on whose behalf the proxy was given or the revocation of the appointment, unless written notice of such death, incapacity, bankruptcy or revocation is received by the chairman of the meeting at any time before the vote is cast.

REVOCATION OF PROXY

A Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the Corporation's Registered Office at Unit 1 – 15782 Marine Drive, White Rock, B.C. V4B 1E6 (facsimile: +1 (604) 536-2788) at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. A Proxy may also be revoked in any other manner permitted by law. **Only registered Shareholders have the right to revoke a Proxy. Non-Registered Holders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the Proxy on their behalf.**

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VALIDITY OF PROXY

A Proxy will not be valid unless it is signed by the Shareholder or intermediary or by the Shareholder's or intermediary's agent duly authorized in writing or, if the Shareholder or intermediary is a corporation, under its corporate seal and signed by an officer of the Shareholder or intermediary. The instrument empowering the agent, or a notarial copy thereof, should accompany the Proxy. The Proxy, if not dated, is deemed to be dated on the date mailed by the person making the solicitation.

JOINT HOLDERS

A Proxy given on behalf of joint holders must be executed by all of them and may be revoked only by all of them.

If more than one of several joint holders is present at the Meeting and they do not agree as to which of them is to exercise any vote to which they are jointly entitled, they will for the purpose of voting, be deemed not to be present.

DEPOSIT OF PROXY

A Proxy will not be valid unless it is completed, dated and signed and delivered by hand or mail to Computershare Investor Services Inc. at Proxy Dept., 100 University Avenue 8th Floor, Toronto, Ontario M5J 2Y1, or by fax to: (within North America) +1 (866) 249-7775 (outside North America) +1 (416) 263-9524, not less than 48 hours (excluding Saturdays and holidays) prior to the Meeting or to the Chair of the Meeting prior to the commencement of the Meeting.

NON-REGISTERED HOLDERS OF SHARES

Only registered Shareholders of record as of the Meeting Record Date (as hereinafter defined) or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are "non-registered" Shareholders because the 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 shares. More particularly, a person is not a registered Shareholder in respect of shares which are held on behalf of such person (the "Non-Registered Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and directors or administrators of self-administered RRSP's, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities

Limited (“CDS”) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 (“NI 54-101”) of the Canadian Securities Administrators, the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the “**Meeting Materials**”) to the clearing agencies and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials, or where there is a special meeting involving abridged timing under NI 54-101, will either:

- (a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder, but which is otherwise not completed. Because the Intermediary has already signed the Proxy, this Proxy is not required to be signed by the Non-Registered Holder when submitting the Proxy. In this case, the Non-Registered Holder who wishes to submit a Proxy should otherwise properly complete the Proxy and **deliver it to Computershare Investor Services Inc.** as provided above; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary, and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a “**proxy authorization form**”) which the Intermediary must follow. Typically, the proxy authorization form will consist of a one-page pre-printed form. Sometimes, instead of the one-page pre-printed form, the proxy authorization form will consist of a regular printed Proxy accompanied by a page of instructions, which contains a removable label containing a bar code and other information. In order for the Proxy to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the Proxy, properly complete and sign the Proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, this procedure permits Non-Registered Holders to direct the voting of the shares, which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder’s name in the blank space provided. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered.**

The Meeting Materials are not being sent to registered or beneficial owners using the Notice and Access procedures contained in NI 54-101. The Corporation is sending the Meeting Materials directly to non-objecting beneficial holders (as defined in NI 54-101). The Corporation will not pay for intermediaries to deliver the Meeting Materials to objecting beneficial holders (as defined in NI 54-101) and objecting beneficial holders will not receive the Meeting Materials unless their intermediary assumes the cost of delivery.

VOTING OF SHARES REPRESENTED BY PROXY AND EXERCISE OF DISCRETION

Voting at the Meeting will be by a show of hands, each Shareholder having one vote, unless a ballot or poll is requested or required in accordance with the Corporation’s By-Laws or the *Business Corporations Act* (British Columbia), in which case each Shareholder is entitled to one vote for each share held. **The Shares represented by a Proxy will be voted on any ballot or poll by the persons named in the Proxy, and, where a choice with respect to any matter to be acted upon has been specified in the Proxy, the shares represented thereby will, on a ballot or poll, be voted or withheld from voting in accordance**

with the specifications so made. Where no choice has been specified by the Shareholder, such shares will be voted in favour of the motions proposed to be made at the Meeting as described in this Information Circular.

A proxy in the enclosed form, when properly completed and delivered and not revoked, confers discretionary authority on the persons named proxyholders therein to vote on any amendments or variations of matters identified in the Notice of Meeting and on any other matters which may properly come before the Meeting. As of the date of this Information Circular, the management of the Corporation knows of no such amendment, variation or other matter which may be presented to the Meeting.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required unless the motion requires a special resolution, in which case a majority of not less than two-thirds of the votes cast by shareholders who voted on the resolution will be required.

PART 2 - VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized voting share capital of Azarga Metals consists of an unlimited number of common shares. Each holder of common shares is entitled to one vote for each common share registered in his or her name at the close of business on January 10, 2020, the date fixed by our directors as the record date (the “**Meeting Record Date**”) for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on January 10, 2020, there were 93,531,414 Shares outstanding. To the best knowledge of the directors and senior officers of the Corporation, the only persons or corporations who beneficially own, directly or indirectly, or exercise control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Corporation are:

Beneficial Shareholder	Number of Shares Owned	Percentage of Issued and Outstanding
Vladimir Pakhomov ⁽¹⁾	14,733,293	15.75%
Alexander Molyneux	14,276,487	15.26%
Eugene Francis McCarthy	12,668,814	13.54%
Positive Marketing Ltd.	10,138,750	10.84%

Notes:

⁽¹⁾ The 14,733,293 shares are owned as to 14,674,572 by OC Management Group Ltd., a private corporation, managed by Vladimir Pakhomov and 58,721 by Vladimir Pakhomov.

PART 3 - BUSINESS OF THE MEETING

1. FINANCIAL STATEMENTS

The financial statements and management discussion and analysis of Azarga Metals for the fiscal year ended September 30, 2019, will be placed before you at the Meeting. These financial statements may be requested by completing the enclosed Financial Statement Request Form that accompanies this Information Circular, or they may be viewed on www.sedar.com.

2. ELECTION OF DIRECTORS

Directors of Azarga Metals 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. The number of directors was last set at five and there are five nominees proposed by management for election as directors at the Meeting.

Management does not anticipate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual meeting of the Corporation, until his successor is elected or appointed or until he resigns.

At the Meeting, the Shareholders will be asked to vote on a resolution to elect as directors the nominees set out in the table below. **In the absence of contrary instructions, the persons named in the accompanying form of Proxy intend to vote the Shares represented thereby in favour of election to the Board of the nominees set out in the table below.**

The following table sets out the names of the nominees for election as directors, the province or state and country in which each is ordinarily resident, all offices of the Corporation now held by each of them, their principal occupations, the period of time for which each has been a director of the Corporation, and the number of common shares of the Corporation or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date of this Information Circular.

As of the date hereof, no additional director nominations for the Meeting have been received by the Corporation in compliance with the Corporation's Advance Notice Policy adopted by the shareholders on June 13, 2014.

Name, Present Position(s) with the Corporation and Place of Residence ⁽¹⁾	Principal Occupation ⁽¹⁾	Date(s) Served as a Director Since	Ownership or Control Over Voting Shares Held ⁽¹⁾
Alexander Molyneux ⁽²⁾ <i>Non-Executive Chair and Director</i> Taiwan	Mining industry financier, executive and consultant.	June 1, 2016	14,276,487
Michael Hopley <i>President, Chief Executive Officer and Director</i> Washington, U.S.A.	Mining industry consultant.	April 30, 2002	77,921
Trevor Steel <i>Director</i> Crans-Montana, Switzerland	Co-founder and Chief Investment Officer and Managing Partner at Baker Steel Capital Managers, LLP since 2001.	April 8, 2019	Nil
Vladimir Pakhomov ⁽²⁾ <i>Director</i> Moscow, Russia	Managing Partner, Olympia Capital, a Russia-focused investment firm.	June 1, 2016	14,733,293 ⁽³⁾
Blake Steele ⁽²⁾ <i>Director</i> Hong Kong	Azarga Uranium Corp., President and Chief Executive Officer.	December 1, 2016	4,517,368

Notes:

- (1) The information as to country of residence, principal occupation and number of shares beneficially owned by the nominees (directly or indirectly or over which control or direction is exercised) is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Member of the Corporation's Audit Committee of which Mr. Steele is the Chair.
- (3) The 14,733,293 shares are owned as to 14,674,572 by OC Management Group Ltd., a private corporation, managed by Vladimir Pakhomov and 58,721 by Vladimir Pakhomov.

CEASE TRADE ORDERS AND BANKRUPTCY

No director or proposed director of Azarga Metals is, as at the date of this Information Circular, or was within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including Azarga Metals), that:

- (a) was subject to a cease trade order, an order similar to a cease trade 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, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade 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, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

No director or proposed director of Azarga Metals, and no shareholder holding a sufficient number of securities of Azarga Metals to affect materially the control of Azarga Metals:

- (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including Azarga Metals) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within 10 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 director, executive officer or shareholder.

No director or proposed director of Azarga Metals, and no shareholder holding a sufficient number of securities of Azarga Metals to affect materially the control of Azarga Metals has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

3. APPOINTMENT AND REMUNERATION OF AUDITOR

Davidson and Company, LLP, Chartered Professional Accountants has served as Auditor of the Corporation since March 21, 2017.

The Corporation's management recommends that shareholders vote FOR the appointment of Davidson and Company, LLP, Chartered Professional Accountants, as the Corporation's auditor for the ensuing year and grant 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 Davidson and Company, LLP to act as our auditor until the close of our next annual general meeting and to authorize the Board of Directors to fix the remuneration to be paid to the auditor.**

4. APPROVAL OF RENEWAL OF STOCK OPTION PLAN

The directors of the Corporation wish to have shareholders approve the renewal of its stock option plan (the "**Option Plan**") pursuant to which the Corporation may grant incentive stock options to directors, officers, employees, and consultants of the Corporation or any of its affiliates ("**Eligible Persons**"). In accordance with the rules and policies of the TSX Venture Exchange (the "**TSX-V**"), shareholders must each year approve the Option Plan. The policies require that a stock option plan must specify a maximum number of shares issuable under it, which number can later be increased to a higher specified number only if authorized by the shareholders and accepted by the TSX-V. The Option Plan has been conformed to the TSX-V policies and is reported here on that basis:

The Option Plan permits the granting of options of up to 10% of the common shares of the Corporation issued and outstanding at the date of grant.

The directors are of the view that it is in the best interests of the Corporation to renew the Option Plan, which will enable the directors to grant options to Eligible Persons as a means of rewarding positive performance and providing incentive to attract and retain personnel to effectively manage the affairs of the Corporation.

To summarize, the Option Plan authorizes the Board of Directors to grant stock options to the Eligible Persons on the following terms:

1. The number of shares subject to each option is determined by the Board of Directors provided that the Option Plan, together with all other previously established or proposed share compensation arrangements may not, during any twelve (12) month period, result in:
 - (a) the issuance of stock options to any one person, within that period, of a number of shares exceeding 5% of the issued shares of the Corporation;
 - (b) the issuance, within that period, to insiders of the Corporation of a number of shares exceeding 10%, or to one insider of a number exceeding 5%, or to a consultant of a number exceeding 2%; the aggregate number of shares granted to all eligible recipients employed to provide investor relations activities (as defined by the TSX-V) must not exceed 2% of the issued shares of the Corporation.
2. The aggregate number of shares which may be issued pursuant to options granted under the Option Plan, inclusive of options granted and outstanding under the previous stock option plan, may not exceed 10% of the issued and outstanding shares of the Corporation as at the date of the grant.

3. The exercise price of options must be determined by the Board of Directors in compliance with applicable stock exchange policies.
4. The Option Plan provides that options are exercisable for ten years unless the Board of Directors provides for another exercise period when the options are granted in compliance with applicable stock exchange policies.
5. Options granted under the Option Plan are non-assignable and non-transferable. The options can only be exercised by the option holder as long as the option holder remains an Eligible Person pursuant to the Option Plan or within a period of not more than ninety (90) days (thirty (30) days for providers of Investor Relations Activities) after ceasing to be an Eligible Person or, if the option holder dies or can no longer serve the Corporation due to disability, within the earlier of (a) a period following such death or disability equal to the period of such option holder's service to the Corporation, and (b) 365 days from the date of the optionee's death or disability.
6. The options granted pursuant to the Option Plan will be vested on a basis to be determined by the directors and may be vested immediately upon granting. For Eligible Persons conducting Investor Relations Activities options granted must vest in stages over a period of not less than twelve (12) months with no more than $\frac{1}{4}$ of the options vesting in any three-month period.
7. On the occurrence of certain "substitution events" (including certain reorganizations, amalgamations, mergers or business combinations and takeover bids), all outstanding options will vest, except for options granted to Eligible Persons performing Investor Relations Activities, no acceleration of the vesting provisions on any options granted are permitted without prior TSX-V approval.
8. The Option Plan provides that the options of a deceased option holder expire on the earlier of (a) a period equal to the period the deceased option holder served the Corporation and (b) 365 days following death.
9. The Option Plan treats options held by employees who are no longer able to serve the Corporation due to disability the same way as options held by deceased option holders.
10. The Option Plan provides that if a consultant holding options becomes another kind of Eligible Person at the termination of a consulting contract - (e.g. if a consultant is hired as an employee), he or she will continue to hold the options granted when a consultant. Similarly, if an Eligible Person who is not a consultant becomes a consultant, he or she will continue to hold the options granted to him or her prior to becoming a consultant.
11. The Board of Directors has the discretion (subject to applicable stock exchange rules) to extend the expiry dates of options granted to consultants following the termination of a consulting agreement in the same way it can extend the expiry dates of options granted to other option holders following termination of service to the Corporation.

RECOMMENDATION

The Corporation is of the view that the Option Plan, provides the Corporation with the flexibility necessary to attract and maintain the services of senior management and other employees in competition with other companies in the mineral resource industry. A copy of the Option Plan will be available for inspection at the Meeting. A Shareholder may also obtain a copy of the Option Plan by contacting the Corporation at +1 (604) 536-2711. Directors shall also have the authority to amend the Option Plan to reduce the benefits to its participants if in their discretion it is necessary or advisable in order to obtain any necessary regulatory approvals.

SHAREHOLDER APPROVAL

The Corporation is asking its Shareholders to vote affirmatively on the following ordinary resolution to adopt and approve the Option Plan (the “**Option Plan Resolution**”):

“**RESOLVED THAT**, subject to regulatory approval, the Option Plan, authorizing the directors to grant options on shares totalling up to a maximum of 10% of the Corporation’s common shares issued and outstanding from time to time, as at the date of the relevant grant, be and it is hereby approved, together with all options granted thereunder as at the date hereof, and that the Board of Directors be and they are hereby authorized, without further shareholder approval, to carry out the intent of this resolution.”

If this resolution is approved by Shareholders, it is expected that the Board of Directors will in due course grant further options under the Option Plan as the Board deems fit in light of the overall compensation program and the relative efforts and contributions of the eligible participants under the Option Plan.

The Board of Directors recommend that Shareholders vote FOR the Option Plan Resolution. In the absence of contrary instructions, the persons named in the enclosed form of proxy intend to vote FOR the Option Plan Resolution. The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

PART 4 - EXECUTIVE COMPENSATION

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION EXCLUDING COMPENSATION SECURITIES

The following information is provided as required under Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*. All amounts in this form are expressed in Canadian dollars.

NAMED EXECUTIVE OFFICERS

“Named Executive Officers” and “NEOs” means each of the following individuals:

- (a) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer;
- (b) each individual who, in respect of the corporation, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer;
- (c) in respect of the corporation and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5), for that financial year;
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the corporation, and was not acting in a similar capacity, at the end of that financial year.

During the most recent fiscal year ended September 30, 2019, the Corporation had four NEOs.

Table of compensation excluding stock options and compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Dorian (Dusty) L. Nicol, <i>Former President, Chief Executive Officer and Director</i> ⁽²⁾	2019	73,595	Nil	Nil	Nil	Nil	73,595
	2018	143,639	Nil	Nil	Nil	Nil	145,639
Michael Hopley, <i>President, Chief Executive Officer and Director</i> ⁽⁴⁾	2019	24,823	Nil	Nil	Nil	Nil	24,823
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Golden Oak Corporate Services Ltd., <i>Chief Financial Officer and Corporate Secretary</i> ⁽⁵⁾	2019	72,917	Nil	Nil	Nil	Nil	72,917
	2018	50,000	Nil	Nil	Nil	Nil	50,000
Alexander Yakubchuk, <i>Vice-President Exploration</i> ⁽⁶⁾	2019	35,764	Nil	Nil	Nil	Nil	35,764
Alexander Molyneux, <i>Non-Executive Chair and Director</i> ⁽³⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Trevor Steel, <i>Director</i> ⁽⁷⁾	2019	Nil	Nil	Nil	Nil	Nil	Nil
Vladimir Pakhomov, <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil
Blake Steele, <i>Director</i>	2019	Nil	Nil	Nil	Nil	Nil	Nil
	2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Where necessary, salary or all other compensation, paid or payable in United States (“US”) dollars, was converted from US to Canadian dollars using the exchange rate of 1.3272 in 2019 and 1.2836 in 2018, that prevailed during the period during which the NEOs were paid.

- (2) Mr. Nicol resigned as President, Chief Executive Officer and Director on April 5, 2019.
- (3) Mr. Molyneux acted as the Interim President and Chief Executive Officer from April 5, 2019 until May 14, 2019
- (4) Mr. Hopley has been a Director since April 30, 2002 and on May 14, 2019 was appointed President and Chief Executive Officer.
- (5) Consulting fees are paid to Golden Oak Corporate Services Ltd., which provide Doris Meyer's and Dan O'Brien's services to the Corporation as Corporate Secretary and Chief Financial Officer respectively.
- (6) Mr. Yakubchuk was appointed Vice-President Exploration on May 14, 2019.
- (7) Mr. Steel was appointed as a Director on April 8, 2019.

EXTERNAL MANAGEMENT COMPANIES

None of the NEOs or directors of the Corporation have been retained or employed by an external management company which has entered into an understanding, arrangement or agreement with the Corporation to provide management services to the Corporation, directly or indirectly.

STOCK OPTIONS AND OTHER COMPENSATION SECURITIES

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Hopley, <i>President, Chief Executive Officer and Director</i>	Stock Options	900,000 (1) 0.98% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024
Golden Oak Corporate Services Ltd., <i>Chief Financial Officer and Corporate Secretary</i>	Stock Options	675,000 (1) 0.73% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024
Alexander Yakubchuk, <i>Vice-President Exploration</i>	Stock Options	450,000 (1) 0.49% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024
Alexander Molyneux, <i>Non-Executive Chair and Director</i>	Stock Options	270,000 (1) 0.29% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024
Trevor Steel, <i>Director</i>	Stock Options	225,000 (1) 0.24% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024

Vladimir Pakhomov, <i>Director</i>	Stock Options	225,000 (1) 0.24% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024
Blake Steele, <i>Director</i>	Stock Options	225,000 (1) 0.24% (2)	May 24, 2019	\$0.09	\$0.09	\$0.10	May 24, 2024

Notes:

- (1) Each stock option entitles the holder to purchase one common share of the Corporation, each stock option fully vests on date of grant.
- (2) This figure represents the number of underlying common shares issuable upon exercise of the stock option as a percentage of the total issued and outstanding common shares of the Corporation as at September 30, 2019, being 92,060,971 shares.

Mr. Nicol's stock options were cancelled on July 5, 2019, following ninety (90) days of his resignation on April 5, 2019. No other compensation securities were re-priced, cancelled and replaced, extended or otherwise materially modified during the Corporation's most recently completed financial year ended September 30, 2019.

No compensation securities were exercised by any NEO or director of the Corporation during the most recently completed financial year ended September 30, 2019.

As of September 30, 2019, the total compensation securities held by NEO's and directors of the Corporation, including the stock options granted in the year ended September 30, 2019, were as follows:

Name and position	Type of compensation security	Total number of compensation securities	Total number of common share underlying compensation securities
Dorian (Dusty) L. Nicol, <i>Former President, Chief Executive Officer and Director</i>	Stock Options	Nil ⁽¹⁾	Nil
Michael Hopley, <i>President, Chief Executive Officer and Director</i>	Stock Options	1,285,000	1,285,000
Golden Oak Corporate Services Ltd., <i>Chief Financial Officer and Corporate Secretary</i>	Stock Options	675,000 ⁽²⁾	675,000
Dan O'Brien, <i>Chief Financial Officer</i>	Stock Options	335,000 ⁽²⁾	335,000
Doris Meyer, <i>Corporate Secretary</i>	Stock Options	635,000 ⁽²⁾	635,000

Alexander Yakubchuk, <i>Vice-President Exploration</i>	Stock Options	450,000	450,000
Alexander Molyneux, <i>Non-Executive Chair and Director</i>	Stock Options	805,000	805,000
Trevor Steel, <i>Director</i>	Stock Options	225,000	225,000
Vladimir Pakhomov, <i>Director</i>	Stock Options	610,000	610,000
Blake Steele, <i>Director</i>	Stock Options	710,000	710,000

Notes:

- (1) Mr. Nicol's stock options were cancelled on July 9, 2019, following ninety (90) days of his resignation on April 9, 2019.
- (2) The Stock Options held by Ms. Meyer and Mr. O'Brien are positions held personally before issuances of stock options were issued to Golden Oak Corporate Services Ltd.

STOCK OPTION PLANS AND OTHER INCENTIVE PLANS

As described in Item 3, the Corporation has in place the Option Plan pursuant to which the Corporation may grant incentive stock options to directors, officers, employees, and consultants of the Corporation or any of its affiliates ("**Eligible Persons**"). In accordance with the rules and policies defined in Part 3, Item: 4, shareholders must each year approve the Option Plan – see Part 3, Item: 4. - Approval of Renewal of Stock Option Plan.

The Board is of the view that it is in the best interests of the Corporation to approve the renewal of the Option Plan, which will enable the Board to grant options to Eligible Persons as a means of rewarding positive performance and providing incentive to attract and retain personnel to effectively manage the affairs of the Corporation.

The Corporation does not have any other compensation security plans.

TERMINATION OF EMPLOYMENT, CHANGE IN RESPONSIBILITIES AND EMPLOYMENT CONTRACTS

DORIAN (DUSTY) L. NICOL

Dorian (Dusty) L. Nicol (the "**Executive**") was appointed President and Chief Executive Officer on July 2, 2008. A consulting agreement (the "**Agreement**") was entered into effective May 31, 2016, as amended, to formally document the terms of the appointment and to amend, restate, replace and supersede all previous agreements. Pursuant to the Agreement, the Executive was paid an annual service fee of US\$165,000. On September 1, 2017, the annual service fee was reduced to US\$82,500.

Mr. Nicol resigned and terminated the Agreement on April 5, 2019. As reported in the financial statements for the year ended September 30, 2019 the Corporation and Mr. Nicol have settled all amounts owed to Mr. Nicol.

MICHAEL HOPLEY

Michael Hopley (the “**Executive**”) was appointed President and Chief Executive Officer on May 14, 2019. A consulting agreement (the “**Agreement**”) was entered into effective May 14, 2019 to formally document the terms of the appointment and pursuant to the Agreement, the Executive is paid an annual service fee of US\$49,992, being a retainer of \$4,166 per month as pre-payment for services of 40 hours each month. The Corporation’s use of the retainer is based on actual time spent by the Executive on services performed billed in half-hour (0.5) increments. In the event that the services performed by the Executive exceed the monthly retainer, the Executive will provide advance written notice to the Chair of the Corporation of any such overage, and if approved by the Chair of the Corporation, the Corporation agrees to pay the Executive US\$105.00 per hour for any excess hours.

The Executive and the Corporation may terminate this Agreement without Cause (as defined below) at any time upon ten (10) days’ written notice of termination specifying the date of such termination. If the Executive is terminated without Cause, the Corporation shall pay the Executive, within thirty (30) days of such termination an equal amount of two (2) months of the retainer (as described above) in effect at the time and upon such payment of any amounts as per the Agreement, the Executive shall have no further recourse to the Corporation. The Corporation may terminate this Agreement on a Change of Control Event (as defined below) at any time upon ten (10) days’ written notice of termination specifying the date of such termination. If the Executive is terminated without Cause on a Change of Control Event, the Corporation shall pay the Executive, within thirty (30) days of such termination US\$50,000 and upon such payment, the Executive shall have no further recourse to the Corporation.

ALEXANDER YAKUBCHUK

Alexander Yakubchuk (the “**Executive**”) was appointed Vice-President Exploration on May 14, 2019. A consulting agreement (the “**Agreement**”) was entered into effective May 14, 2019 to formally document the terms of the appointment and pursuant to the Agreement, the Executive is paid an annual service fee of US\$72,000.

The Executive and the Corporation may terminate this Agreement without Cause (as defined below) at any time upon ten (10) days’ written notice of termination specifying the date of such termination. If the Executive is terminated without Cause, the Corporation shall pay the Executive, within thirty (30) days of such termination an equal amount of two (2) months of the annual service fee (as described above) in effect at the time and upon such payment of any amounts as per the Agreement, the Executive shall have no further recourse to the Corporation. The Corporation may terminate this Agreement on a Change of Control Event (as defined below) at any time upon ten (10) days’ written notice of termination specifying the date of such termination. If the Executive is terminated without Cause on a Change of Control Event, the Corporation shall pay the Executive, within thirty (30) days of such termination US\$50,000 and upon such payment, the Executive shall have no further recourse to the Corporation.

GOLDEN OAK CORPORATE SERVICES LTD.

On December 12, 2008, as amended and restated on May 31, 2016, the Corporation entered into a consulting agreement (the “**GO Agreement**”) with Golden Oak Corporate Services Ltd. (“**Golden Oak**” or the “**Contractor**”), a company in which Dan O’Brien and Doris Meyer are directors.

Pursuant to the GO Agreement, the Contractor provides the services of qualified personnel employed by the Contractor to serve as the Chief Financial Officer and Corporate Secretary of the Corporation and the provision as an independent contractor by the Contractor to the Corporation of accounting, financial, corporate and regulatory compliance services in consideration of an annual service fee of \$100,000 (the “**Annual Service Fee**”) plus applicable taxes and reimbursement of reasonable office costs and expenses and all pre-approved travel and out-of-pocket expenses incurred by the Contractor in furtherance of or in

connection with the business of the Corporation and its subsidiaries. On September 1, 2017, the Annual Service Fee was reduced to \$50,000 and was restored to the full Annual Service Fee of \$100,000 on April 15, 2019.

The GO Agreement shall continue for an indefinite term, unless otherwise terminated. The GO Agreement may be terminated by the Corporation for cause without notice or without cause at any time upon 90 days written notice of termination or payment in lieu of notice and reimbursement of any other amounts then due and owing. The GO Agreement may be terminated by the Contractor upon sixty (60) days written notice to the Corporation provided that the Corporation may waive such notice, in which case the Contractor's services will terminate upon the Corporation giving such waiver. During the sixty (60) day notice period, the Contractor will agree to perform its obligations to the Corporation if the Corporation requests such performance and will perform such obligations in the manner directed by the Corporation. On a defined change of control event, if the Corporation terminates the GO Agreement within one year of the change of control event, Contractor shall be paid an amount equal to two times the Annual Service Fee.

Under the terms of the employment agreements detailed above, in the event of termination other than for cause, then Messrs. Hopley and Yakubchuk and Golden Oak would be entitled to the following compensation:

Name	Position	Termination value without cause	Termination value on change of control
Michael Hopley	President and Chief Executive Officer	\$11,034	\$66,215
Alexander Yakubchuk	Vice-President Exploration	\$15,891	\$66,215
Golden Oak	Chief Financial Officer and Corporate Secretary	N/A	\$200,000

Note: All options immediately vest on a change of control. Options that have vested as of the date of termination remain exercisable for 90 days following termination. The value of unexercised "in-the-money options" at September 30, 2019 are detailed under "Outstanding option-based awards" above. The US dollar termination values have been translated to Canadian dollar equivalents at an exchange rate of 1.3243 on September 30, 2019.

DIRECTORS' AND OFFICERS' INSURANCE

The Corporation procures a comprehensive directors' and officers' liability insurance program. Subject to policy conditions, this program is intended to cover each individual's liability arising from their duties as a director or officer of the Corporation provided, they acted honestly and in good faith with a view to the best interests of the Corporation.

COMPENSATION OF NON-EXECUTIVE DIRECTORS

The non-executive directors have not been paid any annual compensation since April 1, 2017.

Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. The Corporation may, from time to time, grant options to purchase common shares to the directors.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NEO COMPENSATION

OVERSIGHT OF EXECUTIVE COMPENSATION PROGRAM

The Board of Directors is responsible for determining all forms of compensation to be granted to the Chief Executive Officer of the Corporation and the directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other senior executives of the Corporation, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its executive officers, the Board considers the following issues: i) recruiting and retaining executives critical to the success of the Corporation and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Corporation's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

In order to achieve these objectives, the compensation paid to the Corporation's executive officers consists of a base salary and long-term incentives in the form of stock options.

BASE SALARY

The base salary currently paid to our named executive officers is commensurate with the nature of our business and their individual experience, duties and scope of responsibilities. In the future, we intend to pay competitive base salaries required to recruit and retain executives of the quality that we must employ to ensure our success.

In making determinations of salary levels for the named executive officers, the Board of Directors is likely to consider the entire compensation package for named executive officers, including the equity compensation provided under the Option Plan. Azarga Metals intends for salary levels to be consistent with competitive practices of comparable institutions and each executive's level of responsibility. The Board of Directors is likely to determine the level of any salary (or salary increase) after reviewing the qualifications, experience, and performance of the particular executive officer and the nature of our business, the complexity of its activities, and the importance of the executive's contribution to the success of the business through discussion only, with no formal objectives (performance or otherwise) or criteria.

The Board of Directors may also take into consideration salaries paid to others in similar positions in the Corporation's industry based on the experience of the Board of Directors and review of publicly available information. The discussion of the information and factors considered and given weight by the Board of Directors is not intended to be exhaustive, but it is believed to include all material factors considered by the Board of Directors. In reaching the determination to approve and recommend the current base salaries of Azarga Metals' named executive officers, the Board of Directors did not assign any relative or specific weight to the factors which were considered, and the members may have given a different weight to each factor.

The Board of Directors will review and adjust the base salaries of our executive officers when deemed appropriate.

We intend to pay competitive base salaries required to recruit and retain executives of the quality that we must employ to ensure our success.

OPTION-BASED AWARDS

Executive officers of the Corporation, as well as directors, employees and consultants (together the "**Optionees**"), are eligible to participate in the Corporation's Option Plan (as previously defined and described herein at Part 3 – The Business of the Meeting – Approval of Renewal of Stock Option Plan as

Amended). Stock option grants are an important part of the Corporation's incentive strategy permitting executive officers to share in any appreciation of the market value of the Corporation's shares over a stated period of time, and it is intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of the Corporation's shares, and enables executive officers to acquire a significant ownership position in the Corporation.

Management recommended the individual stock option allotments to the Board of Directors and the size of the grants are dependent on, among other things, each Optionees' level of responsibility, authority and importance to the Corporation and the degree to which such long-term contribution to the Corporation will be responsible for its long-term success. The Board of Directors also evaluate the number of options an Optionee has been granted, the exercise price of the options and the term remaining on those options when considering further grants.

The Board of Directors normally grants stock options to an executive officer when they first join the Corporation based on their level of responsibility. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's ongoing level of responsibility within the Corporation.

See Part 4 - "Stock Options and Other Compensation Securities", as well as Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

BENEFITS AND PERQUISITES

Azarga Metals' named executive officers do not receive perquisites or benefits that are not generally available to all employees of Azarga Metals. All the Corporation's employees receive reimbursement for the use of personal vehicles for valid company business.

RISK OVERSIGHT

The Board of Directors is responsible for risk oversight and risk management in connection with the Corporation's compensation policies and practices. The Board of Directors has considered the risks relating to the compensation paid to the Corporation's executives, directors and other employees and has determined that the type and structure of the compensation does not present any risks that are reasonably likely to have a material adverse effect on the Corporation.

Directors and officers are prohibited from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, and collars) that are designed to hedge or offset a decrease in the market value of the Corporation's equity securities that are granted as compensation or held, directly or indirectly, by a director or officer.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information in respect of securities authorized for issuance under the Corporation's equity compensation plans as at September 30, 2019.

Plan Category	Number of securities to be issued on exercise	Weighted-average exercise price of outstanding securities	Number of securities available for future issuance
Equity compensation plans approved by shareholders ⁽¹⁾	7,215,000	\$0.10	1,991,097
Equity compensation plans not approved by shareholders	Nil	Nil	Nil
Total	7,215,000	\$0.10	1,991,097

Notes:

⁽¹⁾ The Stock Option Plan is detailed under the heading Part 3: Business of the Meeting – “Renewal of Stock Option Plan”

PART 6 – AUDIT COMMITTEE DISCLOSURE

CHARTER OF THE AUDIT COMMITTEE

The Audit Committee has a charter that sets out its mandate and responsibilities. A copy of the charter is attached to this Information Circular as Appendix "A".

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee is chaired by Blake Steele, with Alexander Molyneux and Vladimir Pakhomov comprising the remainder of the Committee who reviewed audited financial statements for the fiscal year ended September 30, 2019. All members of this Committee are independent and are financially literate, having the ability to read and understand financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. "Independent" and "financially literate" have the meaning used in NI 52-110.

RELEVANT EDUCATION AND EXPERIENCE

Each of the members of the Audit Committee is independent and financially literate. Mr. Steele, the Chair of the Audit Committee is a financial expert. The relevant education and experience of such members is as follows:

BLAKE STEELE - Mr. Steele has approximately ten (10) years of experience in minerals industry management including financial management roles and as a public company President and CEO and CFO. Mr. Steele is currently the President and CEO of Azarga Uranium Corp. Mr. Steele began his career with Deloitte & Touche, where he worked in both the audit and financial advisory practices. Mr. Steele graduated from the University of British Columbia with a Bachelor of Commerce degree. Mr. Steele is a Chartered Professional Accountant and Chartered Business Valuator in Canada.

ALEXANDER MOLYNEUX – Mr. Molyneux is an experienced natural resources industry financier and executive who has been leading producing and pre-development stage minerals companies since 2009. Prior to 2009, Mr. Molyneux was Managing Director, Head of Metals and Mining Investment Banking, Asia Pacific, with Citigroup. In his position as a specialist resources investment banker he spent approximately 10 years providing advice and investment banking services to natural resources corporations. Mr. Molyneux holds a Bachelor's of Economics degree from Monash University in Australia and a graduate degree in mineral exploration geoscience from Curtin University (Western Australia School of Mines) in Australia.

VLADIMIR PAKHOMOV - Mr. Pakhomov is a Co-Founder and Managing Partner of Olympia Capital, an asset management and merchant banking firm specializing in Russia and CIS country opportunities, in 2011. Prior to this, he was Director of Investments at Onexim Group (Russia), where he was responsible for a number of major investments and represented the Group on the Boards of Directors of Renaissance Capital, Quadra Generation, RBC InfoSystems and Soglasie Insurance. Prior to Onexim, Mr. Pakhomov held various roles at Aquila Capital and within Alfa Bank's mergers and acquisitions group. Over his career Mr. Pakhomov was involved in various Russia and CIS country transactions worth more than US\$10 billion. He graduated magna cum laude from Moscow Institute of International Relations and is a CFA Charterholder.

RELIANCE ON CERTAIN EXEMPTIONS

The Corporation has not relied on the exemptions contained in sections 2.4, 3.2, 3.3(2), 3.4, 3.5, 3.6, 3.8 or Part 8 of NI 52-110 – *Audit Committees* (“**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 external 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 external auditor in the fiscal year in which the non-audit services were provided. Sections 3.2, 3.3(2), 3.4, 3.5, 3.6 and 3.8 provide exemptions relating to the independence and financial literacy requirements for the composition of the Audit Committee in certain circumstances. Part 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.

In providing Audit Committee disclosure in this information circular, the Corporation is relying on the exemption in Section 6.1 of NI 52-110.

AUDIT COMMITTEE OVERSIGHT

At no time was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

PRE-APPROVAL POLICIES AND PROCEDURES

The Charter of the Audit Committee provides that the Audit Committee is required to pre-approve the retention of the independent auditor for any non-audit service and the fee for such service. The Committee may satisfy the pre-approval requirement if:

- (a) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more than five per cent of the total amount of revenues paid by the Corporation to its independent auditors during the fiscal year in which the services are provided;
- (b) the services were not recognized by the Corporation at the time of the engagement to be non-audit services; and
- (c) the services are promptly brought to the attention of the Committee and are approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members the authority to pre-approve non-audit services provided that the pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the full Committee at its first scheduled meeting following such pre-approval.

EXTERNAL AUDITOR SERVICE FEES

Except as noted, all dollar amounts herein are in Canadian dollars. Fees, for professional services rendered by Davidson & Company LLP to the Corporation were:

	Fiscal Year Ended September 30, 2019 (\$)	Fiscal Year Ended September 30, 2018 (\$)
Audit Fees ^[1]	40,000	35,000
Audit Related Fees ^[2]	Nil	Nil
Tax Fees ^[3]	4,500	6,750
All other Fees ^[4]	Nil	Nil

Notes:

- (1) "Audit Fees" represent the fees for the audit of the Corporation's consolidated financial statements for the fiscal year ended September 30, 2019, and September 30, 2018.
- (2) "Audit Related Fees" represent the fees for the review of the Corporation's interim consolidated financial statements and services normally provided by the accountant in connection with the Corporation's interim statutory and regulatory filings.
- (3) "Tax Fees" represent the fees for tax services consisting of tax compliance and tax planning and advice.
- (4) "All Other Fees" represent the fees for products and services not disclosed in (2), (3) or (4) above.

PART 7 - CORPORATE GOVERNANCE DISCLOSURE

The following is a summary of Azarga Metals' approach to Corporate Governance.

BOARD OF DIRECTORS

The Board of Directors of the Corporation adopted terms of reference mandating its responsibilities for the stewardship of the business and for acting in the best interests of the Corporation and its shareholders. The Board of Directors discharges its responsibilities directly and through its Committees of the Board. Given there are only five directors only the Audit Committee has been delegated responsibility.

The Board of Directors of the Corporation facilitates its exercise of independent supervision over management by ensuring that the Board is composed of a majority of independent directors. Four of the five nominees for election to the Board of Directors are considered to be independent: Alexander Molyneux, Vladimir Pakhomov, Blake Steele and Trevor Steel. In determining whether a director is independent, the Board chiefly considers whether the director has a relationship which could or could be perceived to interfere with the director's ability to objectively assess the performance of management. Michael Hopley as the President and Chief Executive Officer of the Corporation is not considered to be an independent director.

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Corporation's business in the ordinary course, managing the Corporation'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.

DIRECTORSHIPS

Certain of the directors of the Corporation are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Directorships (other reporting issuer or equivalent in a foreign jurisdiction)
Alexander Molyneux	Argosy Minerals Ltd. Comet Resources Ltd. Galena Mining Ltd. Metalla Royalty & Streaming Ltd. Tempus Resources Ltd.

Mr. Molyneux is the Chair of the Board and is an independent director. The Chair of the Board is responsible for the management, the development and the effective performance of the Board of Directors and provides leadership to the Board for all aspects of its work. The Chair acts in an advisory capacity to the CEO concerning the interests and management of the Corporation and, in co-ordination with the CEO, may play a role in the Corporation's external relationships.

ORIENTATION AND CONTINUING EDUCATION

Each new director brings a different skill set and professional background and, with this information, the Board is able to determine what additional learning, if any, will be necessary for each new director. The Corporation provides education for its directors as such need arises and encourages open discussion at all meetings, which format facilitates learning by the directors.

All new directors receive the terms of reference and timetables for the Board and the Committees, position descriptions for the Chair, Committee Chairs and individual directors and other relevant corporate and business information. New directors also meet with the President and the Chair of the Board to understand how the Board and its committees operate and fulfill their obligations. New directors receive historical public information about the Corporation.

The senior management team makes regular presentations to the Board on matters with significant impact on the Corporation's business and on relevant legal developments as they arise. Outside advisors also make presentations on matters relating to the Corporation's business and other relevant issues as the need arises. In addition, when matters of relevance to the Corporation's operations arise between Board meetings, the President and/or the Chair distributes the relevant information to the directors.

ETHICAL BUSINESS CONDUCT

The Board has adopted a written code of business conduct and ethics applicable to directors, officers and employees of the Corporation.

The Corporation's Code of Business Conduct and Ethics (the "**Code**") is available on its website at www.azargametals.com and at www.sedar.com. The Board reviews the Code on an annual basis, and it has been disseminated to every employee and every director, officer and employee is required to certify that he/she has read the Code and understands it. In addition, the Corporation has made available a

contact number for the Chair of the Audit Committee that employees can use to report violations of the Code. Any reports to the Chair of the Audit Committee would be communicated to the Audit Committee.

There have been no material change reports filed within the preceding 12 months, or ever, that pertain to any conduct of any director or executive officer that constitutes a departure from the Code.

Directors are required to disclose any actual or potential conflicts of interest. In addition, directors that have an interest in a matter coming before the Board declare that interest and abstain from voting on the matter. Directors are also able to request in-camera sessions to discuss such matters without the presence of the interested director or executive officer and, if necessary, the Board is able to convene a special committee composed of disinterested directors to consider the applicable issue. The Board is also able to engage outside advisors at the Corporation's expense to assist directors in discharging their responsibility to exercise independent judgment.

The Board has approved the Code (which includes requirements relating to insider trading), a Whistleblower Policy and a Corporate Disclosure and Insider Trading Policy. These policies have been disseminated throughout the organization and employees have certified their receipt and understanding of the Code and Policies. Management applies the highest standard of ethical behavior and sets the tone from the top for a culture of ethical business conduct.

NOMINATION OF DIRECTORS

The Board considers the skills and attributes that would be required of a new director. Current directors and senior management are requested to advise the Chair of the Board of potential candidates. Once candidates are identified, the Chair of the Board, alone or with other directors, interviews the individuals and advises the Board of Directors the results of the interviews and makes a recommendation on a candidate to the Board of Directors for its approval.

The Board seeks to select well-qualified candidates with a diversity of background, experience and geographic location to maintain a well-balanced and highly competent group of directors with the ability to act together effectively. The Board is responsible for implementing orientation and education programs for new members of the Board and implementing procedures for assessing the effectiveness of the Board and its committees and for assessing the contribution of each of the Corporation's directors.

OTHER COMMITTEES

Given the size of the Board, the Board has no committees other than the Audit Committee.

ASSESSMENTS

The Board is collectively responsible for assessing the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual directors as it relates to the Board's mandate and the Corporation's goals.

The Board is also responsible for the examination of the size of the Board with a view to determining the impact of the number upon effectiveness and to undertake where appropriate, a program to reduce or enlarge the number of directors to a number which facilitates more effective decision-making.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No individual who is, or at any time during the fiscal year ended September 30, 2019, was, a director or proposed nominee for election as a director of the Corporation, an executive officer or senior officer and no associate or affiliate of any such person, is indebted to the Corporation or to another entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, except for routine indebtedness.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this Information Circular no Informed Person of the Corporation, nominee for director, or any associate or affiliate of an insider or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries.

MANAGEMENT CONTRACTS

The management functions of the Corporation and its subsidiaries are not performed to any substantial degree by any person or company other than the directors and officers of the Corporation or its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed in this Information Circular, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, “Person” shall include each person: (a) who has been a director, senior officer or insider of the Corporation at any time since the commencement of the Corporation’s last fiscal year; (b) who is a proposed nominee for election as a director of the Corporation; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

RESTRICTED SECURITIES

There are no actions to be taken by the Corporation that would involve a transaction that would have the effect of converting or subdividing, in whole or in part, existing securities into restricted securities, or creating new restricted securities.

OTHER BUSINESS

It is not known that any other matters will come before the Meeting other than as set forth above and in the Notice of Meeting, but if such should occur the persons named in the accompanying form of proxy intend to vote on them in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the meeting or any adjournment thereof.

ADDITIONAL INFORMATION

You may obtain additional financial information about Azarga Metals in our Financial Statements and Management’s Discussion and Analysis for the fiscal year ended September 30, 2019, by completing the enclosed Financial Statement Request Form, which is being mailed with this Information Circular. Copies may be obtained without charge upon request to us at Unit 1 – 15782 Marine Drive, White Rock, B.C. Canada V4B 1E6 - telephone +1 (604) 536-2711; facsimile +1 (604) 536-2788. You may also access our

disclosure documents through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com or the Corporation's website at www.azargametals.com.

BOARD APPROVAL

The contents of this Information Circular have been approved, and its mailing has been authorized by the Directors of the Corporation.

Dated at Vancouver, British Columbia, this 10th day of January 2020.

ON BEHALF OF THE BOARD,

"Michael Hopley"

President, Chief Executive Officer and Director

APPENDIX A – AUDIT COMMITTEE TERMS OF REFERENCE

PURPOSE

The overall purpose of the Audit Committee (the “**Committee**”) is to ensure that: (i) the Company’s management has designed and implemented an effective system of internal financial controls, (ii) to review and report on the integrity of the consolidated financial statements of the Company, (iii) to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts, and (iv) to monitor and oversee the independent auditors’ qualifications, independence and activities.

The responsibilities of a member of the Committee are in addition to such member’s duties as a director. Nothing in these Terms of Reference, however, is intended to or does confer on any member a higher standard of care or diligence than that which applies to the directors as a whole.

The Committee does not plan or perform audits or warrant the accuracy or completeness of the Company’s financial statements or financial disclosure or compliance with generally accepted accounting principles as these are the responsibility of management.

COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Board of Directors of the Company (the “**Board**”), at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members and the Chair of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
2. The Committee shall consist of at least three members of the Board all of whom shall be independent as determined in accordance with applicable securities laws, rules, regulations and guidelines (“**Securities Laws**”). In particular, each member of the Committee must be independent of management and free from any interest, business or other relationship which could, or could reasonably be perceived to, materially interfere with the member’s ability to act in the best interests of the Company.
3. All Committee members shall be financially literate. For this purpose, financial literacy shall mean the ability of a member to read and understand a set of financial statements that present a breadth and level 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. At least one member should have accounting or related financial expertise and should be able to analyze and interpret a full set of financial statements, including notes, in accordance with generally accepted accounting principles.
4. If the Chair is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside at the meeting.
5. The Secretary of the Company shall be the secretary of the Committee, unless otherwise determined by the Committee.
6. The Committee shall meet at least four times annually on such dates and at such locations as may be determined by the Chair of the Committee and may also meet at any other time or times on the call of the Chair of the Committee, the Chief Executive Officer, the Chief Financial Officer, the independent auditors or any two of the other members.

7. The Committee will also meet at least quarterly with the independent auditors without management present to discuss any matters that the Committee believes should be discussed in an in-camera session.
8. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.
9. Any two Directors may request the Chair to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such Directors, and may participate in such meeting to the extent permitted by the Chair of the Committee.
10. Notice of the time and place of every meeting shall be given in writing or by e-mail or facsimile communication to each member of the Committee at least 24 hours prior to the time fixed for such meeting; provided, however, that a member may in any manner waive a notice of a meeting and attendance of a member at a meeting is a waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.
11. The Chief Financial Officer shall develop and set the Committee's agenda, in consultation with the Chair and other members of management. The agenda and information concerning the business to be conducted at each Committee meeting shall, to the extent practical, be communicated to the members of the Committee sufficiently in advance of each meeting to permit meaningful review and, to the extent possible, at least 5 days in advance of each meeting.
12. At the invitation of the Chair, one or more officers or employees of the Company may, and if required by the Committee shall, attend a meeting of the Committee. The independent auditors shall receive notice of and have the right to attend all meetings of the Committee. The Chief Executive Officer shall be invited to attend all meetings, except executive sessions and private sessions with the independent auditors.
13. The Committee shall fix its own procedure at meetings, keep records of its proceedings and report to the Board when the Committee may deem appropriate (but not later than the next meeting of the Board).
14. The Committee, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Committee independently on any matter within its mandate. The Committee shall have the sole authority to retain and terminate any such consultants or advisors or any search firm to be used to identify director candidates, including sole authority to approve the fees and other retention terms for such persons. The Committee shall also have the power to conduct or authorize investigations into any matter within the scope of its authority.
15. The independent auditors shall have a direct line of communication to the Committee through the Chair and may bypass management if deemed necessary. The independent auditors shall report to the Committee and are ultimately accountable to the Board and the Committee, as representatives of the shareholders.
16. The Committee, through its Chair, may contact directly the independent auditors, and any employee of the Company as it deems necessary.
17. In discharging its responsibilities, the Committee shall have full access to all books, records, facilities and personnel of the Company, to the Company's legal counsel and to such other

information respecting the Company as it considers necessary or advisable in order to perform its duties and responsibilities.

ROLES AND RESPONSIBILITIES

1. Overall Duties and Responsibilities

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

- (a) to assist the Board in the discharge of its responsibilities relating to the quality, acceptability and integrity of the Company's accounting principles, reporting practices and internal controls;
- (b) to assist the Board in the discharge of its responsibilities relating to compliance with disclosure requirements under applicable Securities Laws, including approval of the Company's annual and quarterly consolidated financial statements and notes together with the Management's Discussion and Analysis;
- (c) to establish and maintain a direct line of communication with the Company's independent auditors and assess their performance;
- (d) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal controls; and
- (e) to report regularly to the Board on the fulfillment of its duties and responsibilities.

2. Independent Auditors

The independent auditors report to the Committee and the duties and responsibilities of the Committee as they relate to the independent auditors shall be as follows:

- (a) to recommend to the Board a firm of independent auditors to be engaged by the Company;
- (b) to review, at least annually, with the independent auditors their independence from management, including a review of all other significant relationships the auditors may have with the Company and to satisfy itself of the auditors' independence, the experience and the qualifications of the senior members of the independent auditor team and the quality control procedures of the independent auditor.
- (c) to review and approve the fee, scope, staffing and timing of the audit and other related services rendered by the independent auditors;
- (d) to ensure the rotation of the lead audit partner as required by applicable Securities Laws;
- (e) to be responsible for overseeing the work of the independent auditors and reviewing the audit plan prior to the commencement of the audit;
- (f) to review the engagement reports of the independent auditors on unaudited financial statements of the Company and to review with the independent auditors, upon completion of their audit:
 - i) contents of their report;

- ii) scope and quality of the audit work performed;
- iii) adequacy of the Company's financial and auditing personnel;
- iv) co-operation received from the Company's personnel during the audit;
- v) internal resources used;
- vi) significant transactions outside of the normal business of the Company;
- vii) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles and management systems;
- viii) the quality, acceptability and integrity of the Company's accounting policies and principles;
- ix) the non-audit services provided by the independent auditors;
- x) the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the Company's financial statements;
- xi) management's response to significant written reports and recommendations from the independent auditors and the extent to which such recommendations have been implemented by management;

and report to the Board in respect of the foregoing;

- (a) to implement structures and procedures to ensure that the Committee meets the independent auditors on a regular basis in the absence of management in order to review the integrity of the Company's financial reporting, adequacy of internal controls over financial reporting and disclosure controls and procedures, any difficulties encountered by the independent auditors in carrying out the audit and to resolve disagreements between the independent auditors and management; and
- (b) to pre-approve the retention of the independent auditor for any non-audit service and the fee for such service.

The Committee may satisfy the pre-approval requirement in subsection 2(g) if:

- i) the aggregate amount of all the non-audit services that were not pre-approved constitutes no more than five per cent of the total amount of revenues paid by the Company to its independent auditors during the fiscal year in which the services are provided;
- ii) the services were not recognized by the Company at the time of the engagement to be non-audit services; and
- iii) the services are promptly brought to the attention of the Committee and are approved, prior to the completion of the audit, by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.

The Committee may delegate to one or more independent members the authority to pre-approve non-audit services in satisfaction of the requirement in subsection 2(h) provided that the pre-approval of non-audit services by any member to whom authority has been delegated must be presented to the full Committee at its first scheduled meeting following such pre-approval.

3. **Internal Control Procedures**

The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:

- (a) review the adequacy, appropriateness and effectiveness of the Company's policies and business practices which impact on the integrity, financial and otherwise, of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting, code of conduct and risk management;
- (b) review compliance under the Company's Code of Business Conduct & Ethics;
- (c) review any issues between management and the independent auditors that could affect the financial reporting or internal controls of the Company;
- (d) periodically review the Company's accounting and auditing policies, practises and procedures and the extent to which recommendations made by the independent auditors have been implemented;
- (e) review the quarterly CEO and CFO certifications and any sub-certifications from senior management in respect of disclosure controls and procedures and internal controls over financial reporting;
- (f) review the internal control report prepared by management, including management's assessment of the effectiveness of the Company's internal controls over financial reporting and disclosure controls and procedures and any related report by the independent auditors; and
- (g) receive the certification from the Chief Financial Officer on compliance with statutory liabilities.

4. **Public Filings, Policies and Procedures**

The Committee is charged with the responsibility to:

- (a) review and approve for recommendation to the Board:
 - i) the annual report to shareholders, including the annual audited financial statements, with the report of the independent auditors, the Management's Discussion and Analysis and the impact of unusual items and changes in accounting principles and estimates;
 - ii) the interim report to shareholders, including the unaudited financial statements, the Management's Discussion and Analysis and the impact of unusual items and changes in accounting principles and estimates;
 - iii) earnings press releases;

- iv) the annual information form;
- v) prospectuses; and
- vi) other public reports and public filings requiring approval by the Board;

and report to the Board with respect thereto;

- (b) ensure adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements, other than the disclosure described in subsection 4(a) above, and periodically assess those procedures;
- (c) review with management, the independent auditors and if necessary with legal counsel, any litigation, claim or other contingency, including tax assessments, that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
- (d) review with management and the independent auditors any off-balance sheet transactions, arrangements, obligations (including contingent obligations) and other relationships of the Company and its subsidiaries which could have a material current or future effect on the financial condition of the Company;
- (e) review with management and with the independent auditors any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgements of management that may be material to financial reporting;
- (f) review with management and with the independent auditors (i) all critical accounting policies and practises to be used by the Company in preparing its financial statements, (ii) all material alternative treatments of financial information within GAAP that have been discussed with management, ramifications of the use of these alternative disclosures and treatments, and the treatment preferred by the independent auditor, and (iii) other material communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences;
- (g) review general accounting trends and issues of auditing policy, standards and practices which affect or may affect the Company;
- (h) review the appointments of the Chief Financial Officer and any key financial executives involved in the financial reporting process;
 - (i) review the Whistleblower Policy and ensure that the Company has sufficient processes in place for:
 - i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls, or auditing matters; and
 - ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

and review any issues and complaints arising thereunder

- (j) review and approve the issuer's hiring policies regarding employees and former employees of the present and former independent auditors of the Company;
- (k) review and approve related party transactions or any material amendment thereto prior to the transaction being entered into.

5. **Terms of Reference and Calendar of Activities**

The Committee will review these terms of reference and its calendar of activities on an annual basis and recommend such changes as may be considered necessary for approval by the Board of Directors.

This Policy was last revised and approved by the Board on July 8, 2016.