



CANTEX MINE DEVELOPMENT CORP.

203-1634 Harvey Avenue

Kelowna, BC V1Y 6G2

Telephone No.: (250) 860-8582 Fax No.: (250) 860-1362

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The annual general meeting of Shareholders of **Cantex Mine Development Corp.** (the "Company") will be held at The Ramada Hotel & Conference Centre, 2170 Harvey Ave, Kelowna, British Columbia on Friday, February 26, 2021 at 1:00 p.m. (Pacific Time) (the "Meeting").

In light of the ongoing public health concerns related to COVID-19 and in order to comply with measures imposed by the federal and provincial governments, the Company is encouraging Shareholders and others not to attend the Meeting in person, but instead to submit their votes by proxy well in advance of the Meeting proxy deadline of 1:00 p.m. (Pacific Time) on February 24, 2021. Shareholders wishing to attend the Meeting in person must call the Company at (250) 860-8599 at least 48 hours prior to the date of the Meeting for further instructions on in-person attendance procedures.

The Corporation is offering Shareholders the option to listen and participate (but not vote) at the Meeting in real time by video conference through Zoom.

As of the date of this Notice, we intend to hold the Meeting in physical face-to-face format and include video conferencing so shareholders can listen to the Meeting in real time. Details for the video conferencing will be made available on the Company's website prior to the Meeting. We are continuously monitoring the current coronavirus pandemic, and in light of rapidly evolving news and guidelines related to COVID-19, we ask that, in considering whether to attend the Meeting in person, Shareholders follow instructions of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and any applicable additional provincial and local health department instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. **In order to minimize group sizes and respect social distancing regulations, all Shareholders are urged to vote on the matters before the Meeting by proxy, which proxy can be submitted electronically or by mail as described in the accompanying Information Circular.** We reserve the right to take any additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 pandemic. Should any changes to the Meeting format occur, the Company will announce any and all changes by way of news release, which will be filed under the Company's profile at www.sedar.com. We strongly recommend you check the Company's website www.cantex.ca prior to the Meeting for the most current information. In the event of any changes to the Meeting format due to the COVID-19 pandemic, the Company will **not** prepare or mail amended Meeting materials.

Shareholders who intend to attend the meeting via video conference must **submit votes by Proxy ahead of the proxy deadline of 1:00 p.m. (Pacific Time) on February 24, 2021.** Attendance by video conference allows Shareholders to listen to, but not to vote at, the Meeting.

Purpose of the Meeting

The Meeting is to be held for the following purposes:

1. to receive and consider the audited consolidated financial statements of the Corporation for its financial year ended July 31, 2020, and the report of the auditor;
2. to set the number of directors of the Corporation at five;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint an auditor of the Corporation for the ensuing year; and
5. to ratify and approve the Corporation's share option plan, as amended for continuation, as more particularly set out in the accompanying Management Proxy Circular.

A Management Proxy Circular accompanies this Notice and contains details of matters to be considered at the Meeting. No other matters are contemplated for the Meeting, however any permitted amendment to or variation of any matter identified in this Notice may properly be considered at the Meeting. The Meeting may also consider the transaction of such other business as may properly come before the Meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy, or another suitable form of proxy, and deliver it by fax, by hand or by mail in accordance with the instructions set out in the form of proxy and in the Management Proxy Circular.

Unregistered shareholders who plan to attend the Meeting must follow the instructions set out in the form of proxy or voting instruction form and in the Management Proxy Circular to ensure that their Common Shares will be voted at the Meeting. If you hold your Common Shares in a brokerage account you are not a registered shareholder.

Dated at Kelowna, British Columbia, February 3, 2021.

BY ORDER OF THE BOARD OF DIRECTORS

"Chad Ulansky"

**Chad Ulansky
President and Chief Executive Officer**



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**203-1634 Harvey Avenue
Kelowna, BC V1Y 6G2**

Telephone No.: (250) 860-8582 / Fax No.: (250) 860-1362

MANAGEMENT PROXY CIRCULAR

as at January 25, 2021 *(except as otherwise indicated)*

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of Cantex Mine Development Corp. (the “Corporation”) for use at the annual meeting (the “Meeting”) of its shareholders to be held on February 26, 2021 at the time and place and for the purposes set forth in the accompanying Notice of the Meeting.

In this Management Proxy Circular, references to “the Corporation”, “we” and “our” refer to Cantex Mine Development Corp. “Common Shares” means common shares without par value in the capital of the Corporation. “Beneficial Shareholders” means shareholders who do not hold Common Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Corporation. The Corporation will bear all costs of this solicitation. We have arranged for intermediaries to forward the meeting materials to beneficial owners of the Common Shares held of record by those intermediaries and we may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy (the “Proxy”) are directors of the Corporation. **If you are a shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by one of the following methods:

- (a) by fax – complete, date and sign the enclosed form of Proxy and return it to the Corporation’s transfer agent, AST Trust Company (Canada) (“AST”), at 1-866-781-3111 (Canada or US) or 1-416-368 – 2502 (outside North America);
- (b) by e-mail – complete, date and sign the enclosed form of Proxy and return it to AST at proxyvote@astfinancial.com;
- (c) by mail – complete, date and sign the enclosed form of Proxy and mail it to AST at , P.O. Box 721, Agincourt, ON, M1S 0A1;
- (d) by telephone – use a touch-tone phone to transmit voting choices to 1-888-489-5760 and follow the instructions of the voice response system. You will need to refer to the 13 digit control number located on the accompanying form of Proxy;
- (e) via the internet – go to www.ASTvotemyproxy.com and follow the instructions. You will need to refer to your 13 digit control number located on the accompanying form of Proxy.

Registered shareholders must ensure the Proxy is received by AST at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the Meeting or any adjournment thereof.

Voting in Person

Please note that in order to vote your Common Shares in person at the Meeting, you must attend the Meeting and register with the Scrutineer before the Meeting. If you have already submitted a Proxy, but choose to change your method of voting and attend the Meeting to vote, then you should register with the Scrutineer before the Meeting and inform them that your previously submitted proxy is revoked and that you personally will vote your Common Shares at the Meeting.

Beneficial Shareholders

The information in this section is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Corporation as the registered holders of Common Shares) or as set out in the following disclosure.

If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in the shareholder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the names of the shareholder’s broker or an agent of that broker (an “intermediary”). In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms), and in the United States of America (the “United States” or the “U.S.”), under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

If you are a Beneficial Shareholder:

You should carefully follow the instructions of your broker or intermediary in order to ensure that your Common Shares are voted at the Meeting.

The form of proxy that will be supplied by your broker will be similar to the Proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary how to vote your Common Shares on your behalf. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in Canada and in the United States. Broadridge mails a voting instruction form (a "VIF") in lieu of the Proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Common Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation) other than the persons designated in the VIF to represent your Common Shares at the Meeting, and that person may be you. **To exercise this right, insert the name of your desired representative (which may be you), in the blank space provided in the VIF.** The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of Common Shares to be represented at the Meeting. **If you receive a VIF from Broadridge, you cannot use it to vote Common Shares directly at the Meeting - the VIF must be returned to Broadridge, in accordance with its instructions, well in advance of the Meeting, in order to have your Common Shares voted or to have an alternate representative duly appointed to attend and vote your Common Shares at the Meeting.**

If you wish to vote your Common Shares in person at the Meeting, please complete the enclosed VIF and insert your own name as the Appointee on the VIF. Be sure to send your completed and signed VIF to Broadridge well before Broadridge's deadline. When you attend the Meeting, be sure to confirm with the Scrutineer before the start of the Meeting that you are appointed to vote your own Common Shares and that you will be voting those Common Shares in person at the Meeting.

Notice to Shareholders in the United States

The solicitation of proxies involve securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of Alberta, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the *United States Securities Exchange Act of 1934*, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the *Business Corporations Act* (Alberta) (the "BCA"), as amended, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by:

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the registered shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to AST Trust Company, or to the Corporation's office at 203-1634 Harvey Avenue, Kelowna, British Columbia, V1Y 6G2, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law, or
- (b) personally attending the Meeting and voting the registered shareholder's Common Shares.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Corporation, nor any person who has held such a position since the beginning of the last completed financial year of the Corporation, nor any proposed nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors and as set out herein.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors of the Corporation (the "Board") has fixed January 25, 2021 as the record date (the "Record Date") for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting, except to the extent that:

- (a) the shareholder has transferred the ownership of any such share after the record date, and
- (b) the transferee produces a properly endorsed share certificate for or otherwise establishes ownership of any of the transferred Common Shares and makes a demand to AST Trust Company no later than 10 days before the Meeting that the transferee's name be included in the list of shareholders in respect thereof.

The Corporation is authorized to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares. The Preferred Shares are issuable in series. As of January 25, 2021, the Corporation had outstanding 51,077,700 fully-paid and non-assessable Common Shares without par value, each carrying the right to one vote. As of January 25, 2021, there were no Preferred Shares issued and outstanding. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Common Shares or the Preferred Shares.

To the knowledge of the directors and executive officers of the Corporation, only the following person beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying

more than 10% of the voting rights attached to all outstanding Common Shares of the Corporation as at January 25, 2021:

Shareholder Name⁽¹⁾	Number of Common Shares Held	Percentage of Issued Common Shares
Charles Fipke	21,133,868 ⁽²⁾	41.38%

Notes:

(1) The above information was obtained from SEDI.

(2) 473,188 Common Shares are held directly by Mr. Fipke, 16,990,037 of these Common Shares are held in the name of 0974052 B.C. Ltd., a company controlled by Mr. Fipke, 72,040 of these Common Shares are held in the name of CF Minerals Research Ltd., a company controlled by Mr. Fipke, 1,749,270 of these Common Shares are held in the name of Kel-ex Development Ltd., a company controlled by Mr. Fipke, 1,836,000 of these Common Shares are held in the name of Charles E. Fipke Alter Ego Trust, a company controlled by Mr. Fipke, and 13,333 of these Common Shares are held in the Charles E. Fipke Foundation.

FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the fiscal year ended July 31, 2020, the report of the auditor thereon and the related management discussion and analysis will be placed before the Meeting. Additional information may be obtained upon request from the Secretary of the Corporation at 203 - 1634 Harvey Avenue, Kelowna, BC V1Y 6G2, telephone no. (250) 860-8582 or fax no.: (250) 860-1362. These documents and additional information are also available via the internet on www.sedar.com or by visiting www.cantex.ca.

VOTES NECESSARY TO PASS RESOLUTIONS

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Corporation's auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The Corporation's Articles of Incorporation provide that the number of directors of the Corporation will be a minimum of one and a maximum of nine. The directors have determined that in the Corporation's current state of operations, and going forward, the number of directors required to effectively administer the Corporation and perform the necessary executive functions is five. Therefore, at the Meeting, Shareholders will be asked to approve an ordinary resolution to set the number of directors to be elected to the Board at five (5) directors.

The term of office of each of the Corporation's five current directors will end at the conclusion of the Meeting. Unless a director's office is vacated earlier in accordance with the provisions of the *Business Corporations Act* (Alberta), each director elected at the Meeting will hold office until the conclusion of the next annual meeting of the Corporation, or if no director is then elected, until a successor is elected.

The following table sets out the names of management's five nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at January 25, 2021.

Nominee Position with the Corporation and Residence	Occupation, Business or Employment⁽¹⁾	Period as a Director of the Corporation	Common Shares Beneficially Owned or Controlled⁽¹⁾
Charles Fipke Director, Chairman of the Board British Columbia, Canada	Geologist	Since March 27, 1998	21,133,868 ⁽²⁾
Chad Ulansky President, Chief Executive Officer (“CEO”) and Director British Columbia, Canada	President and CEO of the Corporation; President and Chief Executive Officer of Metalex Ventures Ltd.; President and Chief Executive Officer of Northern Uranium Corp.; Geologist.	Since May 8, 2003	17,444 ⁽³⁾
Kathrine MacDonald Director British Columbia, Canada	Businesswoman.	Since March 27, 1998	35,835 ⁽⁴⁾
Vernon Frolick Director British Columbia, Canada	Attorney, Businessman.	Since May 8, 2003	60,740 ⁽⁵⁾
Thomas J. Obradovich Director Nominee Ontario, Canada	Sable Resources Ltd., Chairman, Chief Executive Officer and director; Conquest Resources Ltd., President and Chief Executive Officer.	Since January 30, 2020	10,000 ⁽⁶⁾

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years.
- (2) 473,188 Common Shares are held directly by Mr. Fipke, 16,990,037 of these Common Shares are held in the name of 0974052 B.C. Ltd., a company controlled by Mr. Fipke, 72,040 of these Common Shares are held in the name of CF Minerals Research Ltd., a company controlled by Mr. Fipke, 1,749,270 of these Common Shares are held in the name of Kel-ex Development Ltd., a company controlled by Mr. Fipke, 1,836,000 of these Common Shares are held in the name of Charles E. Fipke Alter Ego Trust, and 13,333 of these Common Shares are held in the Charles E. Fipke Foundation. Mr. Fipke also holds options to purchase up to 270,000 Common Shares, warrants to purchase up to 2,250,500 Common Shares held in the name of 0974052 B.C. Ltd., a company controlled by Mr. Fipke, and warrants to purchase up to 850,000 Common Shares held in the name of Charles E. Fipke Alter Ego Trust. See *Statement of Executive Compensation* below.
- (3) Mr. Ulansky holds options to purchase up to 995,000 Common Shares. See *Statement of Executive Compensation* below.
- (4) Ms. MacDonald holds options to purchase up to 264,000 Common Shares. See *Statement of Executive Compensation* below.
- (5) Mr. Obradovich holds options to purchase up to 200,000 Common Shares. See *Statement of Executive Compensation* below.

None of the proposed nominees for election as a director of the Corporation are proposed for election pursuant to any arrangement or understanding between the nominee and any other person, except the directors and officers of the Corporation acting solely in such capacity.

Penalties, Sanctions and Cease Trade Orders

Within the last 10 years before the date of this management proxy circular no proposed nominee for election as a director of the Corporation was a director or executive officer of any company (including the Corporation in respect of which this management proxy circular is prepared) acted in that capacity for a company that was:

- a) subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days;
- b) subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under the securities legislation, for a period of more than 30 consecutive days;
- c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or has 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;
- d) 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
- e) subject to any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

APPOINTMENT OF AUDITOR

Davidson & Company LLP, Chartered Professional Accountants, 1200 – 609 Granville Street, Vancouver, British Columbia V7Y 1G6, will be nominated at the Meeting for appointment as auditor of the Corporation, at a remuneration to be fixed by the directors. Davidson & Company LLP, Chartered Professional Accountants were first appointed as auditor of the Corporation by the shareholders on January 22, 2016.

Unless otherwise directed, the persons named in the accompanying form of proxy intend to vote FOR the appointment of Davidson & Company LLP, Chartered Professional Accountants, as auditor of the Corporation until the close of the next annual meeting of shareholders.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 – *Audit Committees* (“NI52-110”) of the Canadian Securities Administrators requires the Corporation, as a venture issuer, to disclose annually in its management proxy circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following:

The Audit Committee’s Charter

The audit committee has a charter. A copy of the audit committee charter is attached to the management proxy circular for the 2006 annual and special meeting and was filed on www.Sedar.com on December 23, 2005.

Composition of the Audit Committee

The current members of the audit committee are Vernon Frolick (Chairman), Chad Ulansky and Kathrine MacDonald. Vernon Frolick and Kathrine MacDonald are independent members of the audit committee as contemplated by NI52-110. Mr. Ulansky is not an independent member of the audit committee as he is an officer of the Corporation. All audit committee members are considered to be financially literate.

Relevant Education and Experience

Chad Ulansky, President, CEO and Director

Chad Ulansky holds a BSc. in Geology from the University of Capetown and commenced his career over 25 years ago working for Dia Met Minerals Ltd. on the project which yielded the Ekati diamond mine. Since then, he has led exploration programs in over 15 countries on four continents and is currently President, Chief Executive Officer and a director of Metalex Ventures Ltd. (TSXV) and Northern Uranium Corp. (NEX); he is also a director of Kodiak Copper Corp. (TSXV).

Kathrine MacDonald, Director

Kathrine MacDonald is a graduate of the University of British Columbia and has over 25 years' experience in the finance industry including investment banking and management, finance, and corporate relations for public mining companies.

Vernon Frolick, Director

Vernon Frolick is a graduate of the University of Windsor School of Law, Windsor, Ontario and was called to the Ontario Bar in 1976 and to the BC Bar in 1982. Mr. Frolick is also a director of Northern Uranium Corp., a NEX listed company.

Each member of the audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

- an understanding of the accounting principles used by the issuer to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- 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 issuer's financial statements, or experience actively supervising individuals engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate or compensate any auditor other than Davidson & Company LLP.

Reliance on Certain Exemptions

The Corporation's auditor has not provided any material non-audit services.

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audit services provided by the auditor of the Corporation, Davidson & Company, LLP during the financial years ended July 31, 2020 and July 31, 2019. Fees incurred with Davidson & Company, LLP for audit and non-audit services in the two most recent fiscal years, are outlined in the following table:

Nature of Services	Fees Paid to Davidson & Company, LLP in Year Ended July 31, 2020.	Fees Paid to Davidson & Company, LLP in Year Ended July 31, 2019.
Audit Fees ⁽¹⁾	\$21,256	\$19,380
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	\$8,000	\$7,000
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$29,256	\$26,380

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

Exemption

The Corporation is a "venture issuer" as defined in NI 52-110 and relies on the exemptions in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment or which is deemed to be a material relationship under NI 52-110.

The independent directors of the Corporation are Vernon Frolick and Kathrine MacDonald. The non-independent directors are Charles Fipke and Chad Ulansky. Mr. Fipke is a controlling shareholder who holds approximately 41.38% of the Common Shares of the Corporation. Mr. Ulansky is President and CEO of the Corporation.

Directorships

The following directors currently serve on boards of other reporting companies (or equivalent) as set out below:

Name of Director	Name of Reporting Issuer	Exchange Listed
Charles Fipke	Metalex Ventures Ltd.	TSXV
Chad Ulansky	Metalex Ventures Ltd. Northern Uranium Corp. Kodiak Copper Corp.	TSXV NEX TSXV
Vernon Frolick	Northern Uranium Corp.	NEX
Thomas J. Obradovich	Sable Resources Ltd. Conquest Resources Ltd.	TSXV TSXV

Orientation and Continuing Education

When new directors are appointed, they receive orientation commensurate with their previous experience on the Corporation's properties and on the responsibilities of directors.

Board meetings may also include presentations by the Corporation's management and employees to give the directors additional insight into the Corporation's business.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Corporation, this policy will be reviewed.

Compensation

The directors of the Corporation are not paid an annual director's fee nor are they paid a fee to attend Board meetings. Directors are compensated only for time spent directly on the Corporation's business. The rate of compensation is determined by all Board members excluding those with a conflict of interest.

Other Board Committees

The Board has no committees other than the audit committee.

Assessments

The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and its audit committee.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section, "Named Executive Officer" ("NEO") means each of the following individuals:

- a) a Chief Executive Officer ("CEO");

- b) a Chief Financial Officer (“CFO”);
- c) the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the Corporation’s most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- d) each individual who would be a NEO under paragraph (c) but for the fact that the individual was not an executive officer of the Corporation, and was not acting in a similar capacity, at the July 31, 2020 financial year-end.

Chad Ulansky, President and CEO, Jennifer Irons, CFO and Corporate Secretary, and Keiven Bauer, COO (retired in September 2019) are each an “NEO” of the Corporation for purposes of the following disclosure.

Compensation Discussion and Analysis

Element 29 Ventures Ltd. (“Element 29”), a company wholly owned by Chad Ulansky, CEO of the Corporation, provides the Corporation with the services of the Chief Executive Officer and invoices the Corporation accordingly. Until August 2020, Kel-Ex Developments Ltd. (“Kel-Ex”), a company wholly owned by Dr. Charles Fipke, Chairman of the Corporation, provided the Corporation with the services of the Chief Financial Officer and Chief Operating Officer (prior to his retirement in September 2019) and invoiced the Corporation accordingly. Element 29 and Kel-Ex provide these services to other public companies operating out of a shared space and operated by the same management team. This sharing of costs allows the Corporation access to high quality executives on an as-needed basis, and is more efficient and economical than trying to hire executives on a full-time basis. As of August 2020, FourIrons Consulting (“FourIrons”), a company owned by Jennifer Irons, CFO of the Corporation, provides the Corporation with the services of Chief Financial Officer and invoices the Corporation accordingly.

The Board has not appointed a compensation committee so the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Corporation’s base compensation structure and equity-based compensation programs, recommending compensation of the Corporation’s officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, is performed by the Board as a whole.

The Board has not considered the implications of the risks associated with the Corporation’s compensation program.

Philosophy and Objectives

To determine executive compensation, the Corporation relies solely on Board discussion without any formal objectives, criteria and analysis.

Equity Participation

The Corporation believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Corporation’s share option plan. Share options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board.

The Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Option-Based Awards

The Corporation has established a share option plan dated for reference December 19, 2008, as initially approved by the shareholders on January 29, 2009, and the shareholders approved amendments to the share option plan on January 27, 2012 (the “Plan”). Effective December 16, 2019 the Board amended the Plan to

render it fully compliant with current TSXV Policies, in accordance with the TSXV policy on “housekeeping” amendments of an administrative nature. Details of those amendments are described in detail in the Management Proxy Circular prepared for the Corporation’s shareholder meeting held January 30, 2020, a copy of which is filed under the Corporation’s profile at www.sedar.com, and at the meeting the ordinary resolution to approve the Plan, to include those amendments, for continuation was passed. At the Meeting Shareholders will again be asked to approve the Plan, as amended, for continuation.

The grant of options under the Plan provides incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. Management proposes option grants to the Board based on such criteria as performance, previous grants, and hiring incentives. The Board administers the Plan and all grants require Board approval. The Plan also provides that options will be issued to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation.

Material Terms of the Plan

The following is a brief description of the Corporation’s Share Option Plan:

- (a) Persons who are Service Providers to the Corporation or its affiliates, or who are providing services to the Corporation or its affiliates, are eligible to receive grants of options under the Plan;
- (b) Options granted under the Plan are non-assignable, and non-transferable for a period of up to 10 years;
- (c) For options granted to Service Providers, the Corporation must ensure that the proposed Optionee is a bona fide Service Provider of the Corporation or its affiliates;
- (d) An option granted to any Service Provider will expire within one year (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option), after the date the Optionee ceases to be employed by or provide services to the Corporation, but only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Corporation;
- (e) If an Optionee dies, any vested option held by him or her at the date of death will become exercisable by the Optionee’s lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such option;
- (f) In the case of an Optionee being dismissed from employment or service for cause, such Optionee’s options, whether or not vested at the date of dismissal, will immediately terminate without right to exercise same;
- (g) The exercise price of each option will be set by the Board on the effective date of the option and will not be less than the Discounted Market Price (as defined in the Plan);
- (h) Vesting of options shall be at the discretion of the Board, and will generally be subject to: (i) the Service Provider remaining employed by or continuing to provide services to the Corporation or its affiliates, as well as, at the discretion of the Board, achieving certain milestones which may be defined by the Board from time to time or receiving a satisfactory performance review by the Corporation or its affiliates during the vesting period; or (ii) the Service Provider remaining as a Director of the Corporation or its affiliates during the vesting period; and
- (i) The Board reserves the right in its absolute discretion to amend, suspend, terminate or discontinue the Plan with respect to all Plan shares in respect of options which have not yet been granted under the Plan.

For the purposes of this disclosure, the definitions of “Exchange Hold Period”, “Market Price” and “Discounted Market Price” are set out in TSX Venture Exchange (“TSXV”) Policy 1.1 *Interpretation*.

A “disinterested shareholder” means a shareholder that is not an Insider and any associates of such Insider.

An “Insider” is a director or senior officer of the issuer, a director or senior officer of a company that is an insider or a subsidiary of the issuer, or a person that beneficially owns or controls, directly or indirectly, voting Common Shares carrying more than 10% of the voting rights attached to all outstanding voting Common Shares of the issuer or the issuer itself if it holds any of its own securities.

No Hedging Restrictions

The Corporation has not adopted a policy restricting its NEOs or directors from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Corporation, none of the NEOs or directors has purchased any such financial instruments.

Summary Compensation Table

The compensation paid to the NEOs during the Corporation’s three most recently completed financial years of July 31, 2020, 2019 and 2018 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary ⁽¹⁾ (S)	Share-based awards (S)	Option-based awards ⁽²⁾ (S)	Non-equity incentive plan compensation (S)		Pension value (S)	All other compensation (S)	Total compensation (S)
					Annual incentive plans	Long-term incentive plans			
Chad Ulansky CEO ⁽³⁾	2020	2,966	Nil	Nil	Nil	Nil	Nil	361,626 ⁽⁶⁾	364,592
	2019	1,130 ⁽⁴⁾	Nil	2,424,726	Nil	Nil	Nil	362,861 ⁽⁶⁾	2,788,717
	2018	5,085 ⁽⁴⁾	Nil	Nil	Nil	Nil	Nil	129,371 ⁽⁶⁾	134,456
Jennifer Irons CFO ⁽⁵⁾	2020	69,225	Nil	Nil	Nil	Nil	Nil	Nil	69,225
	2019	47,137 ⁽⁷⁾	Nil	307,157	Nil	Nil	Nil	Nil	354,294
	2018	37,836 ⁽⁷⁾	Nil	Nil	Nil	Nil	Nil	Nil	37,836
Keiven Bauer COO ⁽⁸⁾	2020	4,278	Nil	Nil	Nil	Nil	Nil	Nil	4,278
	2019	3,036 ⁽⁷⁾	Nil	307,157	Nil	Nil	Nil	Nil	310,193
	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Represents amounts billed to the Corporation by Element 29 for the services to the Corporation of the Chief Executive Officer and amounts billed by Kel-Ex Developments Ltd. for the services to the Corporation of the Chief Financial Officer and Chief Operating Officer. See “*Management Contracts*” for further information.
- (2) Represents the fair value of compensatory options granted as estimated on the date of grant using the Black-Scholes option pricing model with the assumptions disclosed in the July 31, 2020 year-end financial statements.
- (3) Chad Ulansky is also a director of the Corporation.
- (4) Represents amounts billed to the Corporation by Element 29 for services of the CEO.
- (5) Jennifer Irons was appointed CFO on October 25, 2013.
- (6) Represents amounts billed to the Corporation by Element 29 for geological consulting services.
- (7) Represents amounts billed to the Corporation by Kel-Ex.
- (8) Keiven Bauer was appointed COO of the Corporation on January 29, 2009 and retired from the Corporation on September 17, 2019.

Incentive Plan Awards

The following table sets out all option-based awards and share-based awards outstanding as at July 31, 2020, for each NEO.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of Common Shares or units of Common Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Chad Ulansky	110,000	0.70	Mar 31/23	89,100	Nil	Nil
	135,000	1.00	Dec 28/24	68,850	Nil	Nil
	750,000	3.60	Jun 4/25	Nil	Nil	Nil
Jennifer Irons	85,000	3.60	Jun 4/25	Nil	Nil	Nil

Note:

(1) "In-the-Money Options" means the excess of the market value of the Corporation's Common Shares on July 31, 2020 over the exercise price of the options. As at July 31, 2020, the Common Shares were trading at \$1.51 per Common Share.

Incentive Plan Awards – Value Vested or Earned During the Year

There was no value vested or earned under incentive plans during the Corporation's fiscal year ended July 31, 2020 by any NEO.

See "*Securities Authorized under Equity Compensation Plans*" for further information on the Corporation's share option plan.

Termination and Change of Control Benefits

There are no compensatory plan(s) or arrangement(s), with respect to any NEO resulting from the resignation, retirement or any other termination of the officer's employment or from a change of any NEO's responsibilities following a change in control.

Director Compensation

Other than as set out herein, no compensation was provided to the directors, excluding a director who is included in the disclosure as an NEO, for the Corporation's most recently completed financial year ended July 31, 2020.

The following table sets out all option-based awards and share-based awards outstanding as at July 31, 2020, for each director, excluding a director who is already set out in disclosure for an NEO for the Corporation:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Common Shares or units of Common Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Charles Fipke	135,000	0.70	Mar 31/23	109,350	Nil	Nil
	135,000	1.00	Dec 28/24	68,850	Nil	Nil
Vernon Frolick	82,000	1.00	Dec 28/24	41,820	Nil	Nil
	100,000	3.60	Jun 4/25	Nil	Nil	Nil

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of Common Shares or units of Common Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Kathrine MacDonald	82,000 82,000 100,000	0.70 1.00 3.60	Mar 31/23 Dec 28/24 Jun 4/25	66,420 41,820 Nil	Nil Nil Nil	Nil Nil Nil
Thomas J. Obradovich	200,000	0.80	Mar 9/25	142,000	Nil	Nil

Note:

- (1) “In-the-Money Options” means the excess of the market value of the Corporation’s Common Shares on July 31, 2019 over the exercise price of the options. As at July 31, 2020, the Common Shares were trading at \$1.51 per Common Share.

Incentive Plan Awards – Value Vested or Earned During the Year

There was no value vested or earned under incentive plans during the Corporation’s fiscal year ended July 31, 2020 by any director who was not indicated as being an NEO.

See “*Securities Authorized under Equity Compensation Plans*” for further information on the Corporation’s share option plan.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The Corporation has a share option plan in place dated for reference December 19, 2008, which was approved by shareholders on January 29, 2009 and was amended by shareholder approval on January 27, 2012 and on December 16, 2019 (the “Plan”). The Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Plan is administered by the Board and provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants and other key personnel of the Corporation or a subsidiary of the Corporation. Under the Plan a maximum of 5% of the issued and outstanding Common Shares of the Corporation, at any time, are reserved for issuance on the exercise of stock options. The options have no vesting period, except as determined by the Board. All options expire on a date not later than 10 years after the issuance of such option.

The following table sets out equity compensation plan information as at the July 31, 2020 financial year-end.

Equity Compensation Plan Information

Plan	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans.
Equity compensation plans approved by securityholders - the Plan	2,046,000	\$2.24	364,704
Equity Compensation plans not approved by securityholders.	Nil	Nil	Nil
Total	2,046,000	\$2.24	364,704

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No directors, proposed nominees for election as directors, executive officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end most recently completed financial year ended July 31, 2020 or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

An informed person is one who, generally speaking, is a director or executive officer or a 10% shareholder of the Corporation. To the knowledge of management of the Corporation, no informed person or nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries during the year ended July 31, 2020, or has any interest in any material transaction in the current year other than as set out herein and in a document previously disclosed to the public and filed on www.sedar.com. See also heading “*Management Contracts*”.

MANAGEMENT CONTRACTS

Kel-ex Development Ltd. (“Kel-ex”), a company wholly owned by Charles Fipke, a director of the Corporation, shares certain employees and management with the Corporation and has charged office and administrative costs of \$101,700 (2019: \$72,062), geological consulting fees of \$208,363 (2019: \$76,466) and \$1,960,633 (2019: \$789,116) for shared field expenditures during fiscal 2020. The Corporation also charged Kelex \$12,182 in shared office and administrative costs (2019: \$1,270).

CF Mineral Research Ltd. (“CF Minerals”), a company also wholly owned by Charles Fipke, charged \$669,933 (2019: \$154,102) for laboratory and mineralogical analysis costs and shared field expenditures during fiscal 2020.

Chad Ulansky, President and Chief Executive Officer of the Corporation, also invoiced the Corporation for services rendered on a time-spent basis for geological consulting services. During the fiscal year ended July 31, 2020, the sum of \$347,231 (2019: \$363,991) was paid for Mr. Ulansky’s corporate and geological consulting services to Element 29 Ventures, a company controlled by Chad Ulansky; Element 29 also charged \$859,043 (2019: \$674,783) in field expenditures during fiscal 2020.

Metalex Ventures Ltd. (“Metalex”) is a company for which both Messrs. Fipke and Ulansky are directors, and for which Mr. Ulansky is an officer. Keiven Bauer, the former Chief Operating Officer (the “COO”) of the Corporation was also the COO of Metalex, and Jennifer Irons, the Chief Financial Officer (the “CFO”) is the CFO of Metalex. Metalex shares administrative and field expenditure charges with the Corporation. Accordingly in the financial year ended July 31, 2020 Metalex charged the Corporation \$10,921 (2019: \$9,610) for office and administrative costs and \$20,999 (2019: \$34,145) for shared field expenditure charges.

Except as set out herein, there are no management functions of the Corporation which are to any substantial degree performed by a person or company other than the directors or senior officers of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

A. Ratification and Approval of 5% “Rolling” Share Option Plan for Continuation

The Common Shares are listed for trading on the TSX Venture Exchange and, pursuant to TSXV policy, all TSXV listed companies must have an option plan in place if the Corporation wishes to grant options to its directors, officers, employees and consultants. The Corporation has a 5% rolling share option plan (the “Plan”) in place which was last approved for continuation, as amended, by the shareholders at the Corporation’s annual shareholder meeting held January 30, 2020. For the material terms of and more detail concerning the Plan please see “*Statement of Executive Compensation*” above.

Pursuant to TSXV Policies a rolling plan must be approved for continuation by the Corporation's shareholders annually. Accordingly, at the Meeting the Corporation will ask the shareholders to consider, and if thought fit, to pass the ordinary resolution to approve the Plan for continuation until the Corporation's next annual meeting of the shareholders.

Resolution for Shareholder Approval of the Plan

At the Meeting, Shareholders will be asked to consider, and if deemed advisable, to pass, with or without variation, the following ordinary resolution to approve the Plan, as amended.

“RESOLVED that the Corporation's 5% “rolling” share option plan, dated for reference December 19, 2008, as amended January 27, 2012 and December 16, 2019, be and is hereby ratified and approved for continuation until the next annual meeting of the Corporation”.

An “ordinary resolution” is a resolution passed by the shareholders of the Corporation at an annual shareholders meeting by a simple majority of the votes cast on the resolution, in person or by proxy.

A copy of the Plan, as amended, will be available for review by any shareholder at the Meeting. A shareholder may also obtain a copy of the Plan, as amended, by contacting the Corporation at Tel: 250-860-8582 or Fax: 250-860-1362.

The Board recommends that shareholders vote in favour of the resolution to ratify and approve the Plan for continuation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is included in the audited financial statements for the year ended July 31, 2020, the auditor's report and related management discussion and analysis, a copy of which is filed on www.Sedar.com. Copies of the Corporation's most current interim financial statements and the accompanying management discussion and analysis may be obtained from www.Sedar.com. A copy of the financial statements material is also available on www.cantex.ca or upon request from the Corporation's Secretary at the office of the Corporation, telephone number: (250) 860-8582, fax number: (250) 860-1362.

OTHER MATTERS

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of mailing of this management proxy circular.

SHAREHOLDER PROPOSALS

Pursuant to Alberta law, shareholder proposals to be considered for inclusion in the management proxy circular for the 2021 annual meeting of the Corporation (expected to be held in January 2022) must be received by the Secretary of the Corporation on or before the close of business on October 29, 2021.

DIRECTORS' APPROVAL

The contents of this management proxy circular and its distribution to shareholders have been approved by the Board of Directors of the Corporation.

DATED at Kelowna, British Columbia, February 3, 2021.

THE BOARD OF DIRECTORS

“Chad Ulansky”

Chad Ulansky
President and Chief Executive Officer

CANTEX MINE DEVELOPMENT CORP.

Annual Meeting of Shareholders

to be held at 1:00 p.m. (Pacific Time) on February 26, 2021 (the "Meeting")
at the Ramada Hotel and Conference Centre, 2170 Harvey Avenue, Kelowna, British Columbia.

PROXY

Appointment of Proxyholder

The undersigned, being a Shareholder of Cantex Mine Development Corp., hereby appoints Charles Fipke, Chairman of the Board, OR failing him, Chad Ulansky, President and Chief Executive Officer, OR failing him, Jennifer Irons, Chief Financial Officer, OR instead of any of them,

_____ /
as proxyholder with full power of substitution to attend, act and to vote for and on behalf of the undersigned in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and all other matters that may properly come before the Annual Meeting of shareholders of Cantex Mine Development Corp. (the "Meeting") to be held at The Ramada Hotel and Conference Centre, 2170 Harvey Avenue, Kelowna, British Columbia, on February 26, 2021 at 1:00 p.m. (Pacific Time) and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY HIGHLIGHTED TEXT OVER THE BOXES

	FOR	AGAINST
1. Set the Number of Directors		
To set the number of Directors to be elected at the Meeting at five (5).	<input type="checkbox"/>	<input type="checkbox"/>
	FOR	WITHHOLD
2. Election of Directors		
01 Charles Fipke	<input type="checkbox"/>	<input type="checkbox"/>
02 Chad Ulansky	<input type="checkbox"/>	<input type="checkbox"/>
03 Kathrine MacDonald	<input type="checkbox"/>	<input type="checkbox"/>
04 Vernon Frolick	<input type="checkbox"/>	<input type="checkbox"/>
05 Thomas J. Obradovich	<input type="checkbox"/>	<input type="checkbox"/>

	FOR	WITHHOLD
3. Appointment of Auditors		
To approve an ordinary resolution appointing Davidson & Company LLP as the auditors of the Corporation for the ensuing year and authorizing the directors to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
	FOR	AGAINST
4. Stock Option Plan		
To consider and, if thought fit to pass an ordinary resolution approving the Corporation's share option plan, as amended, as more particularly described in the Information Circular prepared for the Meeting.	<input type="checkbox"/>	<input type="checkbox"/>

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any instructions previously given with respect to the Meeting. **If no voting instructions are indicated above, this Proxy will be voted FOR a matter by Management's appointee or, if this Proxy appoints another person, as that other person sees fit. On any amendments or variations proposed or any new business submitted properly before the Meeting, I/we authorize you to vote as you see fit.**

Signature(s) _____
Date

Please sign exactly as your name(s) appear below. Please see reverse for additional instructions. All Proxies must be delivered as indicated on the back of this Proxy and must be received by AST Trust Company (Canada), the Corporation's Transfer Agent, **no later than 1:00 p.m. (Pacific Time) on February 24, 2021.**

Control Number

Form of Proxy – Annual Meeting of Shareholders of **Cantex Mine Development Corp.** to be held at the Ramada Hotel and Conference Centre, 2170 Harvey Avenue, Kelowna, British Columbia, at 1:00 p.m. (Pacific Time) on February 26, 2021 (the "**Meeting**").

HOW TO VOTE

NOTES:

- 1. Every Shareholder has the right to appoint some other person or corporation of their choice, who need not be a Shareholder, to attend and act on their behalf at the Meeting or any adjournment or postponement thereof. If you wish to appoint a person or corporation other than the persons whose names are printed herein, please insert the name of your chosen proxyholder in the space provided above.**
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this Proxy. If you are voting on behalf of a corporation or another individual you must sign this Proxy with signing capacity stated, and you must provide documentation evidencing your power to sign this Proxy.
3. If this Proxy is not dated, it will be deemed to bear the date on which it is mailed by Management to the Shareholder.
4. The shares represented by this Proxy will be voted or withheld from voting, in accordance with the instructions given on any ballot that may be called for. If the Shareholder has specified a choice with respect to any of the items above by marking an "X" in the space provided for that purpose, the shares will be voted in accordance with that choice. **In the absence of instructions made on a Form of Proxy, the Proxy confers discretionary authority on the proxyholder with respect to such matter. It is the intention of the Management designee, if named as proxyholder, to vote in favour of each matter referred to in the Proxy and for the nominees of Management for directors and for auditor.**
5. This Proxy confers discretionary authority in respect of amendments or variations to matters described in the Notice of Meeting or other matters that may properly come before the Meeting or any adjournment or postponement thereof.
6. In addition to revocation in any manner permitted by law, a Proxy may be revoked by an instrument in writing signed by the Shareholder or by his, her or its attorney duly authorized in writing or, if the Shareholder is a corporation or association, the instrument in writing must be executed by an attorney or other representative individual duly authorized in writing, and deposited at the registered office of the Corporation, 203-1634 Harvey Avenue, Kelowna, British Columbia V1Y 6G2 at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such Proxy, with the Chairman of the Meeting on the day of the Meeting, or at any adjournment thereof, and upon either of such deposits, the Proxy is revoked.
7. The Proxy should be read in conjunction with the accompanying documentation provided by Management.
8. **This proxy is solicited by and on behalf of Management of the Corporation.**
9. **To be effected, a Proxy must be deposited with the Corporation's registrar and transfer Agent, AST Trust Company (Canada), in a manner indicated herein, no later than 1:00 p.m. (Pacific Time) on February 24, 2021.**

INTERNET

- Go to <https://astvotemyproxy.com>
- Cast your vote online
- View meeting documents

TELEPHONE

Use any touch-tone phone, call toll free in Canada and the United States of America **1-888-489-5760** and follow the voice instructions.

To vote by internet or telephone you will need your control number. If you vote by internet or telephone, do not return this Proxy.

MAIL, FAX or EMAIL

- Complete and return your signed Proxy in the envelope provided or send to:

AST Trust Company (Canada),
P.O. Box 721,
Agincourt, ON, M1S 0A1
- You may alternatively fax your Proxy toll free to 1-866-781-3111 or scan and email to proxvvote@astfinancial.com

An undated Proxy is deemed to be dated on the day it was received by AST Trust Company (Canada).

**CANTEX MINE DEVELOPMENT CORP.
FINANCIAL STATEMENTS REQUEST FORM**

CUSIP No. 138117304
ISIN No. CA 1381173048

Registered holders and beneficial owners of a corporation's securities may elect annually to receive a copy of a corporation's annual and interim financial statements and the corresponding management discussion and analysis ("MD&A") of those statements.

If you wish to receive printed copies of these materials for Cantex Mine Development Corp. (the "Corporation"), please complete this form and return it to:

**CANTEX MINE DEVELOPMENT CORP.
203-1634 Harvey Avenue,
Kelowna, British Columbia V1Y 6G2**

- Please send me ONLY the audited financial statements and corresponding MD&A.
- Please send me ONLY the quarterly interim financial statements and corresponding interim MD&A to those statements.
- Please send me BOTH the audited financial statements and the quarterly interim financial statements and corresponding MD&A to those statements.

You will not receive copies of any financial statements from the Corporation for the ensuing year if you do not complete and return this form.

Copies of the Corporation's previously issued and current annual and quarterly financial statements and related MD&A are available to shareholders and to the public on the SEDAR website at www.sedar.com.

I confirm that I am a shareholder of the Corporation.

DATED: _____, 202__.

Signature

Name of Registered/Non-Registered Shareholder - Please Print

Address

Postal Code

Fax Number

Name and title of person signing if different from name above.

By providing an e-mail address, you will be deemed to be consenting to the electronic delivery to you at such e-mail address of the interim financial statements, if delivery by electronic means is allowed by applicable regulatory rules and policies.

E-mail address (optional)

The Corporation will use the information collected solely for the purpose of mailing such financial statements to you and will treat your signature on this form as your consent to the above.