



## MANAGEMENT INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of March 19, 2021.

This Information Circular is being mailed by the management of Aston Bay Holdings Ltd. (“**Aston Bay**” or the “**Company**”) to everyone who was a shareholder of record of our company on March 12, 2021, which is the date that has been fixed by our directors as the record date to determine shareholders who are entitled to receive notice of the meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual and special meeting of the shareholders of Aston Bay that is to be held on **Thursday, April 22, 2021, at 11:00 a.m. (Eastern) at 80 Richmond Street West, Suite 204, Toronto, Ontario**. The solicitation of proxies will be primarily by mail. Certain officers or directors of Aston Bay may also solicit proxies by telephone or in person. The cost of solicitation will be borne by Aston Bay.

Under our Articles, a quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting. If such a quorum is not present in person or by proxy, we will reschedule the meeting.

### **PART 1 – VOTING**

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#### **HOW A VOTE IS PASSED**

All of the matters that will come to a vote at the meeting as described in the attached Notice of the meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, then the resolution is approved.

See Part 3 – The Business of the Meeting for details on the proposed resolutions to be put to shareholders at the meeting.

#### **WHO CAN VOTE?**

If you are a registered shareholder of Aston Bay as at March 12, 2021, you are entitled to attend at the meeting and cast a vote for each share registered in your name on all resolutions put before the meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the meeting. If you are a registered shareholder and will not attend the meeting in person, you can appoint someone who will attend the meeting and act as your proxyholder to vote in accordance with your instructions (see “Attendance in Person” and “Voting by Proxy” below). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the meeting regardless of the number of shares you hold. We encourage you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented. See “Voting by Proxy” and “Attendance in Person” below.

#### **VOTING BY PROXY**

If you do not come to the meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy by 11:00 a.m. (Eastern) on Tuesday, April 20, 2021, to our transfer agent, Computershare, 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (facsimile numbers: within North America 1-866-249-7775; outside North America 1-416-263-9524); or vote by telephone of through the Internet following the instructions in the form of proxy included with this Information Circular.

### **What is a proxy?**

A form of proxy is a document that authorizes someone to attend the meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

#### *Appointing a proxyholder*

**You can choose any individual to be your proxyholder.** It is not necessary for the person whom you choose to be a shareholder of Aston Bay. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are directors and/or officers of Aston Bay.

#### *Instructing your proxy*

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the appointment of MNP LLP as Aston Bay's auditor;**
- ✓ **FOR annual approval, as required by the policies of the TSX Venture Exchange (the "Exchange"), for the continuation of our Stock Option Plan, which reserves the number of common shares issuable pursuant to options granted under the Plan at a "rolling" maximum of 10% of the issued and outstanding shares at the time of any grant; and**
- ✓ **FOR approval, as required by the policies of the Exchange, for the Option Agreement (as defined below) described in this Information Circular.**

For more information about these matters, see Part 3 – The Business of the Meeting.

The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Information Circular, we not aware of any other matter to be presented for action at the meeting. If, however, other matters do properly come before the meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

#### *Changing your mind*

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the registered office of Aston Bay at Suite 530, 355 Burrard Street, Vancouver, British Columbia V6C 2G8; or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 5:00 in the afternoon (Eastern) on the last business day before the day of the meeting, or any adjournment thereof, or delivered to the person presiding at the meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the meeting in person.

## **NON-REGISTERED SHAREHOLDERS**

If your shares are not registered in your own name, they will be held in the name of a “nominee,” usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares. Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders’ meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, our transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder will have no knowledge of your entitlement to vote. If you wish to vote in person at the meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect since you will be voting at the meeting in person. Please register with representatives of our transfer agent, Computershare Trust Company of Canada, upon arrival at the meeting.

The Notice of Annual and Special Meeting, this Information Circular and a form of proxy are being sent to both registered and non-registered owners of common shares in the capital of Aston Bay. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares of Aston Bay have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, Aston Bay (and not your nominee) 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 request for voting instructions form that is included with this Information Circular.

In accordance with National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators, Aston Bay has elected to send proxy-related materials directly to non-objecting beneficial owners of its common shares. As Aston Bay is unable to send proxy-related materials directly to the objecting beneficial owners (“**OBOs**”) of its common shares (because OBOs are beneficial shareholders who have objected to the release of security ownership details to issuers), proxy-related materials for the meeting to which this Information Circular relates will be sent to OBOs indirectly through the intermediaries who hold securities on behalf of the OBOs. The intermediaries/brokers (or their service companies) are responsible for forwarding the proxy-related materials to their OBO clients. Management of Aston Bay does not intend to pay for intermediaries to forward to their OBO clients the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* under NI 54-101 and, as such, OBOs will not receive the proxy-related materials in connection with the meeting unless such OBO’s intermediary assumes the cost of delivery.

Aston Bay has chosen to not use the notice-and-access delivery procedures provided by NI 54-101.

## **ATTENDANCE IN PERSON**

As a result of the COVID-19 pandemic, we ask that shareholders follow the current instructions and recommendations of federal, provincial and local health authorities when considering attending the meeting. While it is not known what the situation with COVID-19 will be on the date of the meeting, we will adhere to all government and public health authority recommendations and restrictions in order to support efforts to reduce the

impact and spread of COVID-19. As such, in order to mitigate potential risks to the health and safety of our communities, shareholders, employees and other stakeholders, we are urging all shareholders to vote by proxy in advance of the meeting and not to attend the meeting in person unless and until all social distancing recommendations or restrictions have been lifted. We will follow the guidance and orders of government and public health authorities in that regard, including those restricting the size of public gatherings. In order to adhere to all government and public health authority recommendations, the Company notes that the meeting will be limited to only the legal requirements for shareholder meetings and guests will not be permitted entrance unless legally required.

Rather than attending in person, the Company encourages shareholders to vote by proxy in advance of the meeting and to access the meeting via telephone conference call at:

1.866.651.2727 (Toll-Free Canada and US);  
<https://www.confsoptions.ca/ILT/?rls=4164725039A110> (International); or  
416.472.5039 (Toronto).

When prompted, enter the conference ID number 6285863 to access the meeting.

## **PART 2 – VOTING SHARES AND PRINCIPAL HOLDERS THEREOF**

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Aston Bay has authorized voting capital of an unlimited number of common shares. Each shareholder is entitled to one vote for each common share registered in his or her name at the close of business on March 12, 2021, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the meeting.

At the close of business on March 12, 2021, 163,975,094 common shares of Aston Bay were issued and outstanding. To the knowledge of our management no person or company beneficially owned, directly or indirectly, or exercised control or direction over 10% or more of Aston Bay's issued and outstanding common shares as of the record date.

## **PART 3 – THE BUSINESS OF THE MEETING**

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### **FINANCIAL STATEMENTS**

Our audited consolidated financial statements for the year ended March 31, 2020, will be placed before you at the meeting. These financial statements have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). Copies of our annual financial statements and Management's Discussion and Analysis will also be available at the meeting or upon request by any shareholder who wishes to receive a copy. You can contact us at 80 Richmond Street West, Suite 204, Toronto, Ontario M5H 2A4; e-mail: [sofia.harquail@astonbayholdings.com](mailto:sofia.harquail@astonbayholdings.com); telephone (416) 456-3516.

### **ELECTION OF DIRECTORS**

Directors of Aston Bay are elected for a term of one year. The term of office of each of the current directors, each of whom is a nominee 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.

#### *Number of Directors*

Under our Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three. The Board of Directors believes that at Aston Bay's current stage of development, five is a sufficient number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board.

### *Nominees for Election as Directors*

The following are the nominees proposed for election as directors of Aston Bay, together with the number of common shares of Aston Bay that were beneficially owned, directly or indirectly, or over which control or direction was exercised by each nominee as of the record date of the meeting to which this Circular relates. All five of the nominees are currently directors of Aston Bay. Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Aston Bay's Articles include mandatory procedures for nominations of persons for election to the Board, including an advance notice requirement for nominations by shareholders in certain circumstances. As of the date of this Information Circular, no nominations by shareholders had been received by Aston Bay under the advance notice procedures. See "Advance Notice for Nomination of Directors in 2021" below.

Aston Bay has not, as yet, adopted a majority voting policy for election of directors at uncontested shareholder meetings at which directors are to be elected. See Part 6 – Corporate Governance – Nomination and Election of Directors.

Voting for the election of directors of Aston Bay is by individual voting and not by slate voting. You can vote your shares for the election of all of these nominees as directors of Aston Bay; or you can vote for some of these nominees for election as directors and withhold your votes for others; or you can withhold all of the votes attaching to the shares you own and, thus, not vote for the election of any of these nominees as directors of Aston Bay.

We recommend that shareholders vote in favour of the following five nominees for election as directors. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the five nominees as directors of Aston Bay for the ensuing year.**

<u>Name and place of residence</u>	<u>Principal occupation for the past five years</u>	<u>Director since</u>	<u>Number of shares<sup>(1)</sup></u>
Thomas Ullrich Ontario, Canada <i>Director, Chief Executive Officer</i>	Chief Executive Officer (since November 2016) and formerly Chief Operating Officer and Executive Vice President-Exploration (February 2016 to November 2016) of Aston Bay.	November 14, 2016	3,050,000
Jan-Erik Back <sup>(2)(3)</sup> London, United Kingdom <i>Director</i>	Head of Capital Solutions Group, Stifel Financial Corp. (since October 2020), a group focused on providing debt investment banking advisory services; CEO (since January 2020) of Galiant Partners LLP, a firm that manages a portfolio of venture capital and other investments; Chairman (January 2017 to December 2019) of Findia Partners, a privately held investment and consulting company focused on the global natural resources sectors; Head of Investments and Structured Finance (February 2014 to January 2017) for Engelhart Commodities, a global commodity trading company.	August 17, 2016	150,000
Michael Dufresne Alberta, Canada <i>Director</i>	President and Principal of APEX Geoscience Ltd., a privately owned, independent geological consulting company that consults to Aston Bay; Registered Professional Geologist (P. Geol., since 1989) with Association of Professional Engineers and Geoscientists of Alberta (APEGA).	December 21, 2015	3,522,500

<b>Name and place of residence</b>	<b>Principal occupation for the past five years</b>	<b>Director since</b>	<b>Number of shares<sup>(1)</sup></b>
Ian McPherson <sup>(2)(3)</sup> British Columbia, Canada <i>Director</i>	Director of Advancement at Brentwood College School, an independent university preparatory boarding school for boys and girls in grades 9 through 12, located on Vancouver Island, British Columbia; Vice President Corporate Communications (from September 2011 to July 2012) of West Melville Metals Inc., a junior natural resource issuer trading on the TSX-V and an Aurora Resource Group company; Director of Marketing (from June 2008 to January 2012) at Discovery Group. Board member Altiplano Metals Inc. from 2013 to 2020.	August 25, 2014	Nil
Jessie Liu-Ernsting <sup>(2)(3)</sup> Ontario, Canada <i>Director</i>	VP Corporate Development, Canada Nickel Company Inc., Toronto, Ontario (since October 2019); Principal Consultant, Keystone Resource Solutions Corp., Toronto, Ontario (since January 2019); Corporate Development Manager, Hudbay Minerals, Toronto, Ontario (from February 2019 to September 2019); Deal Manager, Resource Capital Funds, Toronto, Ontario, Denver Colorado (from August 2013 to December 2018).	March 10, 2021	95,000

<sup>(1)</sup> The information as to shares beneficially owned, not being within our knowledge, has been furnished by the respective individuals, has been extracted from the register of shareholdings maintained by our transfer agent or has been obtained from insider reports filed by the individuals and available through the Internet at the Canadian System for Electronic Disclosure by Insiders (SEDI).

<sup>(2)</sup> Member of the Audit Committee (see Part 6 – Corporate Governance and Part 7 – Audit Committee).

<sup>(3)</sup> Member of the Compensation Committee (see Part 4 – Executive Compensation and Part 6 – Corporate Governance).

### ***Advance Notice for Nomination of Directors in 2021***

If a shareholder proposes to nominate an individual or individuals for election as a director of Aston Bay at the next annual general meeting of shareholders to be held during calendar 2021, notice to Aston Bay must be given not less than 40 and not more than 65 days prior to the date of the annual general meeting; provided, however, that in the event an annual general meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual general meeting is made, notice of a director nomination may be given to Aston Bay not later than the close of business on the 10<sup>th</sup> day following the date of such public announcement.

### **APPOINTMENT OF AUDITOR**

Shareholders will be asked at the meeting to appoint MNP LLP, Chartered Professional Accountants and Licensed Public Accountants, as the auditor of Aston Bay. MNP LLP was first appointed as auditor of Aston Bay (then Escudo Capital Corporation) on May 2, 2013, and has audited the annual financial statements of Aston Bay since the fiscal year ended March 31, 2013.

Aston Bay's Articles provide that the directors may set the auditor's remuneration (see Part 7 – Audit Committee – External Auditor Service Fees).

We recommend that shareholders vote in favour of the appointment of MNP LLP as Aston Bay's auditor for the ensuing year. **Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of MNP LLP as the auditor of Aston Bay until the close of the next annual general meeting.**

## ANNUAL APPROVAL OF STOCK OPTION PLAN

Shareholders will be asked at the meeting to give annual approval, as required by the policies of the TSX Venture Exchange (the “**Exchange**”), for the continuation of our 2013 Stock Option Incentive Plan (the “**Stock Option Plan**”), which is a rolling 10% plan that sets the number of common shares issuable under the Stock Option Plan at a maximum of 10% of the issued and outstanding common shares of Aston Bay, from time to time, at the time of grants of options (subject to certain restrictions as described below). Our Board of Directors adopted the Stock Option Plan on May 15, 2013, and Aston Bay’s shareholders initially approved the Stock Option Plan at the annual general and special meeting of shareholders held on November 18, 2013, subsequent to which the Stock Option Plan received final Exchange approval. The Stock Option Plan was last approved by Aston Bay’s shareholders at the annual general meeting of shareholders held on November 26, 2019.

As of the date of this Information Circular, Aston Bay has 163,975,094 common shares outstanding, 10% of which provides for a reserve of 16,397,509 common shares for issuance pursuant to options granted under the Stock Option Plan. As of the date of this Information Circular, incentive stock options to purchase an aggregate 14,912,500 common shares of Aston Bay are outstanding, having been granted by the Board of Directors to officers, directors, consultants and management company employees of Aston Bay, and options entitling the purchase of a further 1,485,009 common shares remain available for grant under the Stock Option Plan.

See also Part 4 – Executive Compensation and Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

### *Summary of the Stock Option Plan*

The aggregate number of Aston Bay common shares reserved for issuance under the Stock Option Plan, and the number of Aston Bay common shares reserved for issuance under any other share compensation arrangement granted or made available by Aston Bay from time to time, may not exceed 10% of the outstanding Aston Bay common shares at the time of grant. The Stock Option Plan must be approved and ratified by shareholders and submitted to the Exchange for approval on an annual basis.

The Stock Option Plan is administered by the Board of Directors of Aston Bay and provides for grants of options to directors, officers and employees of, and consultants to, Aston Bay at the discretion of the Board. The term of any options granted under the Stock Option Plan will be fixed by the Board of Directors and may not exceed ten years. The exercise price of options granted under the Stock Option Plan will be determined by the Board of Directors, but the exercise price must not be less than the Fair Market Value (as such term is defined in the Stock Option Plan) of the option shares on the date of grant of the option. As the common shares of Aston Bay are listed on the Exchange, the Fair Market Value is the lowest price permitted by the Exchange. Any options granted pursuant to the Stock Option Plan will terminate at the end of the period of time to be determined in each instance by the Board of Directors at the time of grant, such period of time to not be in excess of one year after the option holder ceases to act as a director, officer, employee of, or consultant to, Aston Bay or any of its affiliates, unless such cessation is on account of death, disability or termination of employment with cause; and if no such period of time is determined by the Board of Directors at the time of the grant, the 30<sup>th</sup> day after the optionee ceases to be an eligible person pursuant to the terms of the Stock Option Plan for any reason other than death, disability or cause. If such cessation is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately. Options granted to a person who is engaged in investor relations activities for Aston Bay terminate on the 30<sup>th</sup> day after the person ceases to be employed to provide investor relations activities. The Stock Option Plan also provides for adjustments to outstanding options in the event of any consolidation, subdivision, conversion or exchange of the common shares of Aston Bay. Our directors may, at their discretion at the time of any grant, impose a schedule over which period of time the option will vest and become exercisable by the optionee.

Options to acquire more than 2% of the issued and outstanding common shares of Aston Bay may not be granted to any one consultant in any 12-month period and options to acquire more than an aggregate of 2% of the issued and outstanding common shares may not be granted to persons employed to provide investor relations activities in any 12-month period. The aggregate number of options granted and outstanding to “Eligible Charitable Organizations” (as such term is defined in the Stock Option Plan) must not at any time exceed 1% of the number of issued and outstanding common shares of Aston Bay. Options granted to any one individual in any 12-month period to acquire

common shares representing more than 5% of the issued and outstanding common shares require approval by Aston Bay's disinterested shareholders.

The Stock Option Plan also includes provisions related to withholding tax obligations of Aston Bay on exercise of options by the optionees and also provides for amendment of expiry of an option if the expiry date occurs during a blackout period.

Subject to the approval of any stock exchange on which the securities of Aston Bay are then listed, the Board of Directors may terminate, suspend or amend the terms of the Stock Option Plan, provided that the Board of Directors may not do any of the following without obtaining, within 12 months either before or after the adoption by the Board of Directors of a resolution authorizing such action, shareholder approval, and, where required, disinterested shareholder approval as contemplated by the policies of the Exchange, or by the written consent of the holders of a majority of the securities of Aston Bay entitled to vote:

1. increase the aggregate number of common shares of Aston Bay which may be issued under the Stock Option Plan;
2. materially modify the requirements as to the eligibility for participation in the Stock Option Plan that would have the potential of broadening or increasing insider participation;
3. add any form of financial assistance or any amendment to a financial assistance provision that is more favourable to participants under the Stock Option Plan;
4. add a cashless exercise feature, payable in cash or securities, which does not provide for a full deduction of the number of underlying securities from the Stock Option Plan reserve; and
5. materially increase the benefits accruing to participants under the Stock Option Plan.

However, the Board of Directors may amend the terms of the Stock Option Plan to comply with the requirements of any applicable regulatory authority without obtaining shareholder approval, including:

1. amendments to the Stock Option Plan of a housekeeping nature;
2. a change to the vesting provisions of a security or the Stock Option Plan; and
3. a change to the termination provisions of a security or the Stock Option Plan that does not entail an extension beyond the original expiry date.

See also in this Circular, Part 4 – Executive Compensation and Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

A copy of the Stock Option Plan is available for viewing by shareholders at Aston Bay's registered office located at Suite 530, 355 Burrard Street, Vancouver, British Columbia, during normal business hours at any time up to and including the day prior to the meeting or any adjournment thereof, as well as at the meeting to which this Information Circular relates.

### ***Recommendation***

We believe the Stock Option Plan provides incentive to and enables us to better align the interests of our directors, officers, employees and consultants with those of our shareholders and reduces the cash compensation Aston Bay would otherwise have to pay. Our Board of Directors recommends that shareholders vote FOR the resolution approving the Stock Option Plan.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the resolution approving the Stock Option Plan.**

### **APPROVAL OF THE OPTION AGREEMENT WITH AMERICAN WEST FOR THE STORM PROJECT**

On March 9, 2021, Aston Bay entered into an option agreement (the "**Option Agreement**") with American West Metals Limited ("**AWML**"), a private Australian company, and Tornado Metals Ltd. ("**American West**"), a wholly-



owned subsidiary of AWML, pursuant to which American West has an option (the “**Option**”) to earn an 80% interest in Aston Bay’s 100% owned property located on western Somerset Island, Nunavut which hosts the high-grade Storm Copper Project and the high-grade Seal Zinc Deposit (the “**Storm Project**”).

### ***The Storm Project***

The Storm Project consists of 117 contiguous mining claims and 6 prospecting permits covering an area of approximately 268,744 hectares on Somerset Island, Nunavut, Canada. Aston Bay has a 100% ownership interest in the Storm Project, subject to a 0.875% gross overriding royalty held by Commander Resources Ltd. on a portion of the property.

For more information on the Storm Project, see the technical report “*Initial Mineral Resource Estimate and Technical Report for the Seal Zinc Deposit, Aston Bay Property, Somerset Island Nunavut*” by P&E Mining Consultants Inc. dated January 17, 2018 with an effective date of October 6, 2017, which is available for viewing through the Internet under Aston Bay’s issuer profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com).

### ***Exchange Approval of the Option Agreement***

The Option Agreement represents a disposition of more than 50% of the Company’s assets and therefore constitutes a “Reviewable Disposition” as defined in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* and, as such, the Option Agreement is subject to: (a) approval of the shareholders at the meeting; and (b) approval by the Exchange.

The Exchange provided its conditional approval for the Option Agreement on March 19, 2021. The Company requires the final approval of the Exchange prior to closing the Option Agreement. Final approval of the Exchange is subject to a number of customary conditions, including the receipt of shareholder approval of the Option Agreement at the meeting. Subject to the satisfaction or waiver of all other closing conditions, the Company proposes to close the Option Agreement as soon as practicable following receipt of shareholder approval and of final approval from the Exchange.

The conditional approval of the Option Agreement by the Exchange should not be interpreted to mean that the Exchange has in any way passed upon the merits of the Option Agreement. The Company currently has its Blue Ridge Project in central Virginia, USA, which includes its Buckingham Gold property. The Company anticipates that it will satisfy the continued listing requirements of the Exchange and does not foresee any changes to its listed status. However, there can be no assurances that it will continue to meet its continued listing requirements over the long term.

The Option Agreement is an arm’s length transaction. The terms of the Option Agreement were determined by negotiation between Aston Bay on one hand, and AWML and American West on the other hand. The directors of AWML are: John Prineas, David John O’Neill and Sarah Jane Shipway. Ms. Shipway is also the Company Secretary and there are no other officers as of the date hereof, as the directors have executive responsibilities. Aston Bay, AWML and American West are not “Non-Arm’s Length Parties” under the definition of that term under Policy 1.1 – *Interpretation* and accordingly the Company is not required to obtain formal evidence of value pursuant Section 4.5(c) of Policy 5.4 – *Escrow, Vendor Consideration and Resale Restrictions*. Furthermore, there are not any relationships involving any Non-Arm’s Length Parties and Aston Bay, its insiders and American West or AWML, other than Apex Geoscience Ltd. (a privately owned mining and engineering firm of which Michael Dufresne, a director of Aston Bay, is the President) being one of the acceptable geological consultants for American West to engage to conduct exploration.

### ***The Option Agreement***

A copy of the Option Agreement is available for viewing through the Internet under Aston Bay's issuer profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com). Shareholders are encouraged to read the Option Agreement in its entirety.

Under the Option Agreement, American West may earn an 80% interest in the Storm Project by spending a minimum of \$10 million on qualifying exploration expenditures ("**Expenditures**") over a period of up to nine years and make a cash payment on closing, as set out below:

- American West will make a cash payment of \$500,000 to Aston Bay on closing under the Option Agreement and grant of the Option (the "**Initial Payment**").
- In order to exercise the Option, American West must incur not less than \$2 million in Expenditures during the first two consecutive field seasons (2021 and 2022 if closing occurs on or before July 31, 2021 and 2022 and 2023 if closing occurs after July 31, 2021) (the "**First Commitment**") and not less than \$8 million in Expenditures (the "**Additional Expenditures**") during the subsequent earn-in period, which is the seven consecutive field seasons after satisfaction of the First Commitment.
- American West may, in its sole discretion, pay an amount in cash to Aston Bay in lieu of any required Expenditure or any portion thereof in respect of the First Commitment or the Additional Expenditures required to exercise the Option.

The Option will be capable of being exercised following closing of the Option Agreement, which shall occur on the third business day after the following conditions have been satisfied or waived: (i) there shall not be any law or proceeding which shall prevent closing or make closing illegal; (ii) Aston Bay shall have received final approval of the Exchange with respect to the Option Agreement; and (iii) Aston Bay shall have received shareholder approval with respect to the Option Agreement.

American West shall be the operator of the Storm Project during the term of the Option Agreement, but the parties shall also establish a management committee to be comprised of three members, two appointed by American West and one appointed by Aston Bay. The Option Agreement also includes industry standard representations, warranties, covenants, conditions and indemnities. The Option Agreement also provides for an area of interest.

If American West elects to exercise the Option, American West and Aston Bay will form an 80 / 20 joint venture and enter into a joint venture agreement, the form of which was settled under the Option Agreement. Under such agreement, Aston Bay shall have a free carried interest until American West has made a decision to mine after which it shall be diluted in the event it does not elect to contribute its proportionate share. Its interest will be converted into a 2% net smelter return ("**NSR**") if its interest is diluted to below 10% and one-half of the NSR can be repurchased for \$5 million prior to the commencement of production.

The Option Agreement may be terminated in a number of situations, including: (i) by American West or Aston Bay if closing has not occurred on or before September 30, 2021; (ii) by written notice by American West to Aston Bay if any of the conditions to closing have not been satisfied by the date of closing; (iii) the Option is terminated by American West after payment of the Initial Payment and the First Commitment, or by Aston Bay if American West defaults in the performance of its obligations under the Option Agreement, but only if Aston Bay first gives notice of default and American West has not cured such default within the required period; (iv) by either American West or Aston Bay because of a breach of certain anti-corruption provisions of the Option Agreement, or by American West because of certain intervening events that prevent it from incurring Expenditures for a period of more than 18 months or because of an event of insolvency by Aston Bay or a disposition of the Storm Project by Aston Bay; or (v) by mutual agreement of the parties.

### ***Option Agreement Resolution***

At the meeting, shareholders of Aston Bay will be asked to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the Option Agreement, substantially in the form of the resolution set forth below, subject to such amendments, variations or additions as may be approved at the meeting

“BE IT RESOLVED as an ordinary resolution of Aston Bay Holdings Ltd. (the “**Company**”) that:

1. The option agreement (the “**Option Agreement**”) between the Company, American West Metals Limited (“**AWML**”) and Tornado Metals Ltd. (“**American West**”), a wholly-owned subsidiary of AWML, dated March 9, 2021 pursuant to which American West has an option to earn an 80% interest in the Company’s property located on western Somerset Island, Nunavut which hosts the high-grade Storm Copper Project and the high-grade Seal Zinc Deposit, and the performance by the Company of its obligations under the Option Agreement, all as more particularly described in the Management Information Circular of the Company dated March 19, 2021, is hereby authorized and approved.
2. The Company be and it is hereby authorized to prepare and file any application for orders, consents and approvals and any other documents reasonably considered necessary under applicable laws in connection with the Option Agreement.”

### ***Recommendation***

We believe the Option Agreement is in the best interests of the Company. Our Board of Directors recommends that shareholders vote FOR the resolution approving the Option Agreement.

**Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the resolution approving the Option Agreement.**

## **PART 4 – EXECUTIVE COMPENSATION**

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### **COMPENSATION DISCUSSION AND ANALYSIS**

The purpose of this Compensation Discussion and Analysis is to provide information about compensation decisions relating to our named executive officers (“**Named Executive Officers**”) during the year ended March 31, 2020. The following individuals were Aston Bay’s Named Executive Officers (as determined by applicable securities legislation) during its fiscal year ended March 31, 2020:

- Thomas Ullrich, Chief Executive Officer (since November 2016); and
- Dwight Walker, Chief Financial Officer (since May 2016).

Aston Bay is classified as a Tier 2 ‘Mineral Exploration and Development’ company pursuant to the policies of the Exchange. As a junior mineral exploration company engaged in the acquisition, exploration and evaluation of mineral properties, Aston Bay has no significant revenues from operations and we often operate with limited financial resources to ensure that funds are available to complete scheduled exploration programs. As a result, the Board of Directors has to consider not only the financial situation of Aston Bay at the time of determination of executive compensation, but also the estimated financial situation of Aston Bay in the mid- and long-term. An important element of executive compensation is that of incentive stock options, which do not require cash disbursement by Aston Bay.

Additional information about Aston Bay and its operations is available in financial statements, Management’s Discussion & Analysis and other public disclosure documents, which are electronically filed with regulators and are available for viewing through the Internet under Aston Bay’s issuer profile at the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) website at [www.sedar.com](http://www.sedar.com).

### ***The Role of the Compensation Committee and Compensation Governance***

Aston Bay relies solely on its Board of Directors, through discussion without any formal objectives, criteria or analysis, in determining the compensation of its executive officers. The Board of Directors is responsible for determining all forms of compensation, including long-term incentives in the form of incentive stock options that may be granted to directors, officers, employees and consultants, and for reviewing the recommendations of the Compensation Committee respecting compensation for Aston Bay's executive officers to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of Aston Bay's executive officers, the Board of Directors considers: (i) recruiting and retaining executives critical to the success of Aston Bay and the enhancement of shareholder value; (ii) providing fair and competitive compensation; (iii) balancing the interests of management and Aston Bay's shareholders; and (iv) rewarding performance, both on an individual basis and with respect to operations in general.

In order to assist the Board in fulfilling its oversight responsibilities with respect to human resources matters, the Board has established a Compensation Committee, the responsibilities of which include, among others, making recommendations to the Board of Directors relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the Chief Operating Officer; reviewing and approving the Chief Executive Officer's recommendations respecting the compensation of other officers and key employees of, and key consultants to, Aston Bay; approving compensation of the directors; and making recommendations to the Board of Directors for option-based awards to be granted under Aston Bay's stock option incentive plan.

The members of the Compensation Committee have experience relevant to executive compensation gained during their professional careers and they bring a broad base of skills and experience that contributes to their abilities to make decisions on Aston Bay's compensation policies and practices, including knowledge of the industry and operational experience.

The Compensation Committee may, as part of its review and evaluation processes, engage independent third-party executive compensation consultants and be guided in part on reports prepared by such consultants. During Aston Bay's fiscal year ended March 31, 2020, no such consultants were engaged. No research reports or consultants were relied on in determining any form of compensation during or subsequent to the fiscal year ended March 31, 2020.

### ***Option Based Awards***

Options to purchase common shares of Aston Bay are intended to align the interests of our directors and executive officers with those of our shareholders and to provide a long term incentive that rewards these individuals for their contribution to the creation of shareholder value. Aston Bay's stock option incentive plan is administered by the Board of Directors on recommendations from the Compensation Committee. In establishing the number of the incentive stock options to be granted to the Named Executive Officers, to directors and to employees and consultants, the Board of Directors considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding common shares in determining whether to make any new grants of options, and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience and level of commitment of the executive officer in determining the level of incentive stock option compensation.

### ***Benefits and Perquisites***

As of the year ended March 31, 2020, Aston Bay did not offer any benefits or perquisites to our Named Executive Officers or to our directors other than entitlement to incentive stock options as otherwise disclosed and discussed herein or as otherwise available to all employees. Aston Bay does not, as of the date of this Statement of Executive Compensation, offer any form of pension plan.

### ***Risks Associated with Aston Bay's Compensation Practices***

Our Board of Directors has not, as yet, considered the implications of any risks to Aston Bay associated with decisions regarding compensation of Aston Bay's executive officers.

### ***Hedging by Named Executive Officers or Directors***

Aston Bay has not, as yet, adopted a policy restricting its executive officers and directors from purchasing 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 or awarded as compensation or held, directly or indirectly, by executive officers or directors. As of the date of this Statement of Executive Compensation, entitlement to grants of incentive stock options under Aston Bay's stock option incentive plan is the only equity security element awarded by Aston Bay to its executive officers and directors.

## NAMED EXECUTIVE OFFICERS – SUMMARY COMPENSATION TABLE

The following table provides a summary of the compensation earned by, paid to, or accrued and payable to, each of our Named Executive Officers during the fiscal years ended March 31, 2020, March 31, 2019, and March 31, 2018. Amounts reported in the table below are in Canadian dollars.

Name and principal position	Fiscal year ended March 31	Salary/Fee (C\$)	Share-based awards (C\$)	Option-based awards (C\$)	Non-equity incentive plan compensation (\$C)			Total compensation (C\$)
					Annual incentive plans	Long-term incentive plans	All other compensation (C\$)	
Thomas Ullrich <sup>(1)</sup> <i>Chief Executive Officer</i>	2020	150,000	Nil	47,070 <sup>(2)</sup>	Nil	Nil	Nil	197,070
	2019	150,000	Nil	42,450 <sup>(3)</sup>	Nil	Nil	Nil	192,450
	2018	150,000	Nil	20,800 <sup>(4)</sup>	Nil	Nil	Nil	170,800
Dwight Walker <sup>(5)</sup> <i>Chief Financial Officer</i>	2020	Nil	Nil	17,000 <sup>(6)</sup>	Nil	Nil	80,000 <sup>(5)</sup>	97,000
	2019	Nil	Nil	14,150 <sup>(7)</sup>	Nil	Nil	57,500 <sup>(5)</sup>	71,650
	2018	Nil	Nil	20,800 <sup>(4)</sup>	Nil	Nil	50,000 <sup>(5)</sup>	70,800
Benjamin Cox <sup>(8)</sup> <i>(Former) Executive Chairman and (Former) CEO</i>	2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2018	87,500 <sup>(9)</sup>	Nil	Nil	Nil	Nil	Nil <sup>(9)</sup>	87,500

<sup>(1)</sup> Thomas Ullrich has served as Chief Executive Officer since November 22, 2016. Compensation for Mr. Ullrich's services is provided for pursuant to an Employment Agreement with Aston Bay. See "Termination and Change of Control Benefits" below.

<sup>(2)</sup> The grant date fair value of incentive stock options to purchase 900,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.06 until March 10, 2027, estimated using the Black-Scholes option pricing model (see Note 7 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2020, for the assumptions and estimates used for this calculation).

<sup>(3)</sup> The grant date fair value of incentive stock options to purchase 750,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.10 until January 22, 2026, estimated using the Black-Scholes option pricing model (see Note 9 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2019, for the assumptions and estimates used for this calculation).

<sup>(4)</sup> The grant date fair value of incentive stock options to purchase 175,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.15 until December 8, 2024, estimated using the Black-Scholes option pricing model (see Note 8 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2018, for the assumptions and estimates used for this calculation).

<sup>(5)</sup> Dwight Walker has served as Chief Financial Officer since May 18, 2016. Compensation for Mr. Walker's services in his capacity as Chief Financial Officer is provided for pursuant to a consulting agreement among Aston Bay, Dwight Walker and Target Financial Services Inc., a private company controlled by Mr. Walker. See "Termination and Change of Control Benefits" below.

<sup>(6)</sup> The grant date fair value of incentive stock options to purchase 325,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.06 until March 10, 2027, estimated using the Black-Scholes option pricing model (see Note 7 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2020, for the assumptions and estimates used for this calculation).

<sup>(7)</sup> The grant date fair value of incentive stock options to purchase 250,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.10 until January 22, 2026, estimated using the Black-Scholes option pricing model (see Note 9 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2019, for the assumptions and estimates used for this calculation).

<sup>(8)</sup> Benjamin Cox served as Chief Executive Officer from May 2013 to November 2016, and was appointed as Executive Chair on November 22, 2016, on the appointment of Mr. Ullrich as Chief Executive Officer. Mr. Cox served as Executive Chair until his departure as a director of Aston Bay following the annual general shareholder meeting held October 10, 2017, at which meeting he did not stand for re-election.

<sup>(9)</sup> Compensation for Mr. Cox's services in his capacity as Executive Chairman was provided for pursuant to an Employment Agreement between Mr. Cox and Aston Bay dated November 28, 2016. \$54,417 was paid as salary under Mr. Cox's Employment Agreement for the period April 1, 2017 to October 10, 2017. By mutual agreement, Aston Bay continued to pay Mr. Cox's salary from October 10, 2017 to January 31, 2018, for transition following Mr. Cox's departure.

***Named Executive Officers – Incentive Plan Awards – Outstanding Option-Based Awards***

During the fiscal year ended March 31, 2020, the Board of Directors granted incentive stock options to certain officers, directors, consultants and advisors entitling the purchase of an aggregate 3,500,000 common shares in the capital of Aston Bay exercisable at a per share price of \$0.06 until March 10, 2027.

The following table sets out option-based awards granted to the Named Executive Officers during the fiscal year ended March 31, 2020, and in prior years, which were outstanding at the fiscal year ended March 31, 2020. No other share-based or non-equity incentive plan compensation has been awarded to our Named Executive Officers.

Named Executive Officer	Option-based Awards				Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (C\$)	Option expiry date	Value of unexercised in-the-money options <sup>(1)</sup> (C\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (C\$)	Market or payout value of vested share-based awards not paid out or distributed (C\$)
Thomas Ullrich	900,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	750,000	0.10	January 22, 2026	Nil			
	175,000	0.15	December 8, 2024	Nil			
	350,000	0.40	May 18, 2023	Nil			
	300,000	0.20	February 1, 2023	Nil			
Dwight Walker	325,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	250,000	0.10	January 22, 2026	Nil			
	175,000	0.15	December 8, 2024	Nil			
	100,000	0.40	May 18, 2023	Nil			
Benjamin Cox	345,000	0.40	May 18, 2023	Nil	N/A	N/A	N/A
	220,000	0.20	February 1, 2023	Nil			
	900,000	0.20	August 30, 2020	Nil			

<sup>(1)</sup> The value of unexercised “in-the-money options” at the financial year-end is the difference between the market value of the underlying common shares on the Exchange on March 31, 2020, and the option exercise price. The closing price of the common shares on March 31, 2020 was \$0.06.

***Named Executive Officers – Incentive Plan Awards – Value Vested or Earned During the Year***

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Options granted to our Named Executive Officers on March 10, 2020, do not vest and do not become exercisable until March 10, 2021. Options granted to our Named Executive Officers on January 22, 2019, vested and became exercisable on January 22, 2020 at which time the market value of the underlying common shares on the TSX Venture Exchange was \$0.07 or less than the exercise price of \$0.10. All other options granted to our Named Executive Officers vested and became exercisable during fiscal years prior to the fiscal year ended March 31, 2020. As such, no value vested in favour of the Named Executive Officers during the fiscal year ended March 31, 2020, as a result of options vesting.

The following table sets out detail of incentive plan award value vested in favour of Aston Bay’s Named Executive Officers during the fiscal year ended March 31, 2020.

Name	Option-based awards – Value vested <sup>(1)</sup> during the fiscal year ended March 31, 2020 (C\$)	Share-based awards – Value vested during the fiscal year ended March 31, 2020 (C\$)	Non-equity incentive plan compensation – Value earned during the fiscal year ended March 31, 2020 (C\$)
Thomas Ullrich	Nil	N/A	N/A
Dwight Walker	Nil	N/A	N/A

<sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

As no incentive stock options to purchase common shares of Aston Bay were exercised by our Named Executive Officers during the fiscal year ended March 31, 2020, no value was earned by our Named Executive Officers as a result of exercise of incentive stock options during the fiscal year ended March 31, 2020.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

Other than as described below, as of the date of this Statement of Executive Compensation, Aston Bay is not a party to any contract, agreement, plan or arrangement with its Named Executive Officers that provide for payments to Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Aston Bay or a change in a Named Executive Officer’s responsibilities.

### *Thomas Ullrich, Chief Executive Officer*

Aston Bay is party to an employment agreement (the “**Ullrich Agreement**”) dated June 23, 2016, with Thomas Ullrich, pursuant to which Mr. Ullrich is employed by Aston Bay, formerly as its Chief Operating Officer and Executive V.P. – Exploration, and as of November 28, 2016 as its Chief Executive Officer. The Ullrich Agreement was for a term of two years until January 31, 2018, renewable thereafter upon mutual consent of the parties, to continue until terminated in accordance with its terms. The Ullrich Agreement provides for a salary of \$150,000, exclusive of bonuses, benefits and other compensation payable (if any), and subject to adjustment in accordance with the terms of the Ullrich Agreement or as may be agreed to by the parties. The Ullrich Agreement may be terminated by Mr. Ullrich by giving Aston Bay four weeks’ prior written notice of his intention to do so. The Ullrich Agreement may be terminated by Aston Bay by giving Mr. Ullrich two months’ prior written notice of its intention to do so or by providing compensation to Mr. Ullrich in lieu of notice, which as of March 31, 2020, would have been \$25,000, with termination the immediate effect.

Pursuant to the terms of the Ullrich Agreement, in the event there is a “Change in Control” (as such term is defined in the Ullrich Agreement) either Mr. Ullrich or Aston Bay shall have 90 days from the date of such Change in Control to elect to have Mr. Ullrich’s position terminated. In the event such an election is made, Aston Bay shall, within 60 days of such election, make a lump sum termination payment to Mr. Ullrich equivalent to three months’ gross salary then payable under the Ullrich Agreement, which as of March 31, 2020, would have been \$37,500, and Mr. Ullrich shall be entitled for a period of one year in accordance with the terms of Aston Bay’s Stock Option Plan to exercise any stock options granted to him by Aston Bay and then outstanding as of the date of such election.

Should the Ullrich Agreement be terminated by Aston Bay for cause or voluntarily terminated by Mr. Ullrich, Mr. Ullrich is not entitled to any termination or severance payment other than payment by Aston Bay of compensation earned by Mr. Ullrich to the date of termination.

### *Dwight Walker, Chief Financial Officer*

On August 12, 2016, Aston Bay entered into a consulting agreement (the “**Walker Agreement**”) with Dwight Walker and Target Financial Services Inc. (“**Target**”), pursuant to which Mr. Walker agreed to, indirectly through Target, serve as Chief Financial Officer of Aston Bay in consideration of an annual fee of \$50,000. The Walker Agreement is for an initial term commencing February 1, 2016, the date Mr. Walker’s services to Aston Bay commenced, until September 30, 2017, renewable annually thereafter or until terminated in accordance with the terms of the Walker Agreement. The annual fee was increased to \$80,000 effective January 1, 2019.

The Walker Agreement may be terminated by Mr. Walker and Target by giving Aston Bay four weeks' prior written notice of their intention to do so. The Walker Agreement may be terminated by Aston Bay by giving Target six weeks' prior written notice of its intention to do so or two months' pay in lieu of notice, which as of March 31, 2020, would have been \$13,333, with termination the immediate effect.

Pursuant to the terms of the Walker Agreement, in the event there is a "Change in Control" (as such term is defined in the Walker Agreement) either Mr. Walker and Target or Aston Bay shall have 90 days from the date of such Change in Control to elect to have Mr. Walker's position terminated. In the event such an election is made, Aston Bay shall, within 30 days of such election, make a lump sum termination payment to Target equivalent to two months' remuneration then payable under the Walker Agreement, which as of March 31, 2020, would have been \$13,333, and Mr. Walker shall be entitled for a period of one year in accordance with the terms of Aston Bay's Stock Option Plan to exercise any stock options granted to him by Aston Bay and then outstanding as of the date of such election.

Should the Walker Agreement be terminated by Aston Bay for cause or voluntarily terminated by Target and Mr. Walker, Target is not entitled to any termination or severance payment other than payment by Aston Bay of compensation earned by Target to the date of termination.

## MANAGEMENT CONTRACTS

The management functions of Aston Bay are performed by its directors and officers and Aston Bay has no management agreements or other arrangements under which persons other than the directors and officers of Aston Bay perform such management functions.

## DIRECTOR COMPENSATION

Aston Bay does not pay its directors a fee for acting as such. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors and may, from time to time, be granted options to purchase common shares.

The following disclosure of compensation of our non-executive directors during Aston Bay's fiscal year ended March 31, 2020, excludes compensation of Thomas Ullrich, a director and the Chief Executive Officer of Aston Bay, whose compensation is disclosed above at Part 4 – Executive Compensation – Named Executive Officers – Summary Compensation Table.

Director and principal position	Fiscal year ended Mar 31	Salary/Fee (C\$)	Share-based awards (C\$)	Option-based awards (C\$)	Non-equity incentive plan compensation (\$)		All other compensation (C\$)	Total Compensation (C\$)
					Annual incentive plans	Long-term incentive plans		
Clifford Boychuk <i>Director</i>	2020	Nil	Nil	18,300 <sup>(1)</sup>	Nil	Nil	Nil	18,300
Michael Dufresne <sup>(2)</sup> <i>Director</i>	2020	Nil	Nil	18,300 <sup>(1)</sup>	Nil	Nil	Nil	18,300
Ian McPherson <i>Director</i>	2020	Nil	Nil	18,300 <sup>(1)</sup>	Nil	Nil	Nil	18,300
Jan-Erik Back <i>Director</i>	2020	Nil	Nil	18,300 <sup>(1)</sup>	Nil	Nil	Nil	18,300

<sup>(1)</sup> The grant date fair value of incentive stock options to purchase 350,000 common shares in the capital of Aston Bay at a per share exercise price of \$0.06 until March 10, 2027, estimated using the Black-Scholes option pricing model (see Note 7 to Aston Bay's audited consolidated financial statements for the fiscal year ended March 31, 2020, for the assumptions and estimates used for this calculation).

<sup>(2)</sup> During the fiscal year ended March 31, 2020, Aston Bay was charged \$83,615 (2019 - \$247,910) by APEX Geoscience Ltd., a privately owned mining and engineering firm of which Michael Dufresne is the President.

### *Directors – Incentive Plan Awards – Outstanding Option-Based Awards*



During the fiscal year ended March 31, 2020, the Board of Directors granted incentive stock options to certain officers, directors, consultants and advisors entitling the purchase of an aggregate 3,500,000 common shares in the capital of Aston Bay at a per share price of \$0.06 until March 10, 2027.

The following table sets out option-based awards granted to our non-executive directors during the fiscal year ended March 31, 2020, and in prior years, which were outstanding at the fiscal year ended March 31, 2020. No other share-based or non-equity incentive plan compensation has been awarded to our non-executive directors. See “Named Executive Officers – Incentive Plan Awards – Outstanding Option-Based Awards” above for outstanding options held by Thomas Ullrich on March 31, 2020.

Director	Option-based Awards				Share-based Awards		
	Number of common shares underlying unexercised options (#)	Option exercise price per common share (C\$)	Option expiry date	Value of unexercised in-the-money options <sup>(1)</sup> (C\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (C\$)	Market or payout value of vested share-based awards not paid out or distributed (C\$)
Clifford Boychuk	350,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	450,000	0.10	January 22, 2026	Nil			
	100,000	0.15	December 8, 2024	Nil			
	80,000	0.40	May 18, 2023	Nil			
	100,000	0.20	February 1, 2023	Nil			
	200,000	0.20	August 30, 2020	Nil			
Michael Dufresne	350,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	450,000	0.10	January 22, 2026	Nil			
	100,000	0.15	December 8, 2024	Nil			
	120,000	0.40	May 18, 2023	Nil			
Ian McPherson	350,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	450,000	0.10	January 22, 2026	Nil			
	100,000	0.15	December 8, 2024	Nil			
	62,500	0.40	May 18, 2023	Nil			
	60,000	0.20	February 1, 2023	Nil			
	150,000	0.20	October 27, 2021	Nil			
Jan-Erik Back	350,000	0.06	March 10, 2027	Nil	N/A	N/A	N/A
	450,000	0.10	January 22, 2026	Nil			
	125,000	0.15	December 8, 2024	Nil			
	50,000	0.40	May 18, 2023	Nil			
	200,000	0.20	August 30, 2020	Nil			

<sup>(1)</sup> The value of unexercised “in-the-money options” at the financial year-end is the difference between the market value of the underlying common shares on the Exchange on March 31, 2020, and the option exercise price. The closing price of the common shares on March 31, 2020 was \$0.06.

### ***Directors – Incentive Plan Awards – Value Vested or Earned During the Year***

The value of options vested is represented by the aggregate dollar value that would have been realized if options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

Options granted to our non-executive directors on March 10, 2020 and January 22, 2019 vested immediately and in each case the market value of the underlying common shares on the TSX Venture Exchange was less than the respective exercise price. All other options granted to Aston Bay’s non-executive directors vested and became exercisable during fiscal years prior to the fiscal year ended March 31, 2020. As such, no value vested in favour of our non-executive directors during the fiscal year ended March 31, 2020, as a result of options vesting.

The following table sets out detail of incentive plan award value vested in favour of Aston Bay’s non-executive directors during the fiscal year ended March 31, 2020.

<b>Director</b>	<b>Option-based awards – Value vested<sup>(1)</sup> during the fiscal year ended March 31, 2020 (C\$)</b>	<b>Share-based awards – Value vested during the fiscal year ended March 31, 2020 (C\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the fiscal year ended March 31, 2020 (C\$)</b>
Clifford Boychuk	Nil	N/A	N/A
Michael Dufresne	Nil	N/A	N/A
Ian McPherson	Nil	N/A	N/A
Jan-Erik Back	Nil	N/A	N/A

<sup>(1)</sup> Represents the aggregate dollar value that would have been realized if the incentive stock options had been exercised on the vesting date – that is, the difference between the market price of the underlying shares and the option exercise price on the vesting date.

As no other incentive stock options to purchase common shares of Aston Bay were exercised by Aston Bay’s non-executive directors during the fiscal year ended March 31, 2020, no value was earned by the non-executive directors as a result of exercise of incentive stock options during the fiscal year ended March 31, 2020.

## **PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following information is as of March 31, 2020, Aston Bay’s most recently completed financial year.

<b>Plan Category</b>	<b>Number of securities<sup>(1)</sup> to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders <sup>(2)</sup>	12,712,500	\$0.14	2,684,676
Equity compensation plans not approved by securityholders	N/A	N/A	N/A

<sup>(1)</sup> Underlying securities are common shares in the capital of Aston Bay Holdings Ltd.

<sup>(2)</sup> Aston Bay’s Stock Option Plan was last approved by shareholders on November 26, 2019.

See Part 3 – The Business of the Meeting – Annual Approval of Stock Option Plan for a description of Aston Bay’s Stock Option Plan.

## **PART 6 – CORPORATE GOVERNANCE**

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

The Board of Directors of Aston Bay facilitates its exercise of independent supervision over management by endeavouring to ensure that there are directors on the Board who are independent of management. The Board, at present, is comprised of five directors, three of whom, Jan-Erik Back, Ian McPherson and Jessie Liu-Ernsting, are considered to be independent of management having applied the guidelines contained in applicable securities legislation. In determining whether a director is independent, in addition to complying with the requirements of applicable securities legislation and stock exchange policy, the Board considers, for example, whether a director has a relationship which could, or could be perceived to, interfere with the director’s ability to objectively assess the performance of management. On this basis, Thomas Ullrich, as Chief Executive Officer, is not considered to be independent of management.

Michael Dufresne, a director of Aston Bay, is not considered to be independent of management as he indirectly consults to and receives consulting services fees from Aston Bay through APEX Geoscience Ltd., a privately owned, independent geological consulting company of which Mr. Dufresne is the President.

Board consideration and approval is required for all material contracts, business transactions and all debt and equity financing proposals. The Board delegates to management, through the Chief Executive Officer, responsibility for meeting defined corporate objectives, evaluating new business opportunities and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives.

The directors believe that, at Aston Bay's stage of development, the current composition of the Board of Directors adequately facilitates its exercise of independent supervision over management. As Aston Bay matures as a business enterprise and as may be required to ensure there are a sufficient number of directors to efficiently carry out the duties of the Board, as well as enhance the diversity of views, skills and experience the directors bring to the Board, Aston Bay's Board of Directors may identify additional qualified candidates that have experience relevant to Aston Bay's needs and who are independent of management for recommendation for election as additional directors of Aston Bay. See "Nomination and Election of Directors" below.

#### ***Directorships in other Public Companies***

As of the date of this Circular, certain of the directors of Aston Bay are also directors of other reporting issuers, as follows:

<b><u>Name</u></b>	<b><u>Reporting Issuer (or equivalent)</u></b>
Jan-Erik Back	African Gold Group, Inc.
Michael Dufresne	Benchmark Metals Inc. Duro Metals Inc.
Jessie Liu-Ernsting	None other than Aston Bay Holdings Ltd.
Ian McPherson	Altiplano Metals Inc.
Thomas Ullrich	None other than Aston Bay Holdings Ltd.

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

Aston Bay has not yet developed an official orientation or training program for new directors. New directors will be provided, through discussions and meetings with other directors, officers, employees and consultants, with a thorough overview of Aston Bay's business. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

Our management endeavours to provide a continuous flow of information to our directors for continuing education purposes relating to Aston Bay's business and operations, as well as information and other initiatives intended to keep the Board abreast of new developments and challenges that Aston Bay may face.

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

Our Board monitors the ethical conduct of Aston Bay and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by our governing corporate legislation and common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of Aston Bay and its shareholders.

Aston Bay's Board of Directors has adopted a Code of Conduct and Ethics, the basic principles of which are intended to guide the affairs of Aston Bay and assist in dealing with certain specific situations such that Aston Bay's business and affairs are conducted honestly and with integrity, using the highest ethical standards.

### *Nomination and Election of Directors*

The Board of Directors will consider its size each year when it considers the number of directors to recommend to its shareholders for election at annual general meetings, taking into account the number required to carry out the Board's duties effectively and to maintain diversity of view and experience. The Board has not, as yet, appointed a nominating committee and these functions are currently performed by the Board as a whole.

Aston Bay has adopted advance notice procedures for nomination of directors, which requires that a shareholder proposing to nominate a person for election as a director at a meeting of shareholders must provide Aston Bay with advance notice of, and prescribed details concerning, the proposed nominee. See in Part 3 – The Business of the Meeting – Election of Directors, “Nominees for Election as Directors” and “Advance Notice for Nomination of Directors in 2021”.

Voting for election of directors of Aston Bay is by individual voting and not by slate voting. Aston Bay has not, as yet, adopted a majority voting policy such that procedures would be in place requiring the resignation of a director should the director receive more “withheld” votes than votes “for” at any uncontested meeting of shareholders at which directors are elected.

### *Committees of the Board of Directors*

As of the date of this Information Circular, the Board of Directors has appointed two committees.

#### *Audit Committee*

The members of the Audit Committee are Jan-Erik Back (Chair), Ian McPherson and Jessie Liu-Ernsting (see Part 7 – Audit Committee).

#### *Compensation Committee*

The members of the Compensation Committee are Jan-Erik Back, Ian McPherson and Jessie Liu-Ernsting (see “Compensation – The Role of Compensation Committee and Compensation Governance”, which follows).

See also Part 3 – The Business of the Meeting – Election of Directors.

### *Compensation – The Role of the Compensation Committee and Compensation Governance*

See Part 4 – Executive Compensation – Compensation Discussion and Analysis – The Role of the Compensation Committee and Compensation Governance.

#### *Assessments*

The Board does not formally review the contributions of individual directors; however, it believes that its current size facilitates informal discussion and evaluation of members' contributions within that framework.

## **PART 7 – AUDIT COMMITTEE**

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### *Audit Committee Charter*

The charter for the Audit Committee of our Board of Directors is attached to this Information Circular as Appendix A.

### *Audit Committee Members*

The members of Aston Bay's Audit Committee are Jan-Erik Back (Chair), Ian McPherson and Jessie Liu-Ernsting. All three (Jan-Erik Back, Ian McPherson and Jessie Liu-Ernsting) are considered by the Board to be independent of management, having applied the guidelines contained in applicable securities legislation, and all three of the Audit

Committee members have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Aston Bay's financial statements. See Part 4 – Executive Compensation – Director Compensation and Part 6 – Corporate Governance – Composition of Board of Directors.

The mandate of the Audit Committee is to assist the Board of Directors of Aston Bay in fulfilling its financial oversight responsibilities. The Committee's primary duties and responsibilities include serving as an independent and objective party to monitor preparation of Aston Bay's financial statements and other financial information. See Appendix A.

### ***Relevant Education and Experience***

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

#### *Jan-Erik Back*

Jan-Erik Back is head of Capital Solutions Group for Stifel Financial Corp. (since October 2020), which is focused on providing debt investment banking advisory services. He also holds the position of CEO (since January 2020) of Galian Partners LLP, a firm that manages a portfolio of venture capital and other investments. From January 2017 to December 2019 Mr. Back was Chairman of Findia Partners, a privately held investment and consulting company focused on the global natural resources sectors. He was previously, from February 2014 to January 2017, Head of Investments and Structured Finance for Engelhart Commodities, a global commodity trading company; prior to which he was Chief Operating Officer for the RB Resources Group, a global integrated commodity finance, investment and trading company owned by the Reuben Brothers Group. He also served as a Managing Director at Hatch Corporate Finance, a leading independent corporate finance adviser specializing in the provision of advisory services to clients worldwide in the metals, mining, steel and related industries. Mr. Back previously served as a director of Aston Bay from May 2013 to August 2014, and was a member of Aston Bay's Advisory Board from August 2014 until his re-appointment as a director in August 2016. Mr. Back holds a Bachelor of Science degree in Economics from the London School of Economics.

#### *Ian McPherson*

A graduate of Queen's University (1990), Ian McPherson brings business acumen to the Board of Aston Bay having worked in branding, strategic planning, marketing and advertising in both domestic and international markets across diverse industry categories. Mr. McPherson is currently the Director of Communications and Marketing at Brentwood College School. He is a director of Altiplano Minerals Ltd., a junior resource issuer listed on the Exchange. He has also served the junior resource sector in recent years in financing, public relations and corporate development roles, most recently as the Vice President Corporate Communications for West Melville Metals Inc. and previously as the Director of Marketing for Aurora Mineral Resource Group and for The Discovery Group of Companies.

#### *Jessie Liu-Ernsting*

Ms. Liu-Ernsting has over 15 years of experience in the mining industry, spanning capital projects engineering, debt capital markets, private equity and corporate strategy. She is currently working at Canadian Nickel Company, joining the team in 2019. Before that, Ms. Liu-Ernsting was on the corporate development team at Hudbay Minerals, responsible for formulating and executing on corporate strategy. Ms. Liu-Ernsting previously spent over five years at Resource Capital Funds, sourcing, evaluating, executing and managing investments, gaining expertise in a wide range of commodities and mining services. Before Resource Capital Fund, she provided debt financing solutions in CIBC's mining corporate credit group. Prior to CIBC, Ms. Liu-Ernsting's experience at Hatch and Golder spanned all levels of mining and mineral processing operations design around the world and the development of mining innovation R&D projects. Ms. Liu-Ernsting is a Professional Engineer who holds an Electrical Engineering degree from Queen's University, and a Schulich School of Business Mining, Finance and Strategy MBA graduate.

### ***Pre-Approved Policies and Procedures for Non-Audit Services***

Our Audit Committee Charter provides that management seek approval from the Audit Committee for all non-audit services to be provided to Aston Bay by our external auditor, prior to engaging the external auditor to perform those non-audit services. The Audit Committee has not adopted specific policies or procedures for the engagement of non-audit services.

### ***External Auditor Service Fees***

The table that follows sets out the aggregate fees billed for services during the last two fiscal years by our external auditor, MNP LLP, Chartered Professional Accountants and Licensed Public Accountants.

	<b>Fiscal year ended March 31, 2020</b>	<b>Fiscal year ended March 31, 2019</b>
Audit fees.....	\$25,000	\$25,000
Audit related fees.....	Nil	Nil
Tax fees .....	\$2,200	\$2,500
Other fees.....	Nil	Nil

See Part 3 – The Business of the Meeting – Appointment of Auditor.

### ***Audit Committee Oversight***

At no time since the commencement of Aston Bay’s most recently completed fiscal year ended March 31, 2020, has a recommendation of the Audit Committee to nominate or compensate an external auditor not been adopted by the Board of Directors.

### ***Reliance on Exemptions***

As Aston Bay is a “venture issuer” pursuant to relevant securities legislation, we are relying on the exemption in Section 6.1 of National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”) from the Audit Committee composition requirements of Part 3 and the reporting obligations of Part 5 of NI 52-110.

At no time since the commencement of our most recently completed financial year ended March 31, 2020, has Aston Bay relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or the exemptions in Section 6.1.1 of NI 52-110 with respect to composition of an audit committee of a venture issuer (*Circumstance Affecting the Business or Operations of the Venture Issuer, Events Outside Control of Member and Death, Incapacity or Resignation*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

## **PART 8 – OTHER INFORMATION**

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### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

Since the beginning of the fiscal year ended March 31, 2020, and as at the date of this Information Circular, no director, executive officer or employee or former director, executive officer or employee of Aston Bay, nor any nominee for election as a director of Aston Bay, nor any associate of any such person, was indebted to Aston Bay or its subsidiaries, nor was any indebtedness to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Aston Bay or its subsidiaries.

### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No proposed nominee for election as a director, and no director or officer of Aston Bay who has served in such capacity since the beginning of Aston Bay’s most recently completed fiscal year ended March 31, 2020, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of Aston Bay’s outstanding

common shares, and none of the respective associates or affiliates of any of the foregoing, had or has any interest in any transaction with Aston Bay or its subsidiaries, or in any proposed transaction, that has materially affected Aston Bay or its subsidiaries or is likely to do so.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON AT THE MEETING**

None of the directors or executive officers of Aston Bay who have served in such capacity since the beginning of our most recently completed fiscal year ended March 31, 2020, no proposed nominee for election as a director of Aston Bay, nor any associate or affiliate of any of those individuals, has any substantial interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the meeting other than the election of directors and annual approval of the Stock Option Plan, the details of which are disclosed at Part 3 – The Business of the Meeting.

#### **PENALTIES AND SANCTIONS**

As at the date of this Information Circular, no proposed nominee for election as a director of Aston Bay (nor any personal holding company of a proposed director) 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 shareholder in deciding whether to vote for a proposed director.

#### **CEASE TRADE ORDERS AND BANKRUPTCY**

As at the date of this Information Circular no proposed nominee for election as a director of Aston Bay is, or has been, within 10 years before the date of this Information Circular:

1. a director, chief executive officer or chief financial officer of any company (including Aston Bay and any personal holding company of the proposed director) that, while that person was acting in that capacity:
  - (a) was subject to:
    - (i) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or
    - (ii) an order similar to a cease trade order, or
    - (iii) an order that denied the relevant company access to any exemption under securities legislation,that was in effect for a period of more than 30 consecutive days (an “**Order**”); or
  - (b) was subject to an Order that was issued after the proposed director 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; or
2. a director or executive officer of any company (including Aston Bay and any personal holding company of the proposed director) 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.

## **PERSONAL BANKRUPTCY**

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

## **OTHER MATTERS**

Management of Aston Bay is not aware of any other matters to come before the meeting other than as set forth in the Notice that accompanies this Information Circular. If any other matter properly comes before the meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

## **ADDITIONAL INFORMATION**

You may obtain additional financial information about Aston Bay Holdings Ltd. in our comparative consolidated financial statements and Management's Discussion and Analysis for the fiscal year ended March 31, 2020, which have been electronically filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). Additional copies may be obtained without charge upon request to us at 80 Richmond Street West, Suite 204, Toronto, Ontario M5H 2A4; e-mail: [sofia.harquail@astonbayholdings.com](mailto:sofia.harquail@astonbayholdings.com); telephone (416) 456-3516. You may also access Aston Bay's disclosure documents through the Internet on SEDAR at [www.sedar.com](http://www.sedar.com).



## APPENDIX A

### ASTON BAY HOLDINGS LTD.

#### CHARTER FOR THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

##### 1. Purpose

- 1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee's role is to:
- (a) support the Board of Directors in meeting its responsibilities to shareholders;
  - (b) enhance the independence of the external auditor;
  - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors; and
  - (d) increase the credibility and objectivity of the Company's financial reports and public disclosure.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee's responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

##### 2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are considered "independent" as that term is defined in National Instrument 52-110.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

##### 3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
- (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and
  - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.

##### 4. Duties and Responsibilities

- 4.1. The duties and responsibilities of the Audit Committee include:
- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
  - (b) recommending to the Board of Directors the compensation of the external auditor;
  - (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
  - (d) overseeing the work of the external auditor;
  - (e) ensuring that the external auditor is in good standing with the Canadian Public Accountability Board and enquiring if there are any sanctions imposed by the CPAB on the external auditor;
  - (f) ensuring that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
  - (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
  - (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
  - (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;

- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process obtaining from the external auditor summaries and recommendations for improvement of such internal accounting controls;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures for:
  - i. the receipt, retention and treatment of complaints received by the Company from employees and others regarding accounting, internal accounting controls or auditing matters and questionable practices relating thereto; and
  - ii. the confidential, anonymous submission by employees of the Company or concerns regarding questionable accounting or auditing matters;
- (p) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (q) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and
- (r) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.

4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

## **5. Meetings**

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee may establish its own schedule that it will provide to the Board of Directors in advance.
- 5.4. The external auditor is entitled to receive reasonable notice of every meeting of the Audit Committee and to attend and be heard thereat.
- 5.5. A member of the Audit Committee or the external auditor may call a meeting of the Audit Committee.
- 5.6. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.7. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.8. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

## **6. Reports**

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

## **7. Minutes**

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.