

**DEVERON RESOURCES LTD.**

36 Toronto Street, Suite 1000  
Toronto, Ontario M5C 2C5

**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of shareholders of **Deveron Resources Ltd.** (the “**Corporation**”) will be held on **Tuesday, June 28, 2016**, at the hour of 10:00 a.m. (Eastern time), at the offices of Irwin Lowy LLP, 365 Bay Street, Suite 400, Toronto, Ontario M5H 2V1 for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for the year ended December 31, 2015, and the report of the auditors thereon;
2. to elect the directors of the Corporation;
3. to appoint the auditors of the Corporation and to authorize the directors to fix their remuneration;
4. to approve and confirm the stock option plan of the Corporation;
5. to pass, with or without variation, a special resolution amending the Corporation’s articles of incorporation to change the name of the Corporation to “Deveron UAS Corp.” or such name as the directors of the Corporation may determine and may be acceptable to applicable regulatory authorities; and
6. to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

The full text of the special resolution referred to in item 5 above is attached to this notice of Meeting as Exhibit “A”.

A shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his or her duly executed form of proxy with the Corporation’s transfer agent and registrar, TMX Equity Transfer Services, at 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 not later than 10:00 a.m. (Eastern time) on Friday, June 24, 2016 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays and holidays, preceding the time of such adjourned meeting.

Shareholders who are unable to attend the Meeting in person, are requested to date, complete, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

**NOTICE-AND-ACCESS**

Notice is also hereby given that the Corporation has decided to use the notice-and-access method of delivery of meeting materials for the Meeting for beneficial owners of common shares of the Corporation (the “**Non-Registered Holders**”) and for registered shareholders. The notice-and-access method of delivery of meeting materials allows the Corporation to deliver the meeting materials over the internet in accordance with the notice-and-access rules adopted by the Ontario Securities Commission under National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*. Under the notice-and-access system, registered shareholders will receive a form of proxy and the Non-

Registered Holders will receive a voting instruction form enabling them to vote at the Meeting. However, instead of a paper copy of the notice of Meeting, the management information circular, the annual financial statements and related management's discussion and analysis and other meeting materials (collectively the "**Meeting Materials**"), shareholders receive a notification with information on how they may access such materials electronically. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and will also reduce the cost of printing and mailing the Meeting Materials to shareholders. Shareholders are reminded to view the Meeting Materials prior to voting. The Corporation will not be adopting stratification procedures in relation to the use of notice-and access provisions.

#### **Websites Where Meeting Materials Are Posted:**

Meeting Materials can be viewed online under the Corporation's profile at [www.sedar.com](http://www.sedar.com) or on TMX Equity Transfer Services, the Corporation's transfer agent and registrar, website at <http://noticeinsite.tmxequity.com/DeveronASM2016>. The Meeting Materials will remain posted on the TMX Equity Transfer Services' website at least until the date that is one year after the date the Meeting Materials were posted.

#### **How to Obtain Paper Copies of the Meeting Materials**

Shareholders may request paper copies of the Meeting Materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Meeting Materials are posted on TMX Equity Transfer Services website. In order to receive a paper copy of the Meeting Materials or if you have questions concerning notice-and-access, please call the Corporation's transfer agent and registrar, TMX Equity Transfer Services, toll free at 1-866-393-4891 ext. 205. **Requests should be received by 4:00 p.m. (Eastern time) on Friday, June 17, 2016 in order to receive the Meeting Materials in advance of the Meeting.**

The accompanying management information circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of annual and special meeting. Additional information about the Corporation and its financial statements are also available on the Corporation's profile at [www.sedar.com](http://www.sedar.com).

**DATED** at Toronto, Ontario this 16<sup>th</sup> day of May, 2016.

**BY ORDER OF THE BOARD**

*"James Pirie"* (Signed)

President & Chief Executive Officer

**EXHIBIT “A”**

**SPECIAL RESOLUTION OF THE SHAREHOLDERS  
OF  
DEVERON RESOURCES LTD.  
(the “Corporation”)**

**AMENDMENT TO ARTICLES OF INCORPORATION**

**“BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:**

1. the articles of incorporation of the Corporation be amended to change the name of the Corporation to “DEVERON UAS CORP.” or such name as the directors of the Corporation may determine and may be acceptable to applicable regulatory authorities;
2. notwithstanding that this resolution has been duly passed by the shareholders of the Corporation, the directors of the Corporation be, and they are hereby authorized and directed to revoke this resolution at any time prior to the issue of a certificate of amendment giving effect to the articles of amendment and to determine not to proceed with the amendment of the articles of incorporation of the Corporation without further approval of the shareholders of the Corporation; and
3. any director or officer of the Corporation be and he or she is hereby authorized and directed, for and on behalf of the Corporation, to execute and deliver all such documents and to do all such other acts or things as he or she may determine to be necessary or advisable to give effect to this resolution, including, without limitation, the execution and delivery of articles of amendment in the prescribed form to the Director appointed under the *Business Corporations Act* (Ontario), the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination.”

**DEVERON RESOURCES LTD.**

36 Toronto Street, Suite 1000  
Toronto, Ontario M5C 2C5

**MANAGEMENT INFORMATION CIRCULAR**

**As at May 16, 2016**

**SOLICITATION OF PROXIES**

**THIS MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF DEVERON RESOURCES LTD.** (the “**Corporation**”) of proxies to be used at the annual and special meeting of shareholders of the Corporation to be held on Tuesday, June 28, 2016 at the offices of Irwin Lowy LLP, 365 Bay Street, Suite 400, Toronto, Ontario, M5H 2V1 at 10:00 a.m. (Eastern time), and at any adjournment or postponement thereof (the “**Meeting**”) for the purposes set out in the enclosed notice of meeting (the “**Notice of Meeting**”). Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), arrangements have been made with brokerage houses and clearing agencies, custodians, nominees, fiduciaries or other intermediaries to send the Notice of Meeting, this management information circular (the “**Circular**”), the annual financial statements of the Corporation for the financial year ended December 31, 2015 and related management’s discussion and analysis and other meeting materials, if applicable (collectively the “**Meeting Materials**”) to the beneficial owners of the common shares of the Corporation (the “**Common Shares**”) held of record by such parties. The Corporation may reimburse such parties for reasonable fees and disbursements incurred by them in doing so. The costs of the solicitation of proxies will be borne by the Corporation. The Corporation may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Corporation in favour of the matters set forth in the Notice of Meeting.

**NOTICE-AND-ACCESS**

The Corporation has decided to use the notice-and-access (“**Notice-and-Access**”) rules provided under NI 54-101 for the delivery of the Meeting Materials to holders of Common Shares who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of Common Shares (“**Registered Shareholders**”) and beneficial owners of Common Shares (the “**Non-Registered Holders**”) for the Meeting. The Notice-and-Access method of delivery of Meeting Materials allows the Corporation to deliver the Meeting Materials over the internet in accordance with the Notice-and-Access rules adopted by the Ontario Securities Commission under NI 54-101.

Registered Shareholders will receive a form of proxy and Non-Registered Holders will receive a voting instruction form, enabling them to vote at the Meeting. However, instead of a paper copy of the Meeting Materials, shareholders receive only a notice with

Shareholders may always request paper copies of the Meeting Materials be sent to them by postal delivery at no cost to them. Requests may be made up to one year from the date the Meeting Materials are posted on TMX Equity Transfer Services’ website. In order to receive a paper copy of the Meeting Materials or if you have questions concerning Notice-and-Access, please call TMX Equity Transfer Services toll free at **1-866-393-4891 ext. 205**. Requests should be received by **Friday, June 17, 2016** in order to receive the Meeting Materials in advance of the Meeting date.

information on the date, location and purpose of the Meeting, as well as information on how they may access such materials electronically. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and will also reduce the cost of printing and mailing the Meeting Materials to shareholders. Shareholders are reminded to view the Meeting Materials prior to voting. Materials can be viewed online under the Corporation's profile at [www.sedar.com](http://www.sedar.com) or on TMX Equity Transfer Services, the Corporation's transfer agent and registrar, website at <http://noticeinsite.tmxequity.com/DeveronASM2016>. The Meeting Materials will remain posted on TMX Equity Transfer Services' website at least until the date that is one year after the date the Meeting Materials were posted. The Corporation will not be adopting stratification procedures in relation to the use of Notice-and-Access rules.

#### **APPOINTMENT AND REVOCATION OF PROXIES**

A Registered Shareholder may vote in person at the Meeting or may appoint another person to represent such Registered Shareholder as proxy and to vote the Common Shares of such Registered Shareholder at the Meeting. In order to appoint another person as proxy, a Registered Shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The purpose of a form of proxy is to designate persons who will vote on the shareholder's behalf in accordance with the instructions given by the shareholder in the form of proxy. The persons named in the enclosed form of proxy are officers or directors of the Corporation. **A REGISTERED SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON, WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION, TO REPRESENT HIM OR HER AT THE MEETING MAY DO SO BY FILLING IN THE NAME OF SUCH PERSON IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER PROPER FORM OF PROXY.** A Registered Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must, in all cases, deposit the completed form of proxy with the Corporation's transfer agent and registrar, TMX Equity Transfer Services, at 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1 (the "**Transfer Agent**"), not later than 10:00 a.m. (Eastern time) on Friday, June 24, 2016 or, if the Meeting is adjourned, not later than 48 hours, excluding Saturdays and holidays, preceding the time of such adjourned Meeting at which the form of proxy is to be used. A form of proxy should be executed by the Registered Shareholder or his or her attorney duly authorized in writing or, if the Registered Shareholder is a corporation, by an officer or attorney thereof duly authorized.

A Registered Shareholder attending the Meeting has the right to vote in person and, if he or she does so, his or her form of proxy is nullified with respect to the matters such person votes upon at the Meeting and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

A Registered Shareholder who has given a form of proxy may revoke the form of proxy at any time prior to using it: (a) by depositing an instrument in writing, including another completed form of proxy, executed by such Registered Shareholder or by his or her attorney authorized in writing or by electronic signature or, if the Registered Shareholder is a corporation, by an authorized officer or attorney thereof at,

or by transmitting by telephone or electronic means, a revocation signed, subject to the *Business Corporations Act* (Ontario), by electronic signature, to (i) the registered office of the Corporation, located at 36 Toronto Street, Suite 1000, Toronto, Ontario M5C 2C5, at any time prior to 5:00 p.m. (Eastern time) on the last business day preceding the day of the Meeting or any adjournment thereof or (ii) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

### **EXERCISE OF DISCRETION BY PROXIES**

The Common Shares represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if a Registered Shareholder specifies a choice with respect to any matter to be acted upon at the meeting, the Common Shares represented by the proxy shall be voted accordingly. Where no choice is specified, the proxy will confer discretionary authority and will be voted for the election of directors, for the appointment of auditors and the authorization of the directors to fix their remuneration and for each item of special business, as stated elsewhere in this Circular.

The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

### **ADVICE TO NON-REGISTERED SHAREHOLDERS**

**The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders of the Corporation do not hold Common Shares in their own name.** Only Registered Shareholders or the persons they appoint as their proxies are permitted to attend and vote at the Meeting and only forms of proxy deposited by Registered Shareholders will be recognized and acted upon at the Meeting. Common Shares beneficially owned by a Non-Registered Holder are registered either: (i) in the name of an intermediary (an “**Intermediary**”) with whom the Non-Registered Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. (“**CDS**”)) (a “**Clearing Agency**”) of which the Intermediary is a participant. Accordingly, such Intermediaries and Clearing Agencies would be the Registered Shareholders and would appear as such on the list maintained by the Transfer Agent. Non-Registered Holders do not appear on the list of the Registered Shareholders maintained by the Transfer Agent.

#### ***Distribution of Meeting Materials to Non-Registered Holders***

In accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Meeting Materials to the Clearing Agencies and Intermediaries for onward distribution to Non-Registered Holders as well as directly to NOBOs (as defined below).

Non-Registered Holders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of NI 54-101, issuers may request and obtain a list of their NOBOs from Intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials to such NOBOs. If you are a NOBO and the Corporation or its agent has sent the Meeting Materials directly to

you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Common Shares on your behalf.

The Corporation's OBOs can expect to be contacted by their Intermediary. The Corporation does not intend to pay for Intermediaries to deliver the Meeting Materials to OBOs and it is the responsibility of such Intermediaries to ensure delivery of the Meeting Materials to their OBOs.

### ***Voting by Non-Registered Holders***

The Common Shares held by Non-Registered Holders can only be voted or withheld from voting at the direction of the Non-Registered Holder. Without specific instructions, Intermediaries or Clearing Agencies are prohibited from voting Common Shares on behalf of Non-Registered Holders. Therefore, each Non-Registered Holder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

The various Intermediaries have their own mailing procedures and provide their own return instructions to Non-Registered Holders, which should be carefully followed by Non-Registered Holders in order to ensure that their Common Shares are voted at the Meeting.

Non-Registered Holders will receive either a voting instruction form or, less frequently, a form of proxy. The purpose of these forms is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Non-Registered Holders should follow the procedures set out below, depending on which type of form they receive.

A. *Voting Instruction Form*. In most cases, a Non-Registered Holder will receive, as part of the Meeting Materials, a voting instruction form (a "VIF"). If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form.

or,

B. *Form of Proxy*. Less frequently, a Non-Registered Holder will receive, as part of the Meeting Materials, a form of proxy that has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. If the Non-Registered Holder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the Non-Registered Holder's behalf), the Non-Registered Holder must complete and sign the form of proxy and in accordance with the directions on the form.

### ***Voting by Non-Registered Holders at the Meeting***

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of an Intermediary or a Clearing Agency, a Non-Registered Holder may attend the Meeting as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder and vote such Common Shares as a proxyholder. A Non-Registered Holder who wishes to attend the Meeting and to vote their Common Shares as proxyholder for the Registered Shareholder who holds Common Shares beneficially owned by such Non-Registered Holder, should (a) if they received a VIF, follow the directions indicated on the VIF; or (b) if they received a form of proxy strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder's or its nominee's name in the blank space provided. Non-Registered

Holders should carefully follow the instructions of their Intermediaries, including those instructions regarding when and where the VIF or the form of proxy is to be delivered.

All references to shareholders in the Meeting Materials are to Registered Shareholders as set forth on the list of registered shareholders of the Corporation as maintained by the Transfer Agent, unless specifically stated otherwise.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Common Shares without par value and an unlimited number of special shares. As of May 16, 2016 (the “**Record Date**”), there were a total of 11,794,505 Common Shares issued and outstanding and no special shares outstanding. Each Common Share outstanding on the Record Date carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting. On a show of hands, every Registered Shareholder and proxy holder will have one vote and, on a poll, every Registered Shareholder present in person or represented by proxy will have one vote for each Common Share held.

To the knowledge of the Corporation’s directors and executive officers, as of the date hereof, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, Common Shares carrying more than 10% of the voting rights attached to the outstanding Common Shares, other than as set forth below:

| Name <sup>(1)</sup>        | Number of Common Shares | Percentage of Issued and Outstanding Common Shares |
|----------------------------|-------------------------|--|
| Greencastle Resources Ltd. | 7,756,005               | 65.8%  |

*Notes:*

(1) The above information is based upon information supplied by the Transfer Agent and the Corporation’s management.

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

No director or executive officer of the Corporation who was a director or executive officer at any time since the beginning of the Corporation’s last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

## PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors (the “**Board**”), the matters to be brought before the Meeting are those matters set forth in the accompanying Notice of Meeting.

### 1. PRESENTATION OF FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the year ended December 31, 2015 and the report of the auditors shall be placed before the shareholders at the Meeting. No vote will be taken on the financial statements. The financial statements and additional information concerning the Corporation are available under the Corporation’s profile at [www.sedar.com](http://www.sedar.com).

## 2. ELECTION OF DIRECTORS

The Board currently consists of four (4) directors to be elected annually. The following table states the names of the persons nominated by management for election as directors, any offices with the Corporation currently held by them, their principal occupations or employment, the period or periods of service as directors of the Corporation and the approximate number of voting securities of the Corporation beneficially owned, directly or indirectly, or over which control or direction is exercised as of the date hereof.

| Name, province or state and country of residence and position, if any, held in the Corporation                | Principal occupation  | Served as Director of the Corporation since | Number of Common Shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup> | Percentage of Voting Shares Owned or Controlled |
|---|---|---|---|---|
| James Pirie<br>President, Chief Executive Officer, Secretary and Director<br>Ontario, Canada                  | President, Secretary and Director of Greencastle Resources Ltd. | June 15, 2011                               | 200,000   | 1.7%  |
| David MacMillan <sup>(2)(3)(4)</sup><br>Vice-President, Corporate Development and Director<br>Ontario, Canada | Vice-President, Corporate Development of the Corporation        | April 1, 2011                               | 10,000  | 0.09%   |
| James Borland <sup>(2)(3)(4)</sup><br>Director<br>Ontario, Canada   | Corporate Director and mining consultant to various companies.  | May 29, 2014                                | 10,000  | 0.09%   |
| Chris Irwin <sup>(2)(3)(4)</sup><br>Director<br>Ontario, Canada   | Partner of Irwin Lowy LLP, a law firm                           | April 1, 2011                               | 200,000 <sup>(5)</sup>  | 1.7%  |

Notes:

- (1) The information as to voting securities beneficially owned, controlled or directed, not being within the knowledge of the Corporation, has been furnished by the respective nominees individually.
- (2) Member of the Audit Committee.
- (3) Member of Corporate Governance Committee.
- (4) Member of Compensation Committee.
- (5) Mr. Irwin holds 100,000 Common Shares directly and 100,000 Common Shares indirectly through Irwin Professional Corporation, a corporation which he controls.

The term of office of each director will be from the date of the Meeting at which he is elected until the next annual meeting, or until his successor is elected or appointed.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE ELECTION OF THE ABOVE-NAMED NOMINEES, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.** Management has no reason to believe that any of the nominees will be unable to serve as a director but, **IF A NOMINEE IS FOR ANY REASON UNAVAILABLE TO SERVE AS A DIRECTOR, PROXIES IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE REMAINING NOMINEES AND MAY BE VOTED FOR A SUBSTITUTE NOMINEE UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT OF THE ELECTION OF DIRECTORS.**

### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (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 (collectively, an “**Order**”) and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; 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.

Other than as set forth below, no proposed director, within 10 years before the date of this Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director 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.

Mr. Borland was a Director of Acadian Mining Corporation (“**Acadian**”) in December 2008 when ScoZinc Limited (“**ScoZinc**”), a wholly owned subsidiary of Acadian, was granted an order by the Supreme Court of Nova Scotia under the Companies Creditors’ Arrangement Act protecting it from its creditors. The creditors of ScoZinc accepted the plan of arrangement (the “**Plan**”) ScoZinc presented to them at a meeting held on May 21, 2009, and the Plan was ratified by the Nova Scotia Supreme Court on May 29, 2009. The Plan was implemented and all affected creditors were paid in accordance with the terms of the Plan. The implementation of the Plan has been discharged.

Mr. Irwin was a Director, President and Secretary of Brighter Minds Media Inc., which is subject to a cease trade order resulting from a failure to file financial statements dated May 8, 2009 and May 20, 2009.

Mr. Pirie was a former Director of Seafield Resources Ltd. (“**Seafield**”). On September 9, 2014, Seafield announced that pursuant to an order of the Ontario Superior Court of Justice that KPMG Inc. had been appointed as a receiver and manager of Seafield pursuant to an application brought by Seafield’s secured creditor.

### ***Personal Bankruptcies***

None of the directors of the Corporation have, within the 10 years before the date of this 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 such person.

### ***Penalties and Sanctions***

None of the directors of the Corporation have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or

sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

### 3. APPOINTMENT OF AUDITORS

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF ABRAHAM CHAN LLP, CHARTERED ACCOUNTANTS, AS AUDITORS OF THE CORPORATION TO HOLD OFFICE UNTIL THE NEXT ANNUAL MEETING OF SHAREHOLDERS AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THEIR REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS OR HER SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.** Abraham Chan LLP, Chartered Accountants were first appointed as the auditors of the Corporation on June 30, 2014.

### 4. APPROVAL OF STOCK OPTION PLAN

The Corporation has adopted a stock option plan (the “**Stock Option Plan**”) for senior officers, directors, employees and consultants of the Corporation. The Stock Option Plan provides for the issuance of stock options to acquire up to 10% of the Corporation’s issued and outstanding capital as at the date of grant, subject to standard anti-dilution adjustment. This is a “rolling plan” as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Corporation’s issued and outstanding share capital increases. At no time will more than 10% of the outstanding shares be subject to grant under the Stock Option Plan. If a stock option expires, is exercised or otherwise terminates for any reason, the number of Common Shares of the Corporation in respect of that expired, exercised or terminated stock option shall again be available for the purpose of the Stock Option Plan. The principal features of the Stock Option Plan are described in more detail below (see “*Executive Compensation – Long Term Compensation*”).

The Stock Option Plan is a “rolling” stock option plan and under Policy 4.4 of the TSX Venture Exchange (“**TSXV**”), a listed company on the TSXV is required to obtain the approval of its Shareholders for a “rolling” stock option plan at each annual meeting of Shareholders. Accordingly, Shareholders will be asked to approve the following resolution:

**“BE IT RESOLVED THAT:**

1. the stock option plan of the Corporation as described in the Management Information Circular dated May 16, 2016, be and it is hereby approved.”

In accordance with the policies of the TSXV, the Stock Option Plan must be approved by the majority of votes cast at the Meeting on the resolution. **THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE APPROVAL OF THE STOCK OPTION PLAN. PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE STOCK OPTION PLAN UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE SHARES ARE TO BE VOTED AGAINST SUCH APPROVAL.**

### 5. AMENDMENT TO ARTICLES OF INCORPORATION

Shareholders of the Corporation are being asked to pass a special resolution, the text of which is annexed as Exhibit “A” to the accompanying Notice of Meeting, which would authorize the Corporation to change the name of the Corporation to “Deveron UAS Corp.” or such name as the directors of the Corporation may determine and may be acceptable to applicable regulatory authorities.

In addition to the requisite shareholder approval being sought at the Meeting, any such name change also requires approval of all applicable regulatory authorities, including the TSXV. In order to pass the special resolution amending the articles of incorporation, at least two-thirds of the votes cast at the Meeting must be voted in favour of the resolution. If the resolution amending the articles of incorporation does not receive the requisite shareholder approval, the Corporation will not proceed. Accordingly the Board recommends that shareholders vote for the special resolution amending the articles of incorporation.

**PROXIES RECEIVED IN FAVOUR OF MANAGEMENT WILL BE VOTED FOR THE APPROVAL OF THE AMENDMENT TO THE ARTICLES OF INCORPORATION OF THE CORPORATION UNLESS A SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT THE COMMON SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

**STATEMENT OF EXECUTIVE COMPENSATION**

Under applicable securities legislation, the Corporation is required to disclose certain financial and other information relating to the compensation of the Chief Executive Officer, the Chief Financial Officer and the most highly compensated executive officer of the Corporation as at December 31, 2015 whose total compensation was more than \$150,000 for the financial year of the Corporation ended December 31, 2015 (collectively the “**Named Executive Officers**”) and for the directors of the Corporation.

**Summary Compensation Table**

The following table provides a summary of compensation paid, directly or indirectly, for each of the two most recently completed financial years to the Named Executive Officers and the directors of the Corporation:

| TABLE OF COMPENSATION EXCLUDING COMPENSATION SECURITIES <sup>(1)</sup> |      |   |            |                                |                           |                                      |                         |
|--|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Name and position  | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
| James Pirie <sup>(2)</sup><br>President, Secretary and Director        | 2015 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|  | 2014 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
| Carmelo Marrelli <sup>(3)</sup><br>Chief Financial Officer             | 2015 | Nil   | Nil        | Nil                            | Nil                       | 43,156                               | 43,156                  |
|  | 2014 | Nil   | Nil        | Nil                            | Nil                       | 42,367                               | 42,367                  |
| David MacMillan<br>VP, Corporate Development and Director              | 2015 | 6,000   | Nil        | Nil                            | Nil                       | Nil                                  | 6,000                   |
|  | 2014 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
| James Borland<br>Director  | 2015 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
|  | 2014 | Nil   | Nil        | Nil                            | Nil                       | Nil                                  | Nil                     |
| Chris Irwin <sup>(4)</sup><br>Director                                 | 2015 | Nil   | Nil        | Nil                            | Nil                       | 13,199                               | 13,199                  |
|  | 2014 | Nil   | Nil        | Nil                            | Nil                       | 9,840                                | 9,840                   |

Notes:

- (1) This table does not include any amount paid as reimbursement for expenses.
- (2) None of the compensation paid to Mr. Roodenburg and Mr. Pirie was paid for their services as directors of the Corporation.
- (3) For the year ended December 31, 2015, the Corporation expensed \$34,718 to Marrelli Support Services Inc. (“**Marrelli Support**”) for bookkeeping services to the Corporation. Mr. Marrelli, the Chief Financial Officer of the Corporation, is the President of Marrelli Support. In addition, the Corporation expensed \$8,438 to DSA Corporate Services Inc. (“**DSA**”) for corporate secretarial services. DSA is a private company controlled by Mr. Marrelli. Mr. Marrelli is the Corporate Secretary and sole director of DSA. For the year ended December 31, 2014, the Corporation expensed \$33,540 to Marrelli Support for bookkeeping services to the Corporation. In addition, the Corporation expensed \$8,827 to DSA for corporate secretarial services.
- (4) During the financial year ended December 31, 2015, Irwin Lowy LLP, a limited liability partnership of which Mr. Irwin is a partner, was paid fees of \$13,199 for legal services. During the financial year ended December 31, 2014, Irwin Lowy LLP was paid fees of \$9,840 for legal services.

## Stock Options and Other Compensation Securities

The following table provides a summary of all compensation securities granted or issued to each Named Executive Officer and to each director of the Corporation during the most recently completed financial year of the Corporation for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries:

| COMPENSATION SECURITIES   |                               |  |                        |  |  |   |                      |
|---------------------------|-------------------------------|--|------------------------|--|--|---|----------------------|
| Name and position         | Type of compensation security | Number of compensation securities, number of underlying securities, and % of class | Date of issue or grant | Issue, conversion or exercise price (\$) | Closing price of security or underlying security on date of grant (\$) | Closing price of security or underlying security at year end (\$) | Expiry date          |
| James Borland<br>Director | Stock Options <sup>(1)</sup>  | 125,000 Stock Options<br>125,000 Common Shares<br>1.04% <sup>(2)</sup>             | January<br>12, 2015    | 0.25                                     | 0.11   | 0.24  | November 29,<br>2017 |

Note:

- (1) The fair value of each option at the date of grant was estimated using the Black-Scholes option pricing model to be consistent with the audited financial statements and included the following assumptions: share price \$0.10, dividend yield 0%, expected volatility 125.13% (based on the historical price history of the Common Shares), risk-free interest rate 0.93%, and an expected life of 2.88 years.
- (2) Calculated on a partially-diluted basis.

No compensation securities were exercised by any Named Executive Officer or any director of the Corporation during the most recently completed financial year of the Corporation.

## Stock Option Plan and other Incentive Plans

### Stock Option Plan

The Corporation has in place a Stock Option Plan, as amended which was approved by the shareholders on May 26, 2015.

The Corporation currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan. The purpose of the Stock Option Plan is to, among other things, encourage common share ownership in the Corporation by directors, officers, employees and consultants of the Corporation and its affiliates and other designated persons. Options may be granted under the Stock Option Plan only to directors, officers, employees and consultants of the Corporation and its subsidiaries and other designated persons as designated from time to time by the Board. The number of shares which may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued and outstanding shares of the Corporation as at the date of the grant of options. Any shares subject to an option which is exercised, or for any reason is cancelled or terminated prior to exercise will be available for a subsequent grant under the Stock Option Plan. The option price of any common shares cannot be less than the market price of the Common Shares. Options granted under the Stock Option Plan may be exercised during a period not exceeding five years, subject to earlier termination upon the termination of the optionee's employment, upon the optionee ceasing to be an employee, officer, director or consultant of the Corporation or any of its subsidiaries or ceasing to have a designated relationship with the Corporation, as applicable, or upon the optionee retiring, becoming permanently disabled or dying. The options are non-transferable. The Stock Option Plan contains provisions for adjustment in the number of shares issuable thereunder in the event of a subdivision, consolidation, reclassification or change of the Common Shares, a merger or other relevant changes in the

Corporation's capitalization. Subject to Shareholder approval in certain circumstances, the Board may from time to time amend or revise the terms of the Stock Option Plan or may terminate the Stock Option Plan at any time. The Stock Option Plan does not contain any provision for financial assistance by the Corporation in respect of options granted under the Stock Option Plan.

### **Employment, Consulting and Management Agreements**

The Corporation does not have in place any employment contract between the Corporation or any subsidiary or affiliate thereof and any Named Executive Officer or any of the directors of the Corporation.

### **Oversight and Description of Director and Named Executive Officer Compensation**

#### ***Compensation of Directors***

The Board, at the recommendation of the management of the Corporation, determines the compensation payable to the directors of the Corporation and reviews such compensation periodically throughout the year. The directors of the Corporation do not currently receive fees for their respective roles as directors of the Corporation but may, from time to time, be awarded stock options under the provisions of the Stock Option Plan. There are no other arrangements under which the directors of the Corporation who are not Named Executive Officers were compensated by the Corporation or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors of the Corporation.

#### ***Compensation of Named Executive Officers***

##### **Principles of Executive Compensation**

The Corporation believes in linking an individual's compensation to his or her performance and contribution as well as to the performance of the Corporation as a whole. The primary components of the Corporation's executive compensation are base salary and option-based awards. The Board believes that the mix between base salary and incentives must be reviewed and tailored to each executive based on their role within the organization as well as their own personal circumstances. The overall goal is to successfully link compensation to the interests of the shareholders. The following principles form the basis of the Corporation's executive compensation program:

1. align interest of executives and shareholders;
2. attract and motivate executives who are instrumental to the success of the Corporation and the enhancement of shareholder value;
3. pay for performance;
4. ensure compensation methods have the effect of retaining those executives whose performance has enhanced the Corporation's long term value; and
5. connect, if possible, the Corporation's employees into principles 1 through 4 above.

The Board is responsible for the Corporation's compensation policies and practices. The Board has the responsibility to review and make recommendations concerning the compensation of the directors of the Corporation and the Named Executive Officers. The Board also has the responsibility to make

recommendations concerning annual bonuses and grants to eligible persons under the Stock Option Plan. The Board also reviews and approves the hiring of executive officers.

#### Base Salary

The Board approves the salary ranges for the Named Executive Officers. The base salary review for each Named Executive Officer is based on assessment of factors such as current competitive market conditions, compensation levels within the peer group and particular skills, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual. Comparative data for the Corporation's peer group is also accumulated from a number of external sources including independent consultants. The Corporation's policy for determining salary for executive officers of the Corporation is consistent with the administration of salaries for all other employees.

#### Annual Incentives

The Corporation is not currently awarding any annual incentives by way of cash bonuses. However, the Corporation, in its discretion, may award such incentives in order to motivate executives to achieve short-term corporate goals. The Board approves annual incentives.

The success of Named Executive Officers in achieving their individual objectives and their contribution to the Corporation in reaching its overall goals are factors in the determination of their annual bonus. The Board assesses each Named Executive Officers' performance on the basis of his or her respective contribution to the achievement of the predetermined corporate objectives, as well as to needs of the Corporation that arise on a day to day basis. This assessment is used by the Board in developing its recommendations with respect to the determination of annual bonuses for the Named Executive Officers.

#### Compensation and Measurements of Performance

It is the intention of the Board to approve targeted amounts of annual incentives for each Named Executive Officer at the beginning of each financial year. The targeted amounts will be determined by the Board based on a number of factors, including comparable compensation of similar companies.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the Named Executive Officers. The Named Executive Officers will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Board's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board and the Board reserves the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

#### Long Term Compensation

The Corporation currently has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the Stock Option Plan.

#### **Pension Disclosure**

There are no pension plan benefits in place for the Named Executive Officers or the directors of the Corporation.

## Termination and Change of Control Benefits

The Corporation does not have in place any pension or retirement plan. The Corporation has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now acts or has previously acted as a Named Executive Officer or director of the Corporation in connection with or related to the retirement, termination or resignation of such person. The Corporation has not provided any compensation to such persons as a result of a change of control of the Corporation, its subsidiaries or affiliates. The Corporation is not party to any compensation plan or arrangement with Named Executive Officers or directors of the Corporation resulting from the resignation, retirement or the termination of employment of such person.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets forth information with respect to all compensation plans of the Corporation under which equity securities are authorized for issuance as of December 31, 2015:

### Equity Compensation Plan Information

| Plan Category   | Number of securities to be issued upon exercise of outstanding options, warrants and rights (#) | Weighted-average exercise price of outstanding options, warrants and rights (\$) | Number of securities remaining available for future issuance under equity compensation plans (#) |
|---|---|--|--|
| Equity compensation plans approved by securityholders     | 1,175,000   | 0.25   | 4,450  |
| Equity compensation plans not approved by securityholders | N/A   | N/A  | N/A  |
| <b>Total</b>  | <b>1,175,000</b>  | <b>0.25</b>  | <b>4,450</b>   |

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Corporation, or associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction within the preceding three years or in any proposed transaction that has materially affected or will materially affect the Corporation.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director or officer of the Corporation or person who acted in such capacity in the last financial year of the Corporation, or any other individual who at any time during the most recently completed financial year of the Corporation was a director of the Corporation or any associate of the Corporation, is indebted to the Corporation, nor is any indebtedness of any such person to another entity the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

## **AUDIT COMMITTEE INFORMATION REQUIRED IN THE INFORMATION CIRCULAR OF A VENTURE ISSUER**

National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”) requires that certain information regarding the Audit Committee of a “venture issuer” (as that term is defined in NI 52-110) be included in the Circular sent to shareholders in connection with the issuer’s annual meeting.

### **Audit Committee Charter**

The full text of the charter of the Corporation’s Audit Committee is attached hereto as Appendix A.

### **Composition of the Audit Committee**

The Audit Committee members are currently Chris Irwin, David MacMillan and James Borland, each of whom is a director and financially literate. Messr. Irwin and Borland are each independent in accordance with NI 52-110.

### **Relevant Education and Experience**

The following is a description of the education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Corporation to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

***Chris Irwin, Director*** - Mr. Irwin is a graduate of Bishop’s University (B.A., 1990), the University of New Brunswick (Bachelor of Laws, 1994) and Osgoode Hall Law School (Masters of Laws, 2009). He was called to the Bar of Ontario in 1996. Mr. Irwin represents several public companies, is an officer and/or director of several public companies, and serves or has served on the audit committee of several public companies.

***James Borland, Director***- Since 1992, Mr. Borland has served as an officer or director of several public companies, primarily in the mineral exploration industry, and on the audit committee of companies listed on the Toronto Stock Exchange and on the TSX Venture Exchange.

***David MacMillan, Vice-President, Corporate Development and Director***- Mr. MacMillan holds a Bachelor of Arts Degree in Economics from McGill University (B.A., 2006) and a Master of Science Degree in International Economics from the University of Glasgow (M.Sc., 2010). Mr. MacMillan

currently provides corporate development services Greencastle Resources Ltd. and is a CFA Level 3 candidate.

### **Audit Committee Oversight**

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Board.

### **Reliance on Exemptions in NI 52-110 regarding**

#### ***De Minimis Non-audit Services or on a Regulatory Order Generally***

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

1. the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Corporation's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Corporation, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit); or
2. an exemption from the requirements of NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Charter.

### **Audit Fees**

The following table provides details in respect of audit, audit related, tax and other fees billed by the external auditor of the Corporation for professional services rendered to the Corporation during the fiscal years ended December 31, 2015 and December 31, 2014:

|                                     | <b>Audit Fees<br/>(\$)</b> | <b>Audit-Related<br/>Fees<br/>(\$)</b> | <b>Tax Fees<br/>(\$)</b> | <b>All Other Fees<br/>(\$)</b> |
|-------------------------------------|----------------------------|--|--------------------------|--------------------------------|
| <b>Year ended December 31, 2015</b> | 5,500                      | Nil                                    | 500                      | 110                            |
| <b>Year ended December 31, 2014</b> | 7,000                      | Nil                                    | 500                      | 140                            |

Audit Fees – aggregate fees billed for professional services rendered by the auditor for the audit of the Corporation's annual financial statements as well as services provided in connection with statutory and regulatory filings.

Audit-Related Fees – aggregate fees billed for professional services rendered by the auditor and were comprised primarily of audit procedures performed related to the review of quarterly financial statements and related documents.

Tax Fees – aggregate fees billed for tax compliance, tax advice and tax planning professional services. These services included reviewing tax returns and assisting in responses to government tax authorities.

All Other Fees – aggregate fees billed for professional services which included accounting advice and association fees.

## **REPORT ON GOVERNANCE**

The Corporation believes that adopting and maintaining appropriate governance practices is fundamental to a well-run company, to the execution of its chosen strategies and to its successful business and financial performance. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* and National Policy 58-201 – *Corporate Governance Guidelines* (the “**Governance Guidelines**”) of the Canadian Securities Administrators set out a list of non-binding corporate governance guidelines that issuers are encouraged to follow in developing their own corporate governance guidelines. The following disclosure is required by the Governance Guidelines and describes the Corporation’s approach to governance and outlines the various procedures, policies and practices that the Corporation and the Board have implemented to address the foregoing requirements.

### **Board of Directors**

The Board is currently composed of four (4) directors. Form 58-101F2 suggests that the Board of every listed company should be constituted with a majority of individuals who qualify as “independent” directors under NI 52-110, which provides that a director is independent if he or she has no direct or indirect “material relationship” with the Corporation. “Material relationship” is defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgment. Of the proposed nominees, James Pirie, President, Chief Executive Officer and Secretary and David MacMillan, Vice-President, Corporate Development are each “inside” or a management director and accordingly are considered not “independent”. The remaining two (2) proposed directors are considered by the Board to be “independent”, within the meaning of MI 52-110. In assessing Form 58-101F2 and making the foregoing determinations, the circumstances of each director have been examined in relation to a number of factors.

### **Directorships**

The following table sets forth the directors of the Corporation who currently hold directorships with other reporting issuers:

| <b>Name of Director</b> | <b>Reporting Issuer</b>   |
|-------------------------|---|
| Christopher O. Irwin    | Arbitrage Exploration Inc., Roscan Minerals Corporation, Minnova Corp., Geodex Minerals Ltd., Greencastle Resources Ltd., Hornby Bay Mineral Exploration Ltd., Mag Copper Limited, Kerr Mines Inc., Minnova Corp., Superior Copper Corporation, Data Deposit Box Inc., Open Source Health Inc., SecureCom Mobile Inc., Stompy Bot Corporation and White Pine Resources Inc. |
| James Pirie             | Greencastle Resources Ltd.  |
| James S. Borland        | Nikos Explorations Ltd.   |

## **Orientation and Continuing Education**

The Board does not have a formal orientation or education program for its members. The Board's continuing education is typically derived from correspondence with the Corporation's legal counsel to remain up to date with developments in relevant corporate and securities law matters. Additionally, historically board members have been nominated who are familiar with the Corporation and the nature of its business.

## **Ethical Business Conduct**

The Board has not adopted guidelines or attempted to quantify or stipulate steps to encourage and promote a culture of ethical business conduct, but does promote ethical business conduct through the nomination of Board members it considers ethical, through avoiding or minimizing conflicts of interest, and by having at least two of its Board members independent of corporate matters.

## **Nomination of Directors**

The recruitment of new directors has generally resulted from recommendations made by directors and shareholders. The assessment of the contributions of individual directors has principally been the responsibility of the Board. Prior to standing for election, new nominees to the Board are reviewed by the entire Board.

## **Other Board Committees**

The Board has established an Audit Committee and a Corporate Governance and Compensation Committee.

## **Assessments**

Currently the Board has not implemented a formal process for assessing directors.

## **OTHER MATTERS**

The management of the Corporation knows of no other matters to come before the Meeting other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying term of proxy will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.**

## **ADDITIONAL INFORMATION**

Additional Information relating to the Corporation is available on SEDAR at [www.sedar.com](http://www.sedar.com).

Shareholders may contact the Corporation in order to request copies of: (i) this Circular; and (ii) the Corporation's consolidated financial statements and the related management's discussion and analysis (the "MD&A") which will be sent to the shareholder without charge upon request. Financial information is provided in the Corporation's consolidated financial statements and MD&A for its financial year ended December 31, 2015.

**APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Circular have been approved, and the delivery of it to each shareholder entitled thereto and to the appropriate regulatory agencies has been authorized by the Board.

**DATED** at Toronto, Ontario, on the 16<sup>th</sup> day of May, 2016.

**BY ORDER OF THE BOARD**

*“James Pirie”* (Signed)

President & Chief Executive Officer

## APPENDIX A

### DEVERON RESOURCES LTD. CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS

#### I. PURPOSE

The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Deveron Resources Ltd. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel;
- review the quarterly and annual financial statements and management’s discussion and analysis of the Corporation’s financial position and operating results and report thereon to the Board for approval of same;
- select and monitor the independence and performance of the Corporation’s external auditors, including attending at private meetings with the external auditors and reviewing and approving all renewals or dismissals of the external auditors and their remuneration; and
- provide oversight to related party transactions entered into by the Corporation.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part IV of this Charter.

#### II. AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

### **III. COMPOSITION AND MEETINGS**

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission (“OSC”), the TSX Venture Exchange, the *Business Corporations Act* (Ontario) and all applicable securities regulatory authorities.
2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from among themselves a member who shall serve as Chair.
3. A majority of the members of the Committee shall not be officers or employees of the Corporation or any of its affiliates.
4. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least fifty percent (50%) of the members of the Committee present either in person or by telephone shall constitute a quorum.
5. If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
6. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
7. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
8. Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.

9. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
10. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.
11. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.

#### **IV. RESPONSIBILITIES**

##### **A. Financial Accounting and Reporting Process and Internal Controls**

1. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable international financial reporting standards (“**IFRS**”) and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
2. The Committee shall review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management’s response.
3. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, management’s discussion and analysis and interim earnings press releases, and periodically assess the adequacy of these procedures.
4. The Committee shall review management’s discussion and analysis relating to annual and interim financial statements and any other public disclosure documents, including interim earnings press releases, that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.
5. The Committee shall meet no less frequently than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and

such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Corporation in charge of financial matters, deem appropriate.

6. The Committee shall inquire of management and the external auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
7. The Committee shall review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
8. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
9. The Committee shall establish procedures for:
  - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
10. The Committee shall provide oversight to related party transactions entered into by the Corporation.

**B. Independent Auditors**

1. The Committee shall recommend to the Board the external auditors to be nominated, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.
2. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
3. The Committee shall pre-approve all audit and non-audit services not prohibited by law to be provided by the external auditors in accordance with the terms of this charter.
4. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors.
5. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
6. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
7. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within IFRS that were discussed with management, their ramifications, and the external auditors' preferred treatment and material written communications between the Corporation and the external auditors.

8. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
9. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
10. The Committee shall monitor and assess the relationship between management and the external auditors and monitor and support the independence and objectivity of the external auditors.

**C. Other Responsibilities**

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

**DEVERON RESOURCES LTD.**  
**(the “Corporation”)**

**Procedures for Receipt of Complaints and Submissions**

**Relating to Accounting Matters**

1. The Corporation shall inform employees on the Corporation’s intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the “**Complaints Officer**”) designated from time to time by the audit committee (the “**Committee**”) to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

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**Procedures for Approval of Non-Audit Services**

1. The Corporation’s external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (a) bookkeeping or other services related to the Corporation’s accounting records or financial statements;
  - (b) financial information systems design and implementation;
  - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (d) actuarial services;
  - (e) internal audit outsourcing services;
  - (f) management functions;
  - (g) human resources;
  - (h) broker or dealer, investment adviser or investment banking services;
  - (i) legal services;
  - (j) expert services unrelated to the audit; and
  - (k) any other service that the Canadian Public Accountability Board determines is impermissible.
2. In the event that the Corporation wishes to retain the services of the Corporation’s external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Audit Committee (the “**Committee**”), who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.