

## DELTA RESOURCES LIMITED

1718, Christine Crescent  
Kingston, Ontario, K7L 4V4

### INFORMATION CIRCULAR

THIS INFORMATION CIRCULAR (the “Information Circular”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF PROXIES to be used at the Annual and Special Meeting (the “Meeting”) of shareholders of DELTA RESOURCES LIMITED (the “Company” or “Delta”) to be held on August 18, 2020, at 10:00 a.m. (EST) online through Zoom (Meeting ID: 940 029 3489 - Password: 8i1bkG). **Proxies will be solicited primarily by mail and electronically and may also be solicited by the directors and/or officers of the Company at nominal cost. The Company will bear the cost of solicitation of proxies. The information in this Information Circular is dated as of June 30, 2020 unless otherwise indicated.**

### REPORT OF AUDITORS AND AUDITED FINANCIAL STATEMENTS

The financial statements for the year ended December 31, 2019, and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Company's financial statements for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein.

### ELECTION OF DIRECTORS

The board of directors of the Company (the “Board”) has fixed the number of directors to be elected at the Meeting at four (4). The following table and the notes thereto state the names and residences of all the persons nominated by management for election as directors (the “Delta Nominees”), all other positions and offices with the Company now held by them, their principal occupations or employments, their respective dates of first appointment as directors of the Company, their age and the approximate number of voting securities of the Company beneficially owned, directly or indirectly, over which control or direction is exercised by each of them as of the date hereof.

Name, Residence and Position with Company	Principal Occupations or Employment	No. of Voting Securities Owned, Controlled or Directed (as at June 30, 2020) <sup>(5)</sup>	Date of First Appointment as Director	Age
FRANK CANDIDO <sup>(1)(2)(3)(4)(6)</sup> Montreal, Quebec Chairman, Vice President of Corporate Communication and Director	Frank Candido’s principal occupation is Chairman and Vice President of Corporate Communication of Delta since 2019-2020. He also serves as President and Chief Executive Officer, a position that he has held since 2010. During the period from 2007 to 2010, his principal occupation was Vice President with the Company. Frank Candido is also the President of Direct Financial Strategies and Communication Inc.; a company which he founded in 2008.	418,700	September 27, 2007	55
ANDRE C. TESSIER <sup>(4)</sup> Kingston, Ontario President, Chief Executive Officer and Director	Andre C. Tessier has been employed, since 2016, by the Ontario Geological Survey and has also been an adjunct Professor at Queen’s University in Kingston since 2018.	149,000	June 28, 2019	57
ROY MILLINGTON <sup>(1)(2)(3)(4)</sup> Montreal, Quebec Director	Roy Millington’s principal occupation is an independent lawyer since 2012. During the period from 2007 to 2012 his principal occupation was Chief Counsel, Corporate at Rio Tinto Alcan Inc.	58,500	December 4, 2012	60

<b>Name, Residence and Position with Company</b>	<b>Principal Occupations or Employment</b>	<b>No. of Voting Securities Owned, Controlled or Directed (as at June 30, 2020)<sup>(5)</sup></b>	<b>Date of First Appointment as Director</b>	<b>Age</b>
KEVIN B. HEATHER <sup>(1)(2)(3)</sup> La Serena, Chile Director	Kevin B. Heather is currently the Chief Geological Officer for both Regulus Resources and Aldebaran Resources and is the Qualified Person (FAUSIMM) responsible at a corporate level for overseeing the technical aspects of both company's exploration activities.	125,000	June 28, 2019	60

- (1) Member of Audit Committee.  
(2) Member of Compensation and Human Resources Committee.  
(3) Member of Corporate Governance and Nominating Committee  
(4) Member of Environment, Health, Safety and Regulatory Affairs Committee  
(5) The information as to voting securities beneficially owned, or controlled or directed, directly or indirectly, not being within the knowledge of the Company, has been furnished by the respective nominees individually.  
(6) Includes 18,216 voting securities held by Mr. Candido's wife.

Each nominee has supplied the information concerning the number of common shares over which he exercises control or direction.

Detailed background information regarding the Delta Nominees is provided below under the heading "Corporate Governance". The term of office of each director will be from the date of the meeting at which he is elected until the annual meeting next following, or until his successor is elected or appointed.

The Board recommends that shareholders vote FOR and in favour of the election of the Delta Nominees named above. Each nominee for election as a director at the Meeting will be elected by a majority of the votes cast by shareholders present in person or represented by proxy at the Meeting.

PROXIES GRANTED TO MANAGEMENT WILL BE VOTED FOR AND IN FAVOUR OF THE ELECTION OF THE DELTA NOMINEES NAMED ABOVE UNLESS THE SHAREHOLDER HAS SPECIFIED OTHERWISE IN THE PROXY.

## **EXECUTIVE COMPENSATION**

### **Compensation of Executive Officers**

The following table sets forth all annual and long term compensation for services in all capacities to the Company for the fiscal years ended December 31, 2019, 2018 and 2017 in respect of the individuals who were, at December 31, 2019, the executive officers of the Company (the "Named Executive Officers"). Specific aspects of the compensation of the Named Executive Officers are dealt with in further detail in subsequent tables.

<b>Name and Principal Position</b>	<b>Year</b>	<b>Base Salary (\$)</b>	<b>Option-based awards (\$)</b>	<b>Share-based awards (\$)</b>	<b>All other compensation (\$)</b>	<b>Total compensation (\$)</b>
André C. Tessier President and Chief Executive Officer <sup>(1)</sup>	2019	50,649	17,701 <sup>(4)</sup>	-	-	68,350
Frank Candido, Chairman, Vice President of Corporate Communications and Director <sup>(2)</sup>	2019 2018 2017	- - -	17,701 <sup>(4)</sup> - -	- - -	- 60,000 60,000	17,701 60,000 60,000
Nathalie Laurin, Chief Financial Officer and Secretary	2019 2018 2017	- - -	2,213 <sup>(4)</sup> - -	- - -	26,500 20,862 19,121	28,713 20,862 19,121
Michel Chapdelaine Vice President of Exploration and Chief Operating Officer <sup>(3)</sup>	2019	-	22,753 <sup>(5)</sup>	-	69,995	92,748

(1) Mr. André C. Tessier was appointed President and Chief Executive Officer on June 28, 2019.

(2) Mr. Frank Candido was appointed Chairman on June 29, 2019 and Vice President of Corporate Communication on February 18, 2020. Mr. Candido has acted solely in such capacity since the Company's new President and Chief Executive Officer, André C. Tessier, took office on June 28, 2019. Mr. Candido provides these services through 9132-8757 Quebec Inc., a private company of which Mr. Candido is sole director, officer and shareholder, which was incurred fees of nil in 2019, \$60,000 in 2018 and \$60,000 in 2017 in respect of professional services provided during the years ended December 31, 2019, 2018 and 2017. In relation with these transactions no amount was payable as at December 31, 2019.

(3) Mr. Michael Chapdelaine was appointed Vice President of Exploration and Chief Operating Officer on July 8, 2019. Mr. Chapdelaine provides these services through 7529449 Canada inc., a private company of which Mr. Chapdelaine is sole director, officer and shareholder, which was incurred \$6,376 in respect of professional fees and \$63,619 in respect with exploration and evaluation expenditures.

(4) Fair value at the time of grant calculated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 114%, risk-free interest rate of 1.41%, and an expected life of 5 years.

(5) Fair value at the time of grant calculated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 114%, risk-free interest rate of 1.57%, and an expected life of 5 years.

### **Equity Compensation Plan Information**

The following is information regarding the Company's equity compensation plans as of December 31, 2019:

<b>Plan Category</b>	<b>(a) Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights</b>	<b>(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights (\$)</b>	<b>(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding securities reflected in Column (a))</b>
Equity compensation plans approved by shareholders	Stock Options: 1,815,000	Stock Options: \$0.24	Stock Options: 1,094,934
Equity compensation plans not approved by securityholders	-	-	-
Total	Stock Options: 1,815,000	Stock Options: \$0.24	Stock Options: 1,094,934

Management submits recommendations to the Compensation and Human Resources Committee regarding potential recipients of stock options pursuant to the Company's stock option plan. These recommendations are reviewed and analysed by that committee, which then makes recommendations to the Board which has the final responsibility for the issuance of stock options. Previous grants of stock options are taken into account when the Board considers new grants. See below in "Approval of the Company's Stock Option Plan" for a description of this plan.

### **Other Compensation Matters**

The Board as a whole, in consultation with the Company's Compensation and Human Resources Committee, determines the level of compensation in respect of the Company's senior executives. There are no pension plan benefits in place for the Named Executive Officers and none of the Named Executive Officers, senior officers or directors of the Company is indebted to the Company.

The Company entered into a management services agreements with 9132-8757 Quebec Inc. (wholly-owned by Mr. Candido). Upon termination without "cause" or in the event of a termination upon a "Change in Control" (as these terms are defined in such agreements), the Company shall pay to 9132-8757 Quebec Inc. an amount equivalent to ninety (90) days of fees in accordance with the terms of that agreement.

The Company entered into an employment agreement with André C. Tessier on June 19, 2019. Upon termination without "cause" or in the event of a termination upon a "Change in Control" (as these terms are defined in such agreements), the Company shall pay to André C. Tessier an amount equivalent to twenty-four (24) months pay base salary in accordance with the terms of that agreement.

### **Report on Executive Compensation**

The Compensation and Human Resources Committee is currently comprised of Frank Candido (Chairman), Kevin B. Heather and Roy Millington. Mr. Millington and Mr. Heather are considered to be independent applying the definition set out in Section 1.4 of National Instrument 52-110 - *Audit Committees* ("NI 52-110"). Members of the Compensation and Human Resources Committee have held senior executive positions in other companies thus providing these committee members with direct experience relevant to his responsibilities in the matters of determining executive compensation and setting the Company's compensation policies and practices.

It is the responsibility of the Compensation and Human Resources Committee to recommend to the Board the level of compensation in respect of the Company's senior executives with a view to providing such executives with a competitive compensation package having regard to their duties, responsibilities and performance. Performance is defined to include achievement of the Company's strategic objective of growth and enhancement of shareholder value through positive exploration results, overall performance of the Company, improved cash balances and fluctuations in share price. In setting compensation levels for the Named Executive Officers, the Compensation and Human Resources Committee refers to the Company's understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities, the performance of the Company's Named Executive Officers during the financial year in general and as measured against the Company's strategic objectives, the roles and responsibilities of the Company's Named Executive Officers, the individual

experience and skills of, and expected contributions from, the Company's Named Executive Officers and the Company's financial situation. No independent third-party report was prepared for the compensation of the executive officers in the 2019 financial year.

The Compensation and Human Resources Committee is also responsible for reviewing the Company's manpower and succession plan.

Although the Company does not have a policy which prohibits any Named Executive Officer or director from purchasing financial instruments designed to hedge or offset a decrease in market value of equity securities granted as compensation or held by the Named Executive Officer or director, no Named Executive Officer or director has entered into any such agreement.

Compensation for executive officers is composed primarily of two components when granted: namely, base fees and stock options. Performance bonuses may be considered from time to time having regard to the above-referenced objectives. The Board does not believe that the Company's compensation program encourages excessive or inappropriate risk taking because (i) the base fees, when granted, provide a steady income, allowing executive officers to focus on their role in developing the Company's business; and (ii) the Company's stock option plan encourages executive officers to consider the overall performance of the Company and the enhancement of shareholder value through increases in the price of the common shares.

### **Compensation of Directors**

The following table discloses the cash, equity awards and other compensation earned, paid or awarded, as the case may be, to each of the Company's non-executive directors during the fiscal year ended December 31, 2019.

<b>Director Name</b>	<b>Fees Earned or Paid in Cash (\$)</b>	<b>Share-based Awards (\$)</b>	<b>Option-based Awards<sup>(1)</sup> (\$)</b>	<b>Non-Equity Incentive Plan Compensation (\$)</b>	<b>All Other Compensation (\$)</b>	<b>Total (\$)</b>
Michael Zurowski <sup>(2)</sup>	-	-	8,850	-	-	8,850
Roy Millington	-	-	8,850	-	-	8,850
Kevin B. Heather	-	-	8,850	-	-	8,850

- (1) Fair value at the time of grant calculated using the Black-Scholes option pricing model with the following weighted average assumptions: dividend yield of 0%, expected volatility of 114%, risk-free interest rate of 1.41%, and an expected life of 5 years.
- (2) Michael Zurowski resigned as director of the Company on January 8, 2020.

All reasonable expenses incurred by directors in respect of their duties are reimbursed by the Company.

The Compensation and Human Resources Committee will consider and decide upon any new proposals for compensation to be awarded to the Company's directors.

### **APPOINTMENT OF AUDITORS AND AUTHORIZATION GIVEN TO THE BOARD OF DIRECTORS TO FIX THE REMUNERATION OF THE AUDITORS**

MNP LLP, Chartered Professional Accountants, have served as auditors of the Company since September 19, 2013. At a meeting held on June 29, 2020, the Board of Directors determined that KPMG LLP, Chartered Professional Accountants, would be proposed for appointment as auditors of the Company at the Meeting.

In light of the foregoing, a reporting package is annexed to this Circular as Schedule E, as required by National Instrument 51-102 *Continuous Disclosure Obligations*. The reporting package contains a: (i) Notice of Change of Auditors dated June 30, 2020 from the Company; (ii) letter dated July 2, 2020 from MNP LLP, Chartered Professional Accountants; and (iii) letter dated July 3, 2020 from KPMG LLP, Chartered Professional Accountants.

Therefore, the Board proposes the appointment of KPMG LLP, Chartered Accountants, as auditors of the Company for the financial year ending December 31, 2020. Furthermore, for practical reasons, it is timely at the Meeting to authorize the Board to fix the remuneration of the auditors.

**Except where authorization to vote with respect to the appointment of the auditors is withheld, the persons designated in the accompanying form of proxy will vote IN FAVOUR of the appointment of KPMG LLP as auditors and that the Board be authorized to fix the auditors remuneration, unless the shareholder specifies in his form of proxy his wish to withhold from voting.**

### **FEES FOR AUDIT SERVICES RENDERED**

The Company incurred the following fees for services performed by its principal accounting firm, MNP, LLP, during fiscal years 2019, 2018 and 2017:

Year	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees	Total
2019	\$28,000	-	-	-	\$28,000
2018	\$26,000	-	-	-	\$26,000
2017	\$29,000	-	-	-	\$29,000

### **APPROVAL OF THE COMPANY'S STOCK OPTION PLAN**

The Board passed a resolution on June 25, 2020 approving the stock option plan of the Company (the "Plan") approved on April 27, 2010 and modified on June 25, 2020 in order to reflect the name change of July 18, 2019 is attached hereto as Schedule "B". The Plan is designed to encourage share ownership by directors, officers, employees and service providers of the Company, who are primarily responsible for the management and growth of its business and to advance the interests of the Company by providing additional incentive for significant performance by such persons and to enable the Company to attract and retain valued personnel and service providers. The Plan is subject to shareholder approval and ratification on an annual basis in accordance with the rules of the TSX Venture Exchange (the "TSX-V").

#### **Named Executive Officers**

Under the Plan, the following options were outstanding as of December 31, 2019 and held by the Named Executive Officers:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)
André C. Tessier	200,000	0.11	July 4, 2024	20,000
Frank Candido	150,000 150,000 200,000	0.50 0.32 0.11	July 10, 2020 September 8, 2020 July 4, 2024	- - 20,000
Nathalie Laurin	20,000 30,000 25,000	0.50 0.32 0.11	July 10, 2020 September 8, 2021 July 4, 2024	- - 2,500
Michel Chapdelaine	200,000	0.11	July 8, 2024	20,000

(1) Based on closing price of the common shares of the Company on December 31, 2019 (\$0.21).

The following table describes all incentive plan awards for Named Executive Officers vested or earned during the financial year ended December 31, 2019:

Name	Option-based awards – Value vested during year (\$)	Share-based awards – Value vested during year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
-	-	-	-

#### Non-Executive Officers

Under the Plan, the following options were outstanding as of December 31, 2019 and held by the non-executive directors:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options <sup>(1)</sup> (\$)
Michael Zuroski <sup>(2)</sup>	50,000	0.50	July 10, 2020	-
	75,000	0.32	September 8, 2021	-
	100,000	0.11	July 4, 2024	10,000
Michael Alexander Dehn <sup>(3)</sup>	50,000	0.50	July 10, 2020	-
	100,000	0.32	September 8, 2021	-
Roy Millington	50,000	0.50	July 10, 2020	-
	75,000	0.32	September 8, 2021	-
	100,000	0.11	July 4, 2024	10,000
Mark Billings <sup>(4)</sup>	100,000	0.12	June 28, 2020	9,000
Kevin B. Heather	100,000	0.11	July 4, 2024	10,000

(1) Based on closing price of the common shares of the Company on December 31, 2019 (\$0.21).

(2) Michael Zuroski resigned as director of the Company on January 8, 2020.

(3) Michael Alexander Dehn resigned as director of the Company on June 28, 2019.

(4) Mark Billings resigned as director of the Company on June 28, 2019.

The following table describes all incentive plan awards for non-executive directors vested or earned during the financial year ended December 31, 2019:

Name	Option-based awards – Value vested during year (\$)	Share-based awards – Value vested during year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
-	-	-	-

The aggregate number of common shares which may be reserved and set aside for issuance to eligible persons under the Plan may not exceed 10% of the issued common shares of the Company.

The approval and ratification of the Plan constitutes shareholder approval of future stock options granted to directors, senior officers and/or their management companies and other service providers provided same are authorized by the Plan. The Plan will cease to be effective if it is not approved, ratified and confirmed by a majority of votes cast at the Meeting. A copy of the ordinary resolution of shareholders approving, ratifying and confirming the Plan (the “Stock Option Plan Resolution”) is attached hereto as Schedule “C”.

The terms of the Plan authorize the Board to grant stock options on the following terms:

1. The exercise price under each option shall be not less than the Market Price (as defined below) on the date on which an option is granted (the “Grant Date”). The expiry date for each option shall be set by the Board at

the time of issue of the option and shall not be more than five years after the Grant Date. Options shall not be assignable (or transferable) by the optionee.

2. The "Market Price" of common shares at any Grant Date means the closing price per common share on the TSX-V for the last day common shares were traded prior to the Grant Date, provided such price is fixed in accordance with and subject to the policies of the TSX-V.
3. The number of common shares which may be reserved for issuance under the Plan and under all the Company's other previously established or proposed share compensation arrangements to any one optionee within a one year period shall not exceed 5% of the outstanding issue of common shares.
4. The number of common shares which may be reserved for issuance under the Plan to any consultant or employee engaged in investor relations activities within a one year period shall not exceed 2% of the outstanding common shares.
5. The Board may determine and impose terms on when options may vest; however, the TSX-V typically requires options to vest over a period of at least 18 months with no more than ¼ of the options vesting in any three month period. Options issued to consultants or employees engaged in investor relations activities must vest in stages over a period of 12 months with no more than ¼ of the options vesting in any three month period.
6. The options can only be exercised by the optionee as long as the optionee remains an eligible optionee pursuant to the Plan or within a period of not more than 10 days after ceasing to be an eligible optionee. If the optionee dies, vested and unexercised options may be exercised up to the earlier of 365 days from the date of the optionee's death and the expiry date of the options. If the optionee is terminated for cause, the optionee's options shall be cancelled as of the date of termination. If the optionee retires, resigns or is terminated without cause, the vested and unexercised options shall be exercisable up to the earlier of 90 days from the date of retirement, resignation or termination and the expiry date of the options. For greater certainty, options that have not vested at the time of death, termination, retirement or resignation will not vest or become exercisable and will be cancelled.
7. On the occurrence of a takeover bid, all options will become vested and the optionee will be permitted to exercise such options. The Board may, in its discretion, accelerate the expiry date of the options.

A copy of the Plan is available on [www.sedar.com](http://www.sedar.com) or may be inspected at the executive offices of the Company, located at 1718, Christine Crescent, Kingston, Ontario K7L 4V4 upon appointment during normal business hours and at the Meeting. In addition, a copy of the Plan will be mailed, free of charge, to any holder of common shares who requests a copy, in writing, from the Secretary of the Company. Any such requests should be mailed to the Company, at its executive offices, to the attention of the Secretary.

Notice of options granted under the Plan must be given to the TSX-V on a monthly basis. Any amendments to the Plan must also be approved by the TSX-V and, if necessary, by the shareholders of the Company prior to becoming effective. Existing incentive stock options are not affected by the vote at this Meeting with respect to the Plan.

The Stock Option Plan Resolution requires the approval of a majority of the votes cast by shareholders present in person or represented by proxy at the Meeting. At the Meeting, shareholders will be asked to consider, and if thought advisable, pass, with or without amendment, the Stock Option Plan Resolution.

The Board recommends that shareholders vote FOR the approval of the Stock Option Plan Resolution.

**PROXIES GRANTED TO MANAGEMENT WILL BE VOTED FOR AND IN FAVOUR OF THE STOCK OPTION PLAN RESOLUTION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS SHARES ARE TO BE VOTED AGAINST SUCH RESOLUTION.**

#### **TERMINATION OF THE SHAREHOLDER RIGHTS PLAN**

Schedule D of this Circular sets forth the text of Special Resolution 2020-01 to be adopted by the shareholders at the Meeting authorizing the termination of the shareholder rights plan.



The Board approved the termination of the Shareholder Rights Plan and recommends that the shareholders vote IN FAVOUR of Special Resolution 2020-01.

**Unless otherwise indicated, the persons designated in the enclosed form of proxy intend to vote FOR the adoption of the Special Resolution 2020-01. The Special Resolution must be adopted by at least two-thirds (2/3) of the votes cast at the Meeting.**

#### **OTHER MATTERS WHICH MAY COME BEFORE THE MEETING**

THE MANAGEMENT KNOWS OF NO MATTERS TO COME BEFORE THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OTHER THAN AS SET FORTH IN THIS INFORMATION CIRCULAR. HOWEVER, IF OTHER MATTERS WHICH ARE NOT KNOWN TO THE MANAGEMENT SHOULD PROPERLY COME BEFORE THE MEETING, THE ACCOMPANYING PROXY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE PROXY.

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

The persons named in the enclosed form of proxy represent management of the Company. A SHAREHOLDER DESIRING TO APPOINT SOME OTHER PERSON TO REPRESENT HIM AT THE MEETING MAY DO SO by filling in the name of such person in the blank space provided in the proxy or by completing another proper form of proxy and in either case, depositing the completed proxy with the Company at 1718, Christine Crescent, Kingston, Ontario K7L 4V4, by 10:00 a.m. on August 16, 2020 or by 10:00 a.m. on the second day (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the Meeting at which the proxy is to be used, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy should be executed by the shareholder or his attorney duly authorized in writing or, if the shareholder is a company by an officer or attorney thereof duly authorized.

In addition to any other manner permitted by law, a proxy may be revoked before it is exercised by instrument in writing executed in the same manner as a proxy and deposited at the executive offices of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used or with the chairman of the Meeting on the day of such meeting or any adjournment thereof and thereupon the proxy is revoked. A shareholder attending the Meeting has the right to vote in person and if he does so, his proxy is nullified with respect to the matters such person votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

An instrument of proxy will not be valid unless it is deposited at the offices of TSX Trust Company (100 Adelaide Street West, Suite 301, Toronto, Ontario, M5H 4H1) not later than 10:00 a.m., (Toronto time) on August 16, 2020 or the second day (excluding Saturdays, Sundays and holidays) before the time of any adjournment of the Meeting. An instrument of proxy shall be in writing, dated and executed by the shareholder or the shareholder's attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

#### **ADVICE TO BENEFICIAL SHAREHOLDERS**

Only shareholders holding common shares in their own name ("Registered Shareholders"), or the persons they appoint as their proxies, are permitted to vote at the Meeting. However, in many cases, common shares owned by a person (a "Beneficial Shareholder") are registered either (a) in the name of an intermediary (an "Intermediary") that the Beneficial Shareholder deals with in respect of the common shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered savings plans, registered retirement income funds, registered education savings plans and similar plans); or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("CDS")) of which the Intermediary is a participant.

Beneficial shareholders fall into two categories – those who object to their identity being made known to the issuers of securities which they own ("Objecting Beneficial Owners" or "OBOs") and those who do not object to their identity being made known to the issuers of the securities they own ("Non-Objecting Beneficial Owners" or "NOBOs"). Subject to the provisions of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101") issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agents. Pursuant to NI 54-101, issuers may obtain and use the NOBO list for

distribution of proxy-related materials directly (not via Broadridge Financial Solutions, Inc. (“Broadridge”) to such NOBOs.

If you are a Non-Objecting Beneficial Owner and the Company or its agent has sent the meeting materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you, and (ii) executing your proper voting instructions as specified in the request for voting instructions.

The Company’s decision to deliver proxy-related materials directly to its NOBOs will result in all NOBOs receiving a scannable Voting Instruction Form (“VIF”) from TSX Trust Company. Please complete and return the VIF to TSX Trust Company in the envelope provided or by facsimile. In addition, instructions in respect of the procedure for telephone and internet voting can be found in the VIF. TSX Trust Company will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs received by TSX Trust Company. For purposes of the Meeting, NOBOs will be otherwise treated the same as Registered Shareholders.

OBOs may expect to receive their materials related to the Meeting from Broadridge or their brokers or their broker’s agents. If a reporting issuer does not intend to pay for an Intermediary to deliver materials to OBOs, OBOs will not receive the materials unless their Intermediary assumes the cost of delivery. The Company does not intend to pay for Intermediaries to deliver the proxy-related materials to OBOs.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his or her Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote such common shares in that capacity. **Non-Objecting Beneficial Owners who wish to attend the Meeting and indirectly vote their common shares as proxyholder for the Registered Shareholder should, well in advance of the Meeting, provide written instructions to the Company requesting that the NOBO or a nominee of the NOBO be appointed as proxyholder for the Meeting. Written instructions to the Company may be in the form of (i) the VIF included with these Meeting materials, or (ii) any other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as a proxyholder for the Meeting.**

All references to shareholders in this Information Circular and the accompanying form of proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

#### **EXERCISE OF DISCRETION BY PROXYHOLDERS**

PROXIES GRANTED TO MANAGEMENT WILL BE VOTED AND WHERE A CHOICE IS SPECIFIED, WILL BE VOTED IN ACCORDANCE WITH THE CHOICE SO SPECIFIED IN THE PROXY. IN THE ABSENCE OF ANY SUCH SPECIFICATION, THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, WILL VOTE PROXIES FOR AND IN FAVOUR OF THE APPROVAL OF MATTERS SET OUT THEREIN. 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 OF THIS INFORMATION CIRCULAR, THE MANAGEMENT OF THE COMPANY KNOWS OF NO SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS TO COME BEFORE THE MEETING.

#### **NOTICE AND ACCESS**

The Company is utilizing the “notice and access” process under National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer (“NI-54-101”) and National Instrument 51-102 – Continuous Disclosure Obligations, for distribution of this Information Circular and other meeting materials to Registered Shareholders and Beneficial Shareholders (the “Notice and Access Shareholders”).

Notice and access is a set of rules that allows issuers to post electronic versions of meeting materials, including circulars, annual financial statements and management discussion and analysis online, via SEDAR and one other

website, rather than mailing paper copies of such meeting materials to shareholders. The Company anticipates that utilizing the notice and access process will substantially reduce both postage and printing costs and will promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

The Company has posted the Information Circular on the website <https://docs.tsxtrust.com/2050>, the Company's financial statements for the year ended December 31, 2019 (the "Annual Financial Statements") and the Company's management discussion and analysis for the year ended December 31, 2019 (the "Annual MD&A") are on the website <https://deltaresources.ca/agm2020/>.

Although the Information Circular, Annual Financial Statements and Annual MD&A will be posted electronically online, as noted above, the Notice and Access Shareholders will receive a "notice package", by prepaid mail, which includes the Notice of Meeting, with information prescribed by NI 54-101 and a proxy form or VIF from their respective Intermediary. Notice and Access Shareholders should follow the instructions for completion and delivery contained in the VIF. Notice and Access Shareholders are reminded to review the Information Circular before voting.

Notice and Access Shareholders will not receive a paper copy of the Information Circular, Annual Financial Statements or Annual MD&A unless they contact TSX Trust Company in which case TSX Trust Company will mail the requested materials within three business days of any request provided the request is made prior to the Meeting. Notice and Access Shareholders with questions about notice and access may contact TSX Trust Company toll free at 1-866-393-4891 or the Company's President by e-mail at [atessier@deltaresources.com](mailto:atessier@deltaresources.com).

### **AUDIT COMMITTEE**

NI 52-110 relating to the composition and function of audit committees was implemented for reporting companies effective March 30, 2004 and, accordingly, applies to every TSX-V listed company, including the Company. NI 52-110 requires all affected issuers to have a written Audit Committee Charter (the "Charter") which must be disclosed, as stipulated by Form 52-110F2, in the management information circular of the Company wherein management solicits proxies from the shareholders of the Company for the purpose of electing directors to the Board. This Charter has been adopted by the Board in order to comply with NI 52-110 and to more properly define the role of the Committee in the oversight of the financial reporting process of the Company. Nothing in this Charter is intended to restrict the ability of the directors nor audit committee to alter or vary procedures to comply more fully with NI 52-110, as amended from time to time. A copy of the Audit Committee Charter is attached hereto as Schedule "A".

The Audit Committee is composed of Roy Millington (Chairman), Kevin B. Heather and Frank Candido. The Board has determined that each member of the Audit Committee is financially literate, and is independent within the meaning of NI 52-110. The education and experience of Audit Committee members enable them to understand the accounting principles used by the Company in preparing financial statements, and to assess the overall application of the Company's accounting principles for accounting estimates, accruals and provisions. Moreover, this experience helps members to be prepared for the analysis and assessment of financial statements dealing with accounting issues comparable with issues raised in the Company's financial statements, allowing them to properly understand internal controls and procedures for the reporting of financial information. For a description of the education and experience of the Audit Committee members, see "Corporate Governance".

As a TSX-V issuer and pursuant to Section 6.1 of NI 52-110, the Company is exempt from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110.

### **VOTING OF SHARES**

Persons registered on the books of the Company at the close of business on June 30, 2020 (the "record date") are entitled to vote at the Meeting. Quorum for the Meeting consists of at least 2 voting persons present and authorized to cast in the aggregate not less than 10% of the total number of votes attaching to all shares carrying the right to vote at the Meeting.

At the date of this information circular, the Company has outstanding 29,099,338 common shares of its capital stock, each of which carries one vote. So far as the directors and officers of the Company are aware, no person or company beneficially owns, directly or indirectly, or exercises control or direction over voting securities carrying in excess of 10% of the voting rights attached to the common shares of the Company.

## RECEIPT OF SHAREHOLDER PROPOSALS FOR NEXT ANNUAL MEETING

Under the *Business Corporations Act* (Ontario), a registered holder or beneficial owner of common shares that will be entitled to vote at the next annual meeting of shareholders may submit to the Company, before June 18, 2021 a proposal in respect of any matter to be raised at such meeting.

### CORPORATE GOVERNANCE

The Board has ultimate responsibility for the management of the Company. The Board discharges its responsibilities directly and through its Audit Committee, Corporate Governance and Nominating Committee and the Compensation and Human Resources Committee. The Board meets at least four times per year with additional meetings being held as required.

The Company is a small Company that currently has only four directors (one of which is the President and Chief Executive Officer and one is the Chairman and Vice President of Corporate Communications of the Company). Responsibility for the day-to-day management of the Company is undertaken by the President and Chief Executive Officer who also undertakes primary responsibility for effective communication between Company, its shareholders and the public. Shareholder communication, particularly financial communications, is reviewed by the Board which also meets with the Company's auditor prior to the completion of the annual audit. Having regard to the size of the Board and the amount of time required to administer the business and affairs of the Company most corporate governance activities and issues are dealt with by the full Board.

Currently, the Board does not have a formal orientation or education program for its members. When new directors are appointed, they receive orientation, commensurate with their previous experience, on the Company's business and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business.

The Board promotes ethical business conduct through the nomination of Board members it considers ethical, through avoiding and minimizing conflicts of interest and by normally having a majority of its Board members independent of corporate matters.

The Corporate Governance and Nominating Committee, considers the size of the Board 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.

Currently, the Board takes responsibility for monitoring and assessing its own effectiveness, including reviewing the Board's decision-making processes and quality and adequacy of information provided by management, and the performance of individual directors and its committees.

With the exception of André C. Tessier and Frank Candido, all members of the Board are independent within the meaning of National Instrument 58-101 – *Disclosure of Corporate Governance Practices*. As the President and Chief Executive Officer of the Company, André C. Tessier is not independent. As the Chairman and Vice President of Corporate Communication of the Company, Frank Candido is not independent. None of the remaining directors are employed by the Company or have material consulting contracts with the Company. Any changes to the composition of the Board or status of its members are discussed and recommended by the Corporate Governance and Nominating Committee and determined by the full Board. In the past, the Company has made available, at the Company's expense, outside legal advisors to the directors of the Company on an "as needed" basis. The current outside directors of the Company are qualified to discharge their functions as outside directors.

**Frank Candido** was President of Golden Hope Mines Limited (the previous name of the Company) from August 2009 to June 2019. He became Chairman of the Board of Directors of Delta Resources Limited in June 2019. Mr. Candido is also the President and Chief Executive Officer of 9132-8757 Quebec Inc. (Direct financial Strategies and Communication Inc.), a corporate advisor to private and public companies. Mr. Candido is a graduate of Concordia University and McGill University. He has successfully completed his CSC (Canadian Securities Course) and his Series 3 (United States) as a registered Commodity Trading Advisor (CTA).

Mr. Candido serves on the Company's Compensation and Human Resources Committee, the Company's Audit Committee, the Corporate Governance and Nominating Committee and the Environment, Health, Safety and Regulatory Affairs Committee.

On January 28, 2016, the Quebec Autorité des Marchés Financiers ("AMF") filed an administrative charge against Mr. Candido for allegedly having traded in the Company's shares in February 2012 while having privileged information relating thereto. The AMF sought an administrative penalty of \$36,000 and a prohibition from acting as an issuer's director or officer for 12 months. . On November 28, 2017, Mr. Candido settled the case with the AMF by agreeing to a \$18,000 payment and agreeing to not transact in the open market in Golden Hope Mines Limited shares for a period of one year. There were no sanctions imposed with respect to acting as a Director of Golden Hope Mines Limited or other issuers.

**André C. Tessier** became President and Chief Executive Officer of the Company in June 2019. He is a Professional Engineer and Geologist, involved in the mineral exploration and mining industry since 1989, including 12 years as Director, President and Chief Executive Officer of publicly traded junior companies.

Mr. Tessier started his career as Exploration Manager in Noranda, Quebec for Cominco Ltd. He subsequently became geological consultant to the industry with clients from both the major and junior sectors in Canada, South and Central America and Central Asia. In 2003, Mr. Tessier was appointed as President, Chief Executive Officer and Director of Murgor Resources Inc., a position he held until 2015. He assumed management of Murgor Resources Inc. in 2003 when the company was saddled with a \$250,000 debt and a market capitalization of \$1.5M. Murgor grew into a well-financed company with a market capitalization of over \$50M by 2007. In 2015, Murgor successfully merged with a Toronto-based junior exploration company during very challenging market conditions, obtaining a 50% price premium for Murgor shareholders. During his tenure at Murgor, the company raised over \$38M through equity financing and asset value-creation (i.e. acquisition – value addition – monetization).

Since 2016, Mr. Tessier has been employed by the Ontario Geological Survey and has also been an adjunct Professor at Queen's University in Kingston since 2018. Some of Mr. Tessier's technical achievements include the discovery of Zones 43 and 45 at the Barry gold deposit in Quebec (1995-96), directing the exploration that led to the discovery of Zones 11, 17 and 54 at the Windfall Gold Deposit in Quebec (2003-04) and directing the exploration team that led to the delineation and expansion (by a factor of 200%) of the Hudvum & Wim Cu-Au deposits in Manitoba (2007-08).

Mr. Tessier obtained his Engineering degree at Ecole Polytechnique in Montreal and his MSc in Economic Geology at Queen's University in Kingston.

Mr. Tessier serves on the Company's Environment, Health, Safety and Regulatory Affairs Committee.

**Roy Millington** was employed at Rio Tinto Alcan Inc. for 23 years. Mr. Millington joined Alcan's legal department in 1989 at its Montreal head office as corporate in-house counsel and has also worked for Alcan in the United Kingdom and Switzerland. He held the position of Alcan Inc.'s Corporate Secretary from 2001 to 2007 and was Chief Counsel, Corporate from 2007 to 2012. Alcan was purchased by Anglo-Australian multinational Rio Tinto in 2007, becoming Rio Tinto Alcan Inc. in Canada's largest mergers and acquisitions transaction at that time. From 2012 to the present time, Mr. Millington has practised law.

Mr. Millington's experience includes corporate law, compliance and mergers and acquisitions. Mr. Millington earned a BA from Concordia University and a BCL and LLB from McGill University and is a member of the Bar of the province of Quebec. Mr. Millington serves on the Company's Compensation and Human Resources Committee, the Company's Audit Committee, the Corporate Governance and Nominating Committee and the Environment, Health, Safety and Regulatory Affairs Committee.

**Kevin B. Heather** is an economic geologist with more than 35 years of field experience in North and South America. Dr. Heather was a founding member of Antares Minerals, Regulus Resources and Aldebaran Resources. Dr. Heather directed the exploration that led to the discovery of the high-grade Haquira East deposit in Southern Peru, which sold to First Quantum Minerals in December 2010 for C\$650 million. His professional credentials include a BSc. (honours) degree in Geology from UBC in 1982, a MSc. degree in Geological Sciences from Queen's University in 1985, and a PhD. degree from the University of Keele in 2001.

Dr. Heather is currently the Chief Geological Officer (CGO) for both Regulus Resources (TSXV:REG) and Aldebaran Resources (TSXV:ALDE) and is the QP (FAUSIMM) responsible at a corporate level for overseeing the technical aspects of both company's exploration activities.

During his career Dr. Heather has been involved with several discoveries and has worked on various world-class ore deposits including the El Indio Au-Ag-Cu Mine (Chile), the Pascua-Lama Au-Ag deposit (Chile-Argentina), and the Au-Ag Cerro Vanguardia Au-Ag Mine (Patagonia, Argentina). Dr. Heather also serves as an independent director of Moneta Porcupine Mines (TSXV:ME) and is the co-founder of Mineros Contra El Cancer, a Chilean-based charity helping economically vulnerable children with cancer and their families.

Dr. Heather serves on the Company's Compensation and Human Resources Committee, the Company's Audit Committee and the Corporate Governance and Nominating Committee.

Except as set out herein, none of the Delta Nominees is, as of the date hereof, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that (i) while that person was acting in that capacity, was the subject of a cease trade order or similar order or an order that denied that relevant company access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days; (ii) was the subject of a cease trade order, similar order or order that denied the relevant company access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days, that was issued after that person ceased to act as a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in such capacity; (iii) while that person was acting as director, chief executive officer or chief financial officer, or within the following financial year after that person ceased to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to any proceedings by its creditors, entered into any arrangement or compromise with them, instituted any proceedings against them, tried or took actions to enter into any arrangement or compromise with them, or had a receiver or receiver manager or trustee appointed to hold its assets; or (iv) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, become subject to any proceedings by its creditors, entered into any arrangement or compromise with them, instituted proceedings against them or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

In addition, none of the Delta Nominees has been subject to a penalty or sanction imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a security regulatory authority or any other penalty or sanction imposed by a court or regulatory body that would likely be considered important to a reasonable security holder when taking a decision relating to a placement matter.

Based upon the size and nature of the Company's operations, the Company has not implemented at this time all of the formal corporate governance guidelines established by the TSX-V. The Board has under advisement the review of a strategic planning process and development of policies in this regard. ,

#### **AVAILABILITY OF DOCUMENTS**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at its executive offices at 1718, Christine Crescent, Kingston, Ontario K7L 4V4 to request copies of the Company's financial statements and management discussion and analysis. Financial information is provided in the company's comparative annual financial statements and management discuss and analysis for its most recently completed financial year which are filed on SEDAR.

The undersigned hereby certifies that the contents and the sending of this information circular have been approved by the directors of the Company.

"FRANK CANDIDO"  
Frank Candido, Chairman

June 30, 2020

## SCHEDULE "A"

### AUDIT COMMITTEE CHARTER

#### **I. PURPOSE**

The Board of Directors of Delta Resources Limited (the "Company") has established the Audit Committee (the "Committee") to augment and improve financial disclosure and ensure legal compliance by the Company with respect to financial reporting and related matters. The Committee shall assist the Board of Directors in fulfilling its financial oversight responsibilities including with respect to accounting and financial reporting processes, internal financial controls, financial risk management systems and internal and external audit functions. In general, the Committee will:

- (i) review quarterly and annual financial statements, prior to their review and approval by the Board of Directors, and satisfy itself with the fairness and consistency of the auditing practices used;
- (ii) recommend to the Board of Directors the selection of the Company's external auditors (which must be in good standing with the Canadian Public Accountability Board) to be nominated for appointment by the shareholders, as well as any external auditor required to perform other audit, review or attest services, and the compensation of all such auditors;
- (iii) ensure the integrity of the audit process, including monitoring audits to ensure sufficient managerial independence and reporting as well as the external auditor's qualifications and independence;
- (iv) pre-approve all audit services and permitted non-audit services to be provided to the Company by its external auditors;
- (v) serve as liaison between the external auditors and the Company;
- (vi) obtain assurances from management with respect to relationships with regulators, and the accuracy and timeliness of filings with regulatory authorities; and
- (vii) perform any other duty as may be assigned by the Board of Directors from time to time or as may be required by the *Business Corporations Act* (Ontario), the *Securities Act* (Ontario) and all regulations, policies, rules and instruments under applicable securities laws, and any other applicable legislation.

#### **II. RESPONSIBILITIES**

The Committee has the following specific responsibilities:

##### **1. Financial Reporting - General**

The Committee shall periodically review and discuss with management and the external auditor, as appropriate and/or applicable, the following:

- (a) the Company's financial disclosure control policies and procedures as well as any impact these may have on the internal control over financial reporting;
- (b) the Company's internal financial control system at least annually to ensure that it is current and effective;
- (c) significant financial reporting issues;

- (d) any correspondence with regulators or published reports which raise material issues that may have a significant effect on the Company's financial statements;
- (e) any reports prepared by the external auditors and provided to the Committee relating to significant financial reporting issues including the Company's selection, application and disclosure of accounting principles and the effects, if any, on the Company's financial statements;
- (f) any recommendation made by the external auditors in the course of reviewing the Company's financial reporting or accounting processes;
- (g) changes in accounting policies, audit plan and control systems;
- (h) practices and procedures adopted by management to ensure continuing compliance with financial disclosure, audit and filing requirements; and
- (i) any other matter pertaining to auditing standards, laws or regulations the Committee determines necessary for discussion or review.

## **2. Preparation and Release of Financial Information**

With respect to preparing and releasing financial information, the specific responsibilities of the Committee include:

- (a) reviewing the selection of accounting policies and audit plan for effectiveness;
- (b) reviewing and understanding the results of the external, independent audit;
- (c) satisfying itself as to the fairness, consistency and timeliness of the annual and periodic financial statements;
- (d) reviewing, from time to time, with the Chief Executive Officer and Chief Financial Officer of the Company their certificates under Multilateral Instrument 52-109 or any other applicable regulatory requirement;
- (e) presenting the approved financial statements to the Board of Directors for final approval;
- (f) reviewing and recommending to the Board of Directors for approval prior to public disclosure: the Company's annual and quarterly financial statements (whether stand alone or included in a prospectus or other offering document) and any related management's discussion and analysis (MD&A); and all earnings press releases;
- (g) reviewing portions of the Company's annual information form (AIF) and management information circular for any annual or special meeting of shareholders containing information within the Committee's mandate;
- (h) ensuring that procedures are in place for the review of all of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and periodically assessing the adequacy of such procedures;
- (i) reviewing all other press releases and public disclosures that contain material financial information or future earnings guidance regarding the Company, including the type and presentation of information to be included in such press releases or other disclosures; and
- (j) reviewing all material forward-looking financial information and future-oriented financial information publicly disclosed by the Company in filings with regulatory authorities, and the Company's policy for updating such information.



**3. Internal Audit**

The Committee, in consultation with the Company's management, has the authority to engage, or shall delegate the authority to management to engage, the services of an accountant or accounting firm, other than the Company's external auditors, to perform supplemental reviews, special projects or other internal audit functions as necessary from time to time.

**4. External Audits - Appointment and Authorization of Services**

The Committee has the authority to retain, and the Committee shall oversee, the activities of the external auditors, including the resolution of disagreements between the Company's management and the external auditor with respect to financial reporting. The Committee is authorized to determine the compensation, fees and all other terms of the external auditor's engagement, and to terminate the services of the external auditors, as the Committee may deem necessary or appropriate.

All external auditors shall report directly to the Committee.

At least annually, the Committee shall review and pre-approve the performance of all audit and lawfully permitted non-audit services, as well as the fees for such services. The Committee may delegate this function to the Committee's Chair so that, in the event of an issue arising between meetings of the Committee, such issues may be handled appropriately; provided, however, that the Chair shall fully report all action taken pursuant to this delegated authority at the next ensuing Committee meeting. The Committee need not approve in advance any non-audit services where:

- (a) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to the external auditor during the fiscal year in which the non-audit services are provided;
- (b) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- (c) such services are promptly brought to the attention of the Committee and approved prior to the completion of the audit by the Committee or by one or more members of the Committee to whom authority to grant such approvals has been delegated by the Committee.
- (d) The Committee shall meet with external auditors prior to the audit to confirm the planning and staffing of the audit.

**5. Oversight of Independence and Qualifications of External Auditors**

In order to ensure the independence of the external auditors, at least annually the Committee shall review the relationship between the auditors and the Company. Additionally, the Committee shall review all professional services provided by the external auditors to the Company for propriety. The Committee shall provide a report of its findings to the Board of Directors, including recommendations for action to ensure the continued independence of the external auditors.

As part of the review process, the Committee shall obtain a report by the external auditors describing:

- (a) the firm's internal quality control procedures; and

- (b) any material issues raised by the most recent internal quality-control review or the audit firm or by any other governmental or professional authorities or any private sector regulatory board within the preceding five years.

The Committee is responsible for ensuring compliance by the external auditors with independence requirements and shall obtain, at least annually, from the external auditors their certificate as to their independence from the Company.

### **III. OTHER POWERS AND RESPONSIBILITIES**

#### **1. Complaint Procedures**

The Committee is responsible for establishing and administering adequate procedures by which any concerns or complaints about any accounting, internal accounting controls, or any internal or external auditing matters, issues or disagreements are received and resolved. These procedures must allow for confidential and anonymous submissions by employees of the Company of concerns regarding questionable auditing or accounting matters.

The Committee shall ensure that all documents and records related to any complaint and investigation (where applicable) are retained for a period of five years, and that no person shall destroy any corporate or audit related records that may be subject to or related to an investigation by the Company or any federal, provincial or other regulatory body.

The Committee shall annually assess the adequacy of these procedures.

#### **2. Charter and Committee Review**

The Committee shall review and assess the adequacy of the Committee Charter annually and report to the Board of Directors the results of such assessment. Any recommendations are to be put before the Board of Directors for approval.

The Committee shall also perform an annual review of the Committee's performance and report to the Board of Directors on the results of such evaluation.

#### **3. Examinations and Investigations**

The Committee may conduct such examinations, investigations or inquiries, and/or engage special accounting, legal or other advisors the Committee deems necessary.

#### **4. Hiring Policies**

The Committee shall review and approve the Company's hiring policies regarding partners and employees and former partners and former employees of the current and former external auditors.

#### **5. Access**

In discharging its responsibilities, the Committee shall have full and direct access to all books, records, facilities and personnel of the Company.

#### **IV. MEMBERSHIP AND ORGANIZATION OF COMMITTEE**

##### **1. Qualifications**

The Committee is to be comprised of not less than three members, each of whom must be a director of the Company, and:

- (a) independent; and
- (b) financially literate (meaning having the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the financial statements of the Company),

in each case as determined in accordance with, and subject to available exemptions under, applicable laws.

##### **2. Chair**

The Board of Directors shall appoint one Committee member to serve as the Chair of the Committee.

##### **3. Appointment and Removal**

Members of the Committee shall be appointed by the Board of Directors and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. Any member of the Committee may be removed, with or without cause, by a majority vote of the Board of Directors.

##### **4. Remuneration of Committee Members**

Members of the Committee and the Chair shall receive such remuneration for their service on the Committee as the Board of Directors may determine from time to time and which shall be consistent with the Company's approved fee policy as it applies to non-executive directors. No member of the Committee may earn fees from the Company or any of its subsidiaries other than fees (which fees may include cash and/or securities or options or other in-kind consideration ordinarily available to Directors of the Company, as well as all of the regular benefits that Directors of the Company are entitled to receive, in accordance with the Company's applicable policy as it applies to non-executive Directors) for acting as members of the Board of Directors and members of committees of the Board of Directors. No member of the Committee shall accept, directly or indirectly, any consulting, advisory or other compensatory fee from Alegro or any of its subsidiaries.

#### **V. CONDUCT OF MEETINGS**

##### **1. Frequency**

The Committee shall meet at least four times per year, and at least once per calendar quarter. Additional meetings shall be scheduled as required or as requested by the Company.

##### **2. Quorum**

A majority of the Committee members, present in person or by video or telephone conference facilities, shall constitute quorum for the transaction of business.

##### **3. Notice**

The auditors are entitled to receive notice of every meeting of the Committee and submit agenda items as well as attend any meeting should they so choose.

**4. Non Committee Member Attendees**

The Committee may request that any director, officer or employee of the Company, or any other person from whom the Committee would like advice or counsel, attend any meeting to provide such information or guidance.

**5. Minutes**

A Committee member or the Corporate Secretary of the Company shall keep written minutes of the Committee meetings. The minutes are to be maintained with the books and records of the Company.

**6. Delegation of Authority**

The Committee has the authority to delegate to one or more of its members where appropriate except where otherwise prohibited by law or regulation.

**7. Meetings with Management and Auditors**

As part of its goal to foster open communication, the Committee may periodically meet separately with each of management and the Company's auditors to discuss any matters that the Committee or any of these groups believes would be appropriate to discuss privately.

**VI. LIMITATION OF AUDIT COMMITTEE'S ROLE**

While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements and disclosures are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. These are the responsibilities of management of the Company and the Company's auditors.

This Charter was approved by the Board on June 29, 2020.

## **SCHEDULE “B”**

### **DELTA RESOURCES LIMITED (the “Company”)**

#### **STOCK OPTION PLAN**

#### **1. PURPOSE OF THE PLAN**

The Company hereby establishes a stock option plan for Directors, Employees and Consultants (as such terms are defined below) of the Company and its subsidiaries, to be known as the “DELTA RESOURCES LIMITED Stock Option Plan” (the “Plan”) or such other name as may be approved from time to time by the Board of Directors of the Company. The purpose of the Plan is to give to Directors, Employees and Consultants, as additional compensation the opportunity to participate in the profitability of the Company by granting to such individuals options, exercisable over periods of up to five years as an incentive and determined by the Board of Directors of the Company, to buy shares of the Company at a price equal to the Market Price (as defined below) prevailing on the Board of Directors of the Company and as permitted by the policies of the Exchange (as defined below).

#### **2. DEFINITIONS**

In this Plan, the following terms shall have the following meanings:

- (a) “Affiliate” means an affiliate within the meaning of the Business Corporations Act (Ontario).
- (b) “Associate” means an associate as defined in the Securities Act.
- (c) “Board” or “Board of Directors” means the Board of Directors of the Company.
- (d) “Change of Control” means the acquisition by any person or by two or more persons, acting jointly or in concert (within the meaning of the Securities Act) of the Company, which when added to all other voting securities of the Company at the time held by such person or by added to all other voting securities of the Company at the time held by such person or by such persons, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such persons, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.
- (e) “Consultant” means, in relation to the Company, an individual (or company wholly-owned by an individual) who:
  - (i) provides ongoing consulting services to the Company or an Affiliate of the Company under a written contract;
  - (ii) possesses technical, business or management expertise of value to the Company or an Affiliate of the Company;
  - (iii) spends a significant amount of time and attention on the business and affairs of the Company or an Affiliate of the Company; and
  - (iv) has a relationship with the Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.
- (f) “Company” means DELTA RESOURCES LIMITED and its successors.
- (g) “Directors” means directors, senior officers and Management Company Employees of the Company or of the Company’s subsidiaries to whom stock options can be granted in reliance on a prospectus exemption under applicable securities laws.

- (h) “Discounted Market Price” of Shares means, if the Shares are listed on the Exchange, the Market Price less the maximum discount permitted under the policies of the Exchange applicable to Options.
- (i) “Employee” means”
- (j) an individual who is considered an employee of the Company or a subsidiary of the Company under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
- (ii) an individual who works full-time for the Company or a subsidiary of the Company providing services normally provided by an employee and who is subject to the same control and direction over the details and methods of work as an employee of the Company or a subsidiary of the Company, but for whom income tax deductions are not made at source; or
- (iii) an individual who works for the Company or a subsidiary of the Company on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or a subsidiary of the Company over the details and methods of work as an employee of the Company, or a subsidiary of the Company but for whom income tax deductions are not made at source.
- (k) “Exchange” means the TSX Venture Exchange or, if applicable, The Toronto Stock Exchange or any other stock exchange on which the Shares are listed and posted for trading.
- (l) “Expiry Date” means the date set by the Board under section 3.1 of the Plan, as the last date on which an Option may be exercised.
- (m) “Grant Date” means the date on which an Option is granted by the Board.
- (n) “Insider” means:
- (i) a director or senior officer of the Company;
- (ii) a director or senior officer of a company that is an Insider or a subsidiary of the Company; or;
- (iii) a person that beneficially owns or controls, directly or indirectly, voting shares of the Company carrying more than 10% of the voting rights attached to all outstanding voting shares of the Company.
- (o) “Investor Relations Activities” means investor relations activities as defined in the rules and policies of the Exchange.
- (p) “Management Company Employee” means an individual employed by a Person providing management services to the Company, which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a Person engaged in Investor Relations Activities. “Management Company Employees” are included in the definition of “Directors”.
- (q) “Market Price” of Shares at any Grant Date means, the closing price per Share on the Exchange for the last day Shares were traded prior to the Grant Date, provided such price is fixed in accordance with and subject to the policies of the Exchange, or if the Shares are not listed on any stock exchange, “Market Price” of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sales price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- (r) “Options” means an option to purchase Shares granted pursuant to this Plan.
- (s) “Option Agreement” means an agreement, between the Company and an Optionee.

- (t) “Optionee” means each of the Directors, Employees and Consultants granted an Option pursuant to this Plan and their heirs, executors and administrators and subject to the policies of the Exchange, an “Optionee” may also be a corporation wholly-owned by an individual eligible for an Option grant pursuant to this Plan.
- (u) “Option Price” means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.
- (v) “Option Shares” means the aggregate number of Shares which an Optionee may purchase under an Option.
- (w) “Person” means an individual, corporation, incorporated association or organization, corporate body, partnership, trust, association or other entity.
- (x) “Plan” means this DELTA RESOURCES LIMITED Stock Option Plan.
- (y) “Shares” means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- (z) “*Securities Act*” means the Securities Act (Ontario), R.S.O. 1990, c.S.5, as amended, as at the date hereof.
- (aa) “Unissued Option Shares” means the number of Shares, at a particular time, which have been allotted for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- (ab) “Vested” means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### **3. GRANT OF OPTIONS**

#### **3.1 Option Terms**

The Board may from time to time authorize the issue of Options to the Directors, Employees and Consultants of the Company and its subsidiaries. The Option Price under each Option shall be not less than the Discounted Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than five years after the Grant Date. Options shall not be assignable (or transferable) by the Optionee.

#### **3.2 Limits on Shares Issuable on Exercise of Options**

The maximum number of Shares which may be issuable pursuant to options granted under the Plan may not exceed 10% of the issued common shares of the Company. The aggregate number of Shares that may be reserved for issuance to any one individual under the Plan and under all of the Company’s other previously established or proposed share compensation arrangements shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis at time of the grant in any twelve month period. The aggregate number of Shares that may be reserved for issuance to Consultants under the Plan and under all the Company’s other previously established or proposed share compensation arrangements shall not exceed 2% of the total number is issued and outstanding Shares on a non-diluted basis at the time of the grant in any twelve month period. The aggregate number of Shares which may be reserved for issuance to persons employed in Investor Relations Activities under the Plan and under all of the Company’s other previously established or proposed share compensation arrangements shall not exceed 2% of the total number of issued and outstanding Shares on a non-diluted basis at the time of the grant, unless the Exchange permits otherwise in any twelve month period.

“Outstanding Issues” is determined on the basis of the number of Shares that are outstanding immediately prior to the Share reservation in question, excluding Shares issued pursuant to Share compensation arrangements over the preceding one-year period.



### **3.3 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

## **4. EXERCISE OF OPTIONS**

### **4.1 When Options May be Exercised**

Subject to sections 4.3 and 4.4, an Option may be exercised to purchase any number of Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 5:00 pm local time on the Expiry Date and shall not be exercisable thereafter.

### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Shares. Upon notice and payment there will be a binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the optionee's cheque payable to the Company in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

### **4.3 Vesting of Option Shares**

The Board, subject to the policies of the Exchange, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Current policies of the TSX Venture Exchange provide that:

- (a) the TSX Venture Exchange will not normally accept plans which permit vesting over a period of less than 18 months or that vesting schedules which permit a majority of the shares to be released early in that vesting period rather than equally on a quarterly basis; and
- (b) options issued to Consultants engaged in Investor Relations Activities must vest in stages over a period of 12 months with no more than  $\frac{1}{4}$  of the Options vesting in any three month period;

and such policies are hereby adopted by the Board to remain in effect until amended or repealed.

### **4.4 Termination of Employment**

If the Optionee ceases to be a Director, Employer or Consultant of the Company or one of the Company's subsidiaries, his or her Option shall be exercisable as follows:

- (a) Death
  - (i) If the Optionee ceases to be a Director, Employer or Consultant of the Company or a subsidiary of the Company, due to his or her death or in the case of an Optionee that is a company, the death of the person who provides services to the Company or a subsidiary of the Company, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of;
    - (ii) 365 days after the date of death; and
    - (iii) the Expiry Date;
- (b) Termination for Cause

If the Optionee ceases to be a Director, Employer or Consultant of the Company or one of the Company's subsidiaries as a result of termination for cause, as that term is interpreted by the courts of the

jurisdiction in which the Optionee is employed or engaged, or in the case of an Optionee that is a corporation wholly owned by a individual who is a Director, Employee or Consultant and such individual ceases to be a Director, Employee or Consultant as a result of termination for cause as such term is interpreted in the courts of the jurisdiction in which such individual is employed or engaged, any outstanding Option held by such Optionee on the date such termination, whether in respect of Option Shares that are Vested or not, shall be canceled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee or in the case of an Option granted to an Optionee which is a company wholly-owned by an individual, ceases to be a Director, Employee or Consultant, such individual ceases to be a Director, Employee or Consultant of the Company or a subsidiary of the Company due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company or a subsidiary of the Company other than for cause, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier Expiry Date and the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee or in the case of an Option granted to an Optionee which a corporation wholly-owned by an individual who is a Director, Employee or Consultant, such individual, ceases to be a Director, Employee or Consultant of the Company or a subsidiary of the Company.

For greater certainty, an Option that has not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this section 4.4 occurred, shall not be or become exercisable in respect of such Unissued Option Shares and shall be canceled.

#### 4.5 Effect of a Take-Over Bid

If a *bona fide* offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offer becoming a control person of the Company, within the meaning of subsection 1(1) (or more particularly, as described in paragraph (c) under the definition of "distribution") of the *Securities Act*, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon all Option Shares belonging to the class of shares subject to such Offer will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon the exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein, or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of subsection (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to section 4.3 shall be reinstated. If any Option shares are returned to the Company under this section 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### 4.6 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Options granted under the Plan to be Vested, and declare the Expiry Date for the exercise of all unexercised Options granted under the Plan to be accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer.

#### **4.7 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or in the case of an Option granted to an Optionee which is a company wholly-owned by an individual who is a Director, Employee or Consultant, such individual, retire, resigns or is terminated from employment or engagement with the Company or any subsidiary of the Company, the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at the time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation or nor from any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.8 Shares Not Acquired**

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Whenever the Company issued Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subsidiaries all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "Share Reorganization") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subsection (a)(ii).

#### **5.2 Special Distribution**

Subject to the prior approval of the Exchange, whenever the Company issued by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Company, other than the Shares;
- (b) evidence of indebtedness
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); and
- (d) rights, options and warrants;

then to the extent such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "Special Distribution"), and effective immediately after the record date at which holders of shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Options Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

### **5.3 Corporate Organization**

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in sections 5.1 or 5.2;
- (b) a consolidation, arrangement, merger or amalgamation of the Company with or into another company resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation;

(any such event being herein called a "Company Reorganization") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option shares which the Optionee would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that the Option would have been entitled to received as a result of the Company Reorganization if, on the effective date thereof, the Optionee has been the holder of all Unissued Options Shares or if appropriate, as otherwise determined by the Board.

### **5.4 Determination of Option Price and Number of Unissued Option Shares**

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Company Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if such auditor declines to so act, any other form of chartered accountants in Canada that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

### **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares or other securities purchasable under the Plan pursuant to the operations of any one of sections 5.1, 5.2 or 5.3 is subject to any required approval of exchange and of any securities regulatory or other governmental authority having jurisdiction.

## **6. MISCELLANEOUS**

### **6.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any subsidiary of the Company or interfere in any way with the right of the Company or any subsidiary or other governmental authority having jurisdiction.

### **6.2 Necessary Approvals**

This Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval may only be exercised upon the receipt of such approval. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to any required approval of the Exchange and any securities regulatory or other governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Company to issue such Shares shall terminate and an Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

### **6.3 Administration of the Plan**

The Board shall, without limitations, have full and final authority in its discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in section 5.4, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive.

Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

#### **6.4 Income Taxes**

As a condition of and prior to participation in the Plan, any Optionee shall on request authorize the Company in writing to withhold from remuneration otherwise payable to such Optionee any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of the Optionee's participation in the Plan.

#### **6.5 Amendments to the Plan**

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the Exchange or any other regulatory body having authority over the Company of the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee, and, that disinterested shareholder approval (within the meaning of the policies of the TSX Venture Exchange) will be obtained for any reduction in the exercise price if the Optionee is an Insider at the time of the proposed amendment.

#### **6.6 Disinterested Shareholder Approval**

The Company shall obtain disinterested shareholders approval (within the meaning of the policies of the TSX Venture Exchange) of Options if:

- (a) the Plan, together with all of the Company's previously established proposed stock option grants, could result at any time in:
  - (i) the number of Shares reserved for issuance pursuant to stock options granted to Insiders exceeds 10% of the outstanding Shares;
  - (ii) the issuance to Insiders, within one year period, of a number of Shares exceeds 10% of the outstanding Shares; or
  - (iii) the issuance to any one Optionee, within a one year period, of a number of Shares exceeds 5% of the outstanding Shares; or
- (b) the Company is decreasing the exercise price of Option previously granted to Insiders.

#### **6.7 Form of Notice**

A notice given to the Company shall be writing, signed by the Optionee and delivered to the head business office of the Company.

#### **6.8 No Representation or Warranty as to Value**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **6.9 Representation or Warranty as to Bona Fides**

For Options granted to Employees, Consultants and Management Company Employees, the Company will represent to the Exchange that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be, of the Company or one of its subsidiaries.

#### **6.10 Compliance with Applicable Law**

If any provision of the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Company or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

**6.11 No Assignment**

No Optionee may assign any of his or her rights under the Plan.

**6.12 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any right offering).

**6.13 Governing Law**

The Plan shall be governed by laws of the Province of Ontario.

**6.14 Time of Essence**

Time is of the essence of this Plan. No extension of time will be deemed to be or to operate as a waiver of the essentially of time.

**6.15 Entire Agreement**

This Plan sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

**SCHEDULE “C”**

**RESOLUTION OF SHAREHOLDERS**  
**OF DELTA RESOURCES LIMITED**  
(The “Company”)

**Approval of the Company’s Stock Option Plan**

BE IT RESOLVED THAT:

1. the existing Stock Option Plan (the “Plan”) of the Company substantially upon the terms and conditions of the Plan as described in the Management Information Circular dated June 30, 2020 is hereby approved, ratified and confirmed; and
2. any director or officer of the Company is hereby authorized to take all such steps and execute and deliver for and on behalf of the Company all such documents as they deem necessary or desirable to give effect to the foregoing, and to reserve and set aside sufficient common shares of the Company for the purposes of the Plan, and such directors and proper officers are hereby authorized to make such changes, additions and alterations thereto as such regulatory authorities may require.

**SCHEDULE "D"**

**RESOLUTION OF SHAREHOLDERS**  
**OF DELTA RESOURCES LIMITED**  
(The "Company")

**SPECIAL RESOLUTION 2020-01**

**WHEREAS** it is deemed appropriate to terminate the Shareholder Rights Plan of the Company";

**IT IS HEREBY RESOLVED** as a special resolution that:

- (1) The Company be authorized to terminate the Shareholder Rights Plan;
- (2) The Officers and Directors of the Company be authorized to do whatever is necessary and relevant and to execute all necessary documents in order to give effect to this special resolution; and



**SCHEDULE "E"**

**REPORTING PACKAGE FOR CHANGE OF AUDITORS**

**DELTA RESOURCES LIMITED**

**CHANGE OF AUDITOR NOTICE**

TO: ONTARIO SECURITIES COMMISSION  
AUTORITÉ DES MARCHÉS FINANCIERS  
ALBERTA SECURITIES COMMISSION  
BRITISH COLUMBIA SECURITIES COMMISSION

AND TO: KPMG LLP, CHARTERED PROFESSIONAL ACCOUNTANTS  
MNP LLP, CHARTERED PROFESSIONAL ACCOUNTANTS

**Delta Resources Limited** (the “**Company**”) gives the following notice in accordance with section 4.11 of *National Instrument 51-102 Continuous Disclosure Obligations* (“**NI 51-102**”):

The date of termination of, MNP LLP, Chartered Professional Accountants, as auditor of the Company is June 29, 2020.

MNP LLP, Chartered Professional Accountants, has not been proposed for reappointment as the auditor of the Company.

The termination of MNP LLP, Chartered Professional Accountants, as auditor of the Company and the nomination of KPMG LLP, Chartered Professional Accountants, as auditor of the Company have been considered and recommended by the Audit Committee of the Board of Directors and approved by the Board of Directors of the Company.

The auditor’s report of MNP LLP, Chartered Professional Accountants, on the Company’s financial statements for the fiscal years ended December 31, 2019 and December 31, 2018, respectively, did not express a modified opinion.

There are no reportable events as such term is defined in NI 51-102.

Dated June 30, 2020

**DELTA RESOURCES LIMITED**

per: (s) André C. Tessier  
André C. Tessier  
Chief Executive Officer

July 2, 2020

TO: Alberta Securities Commission  
Autorité des Marchés Financiers  
British Columbia Securities Commission  
Ontario Securities Commission

Dear Sirs/Mesdames:

RE: Delta Resources Limited  
Notice of Change of Auditor

Pursuant to National Instrument 51-102 Continuous Disclosure Obligations, we have reviewed the information contained in the Notice of Change of Auditor of the Company dated June 30, 2020 ("the Notice") and, based on our knowledge of such information at this time, we agree with the statements made in the Notice pertaining to our firm.

Your truly,



MNP SENCRL, srl



MEMBRE  
Employeur de Choix  
CMBAA 2019

COMPTABILITÉ > CONSULTATION > FISCALITÉ  
ACCOUNTING > CONSULTING > TAX

1155, BOUL. RENÉ-LÉVESQUE O., 23E ÉTAGE, MONTRÉAL QC, H3B 2K2  
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To : Autorité des Marchés Financiers  
Alberta Securities Commission  
British Columbia Securities Commission  
Ontario Securities Commission

July 3, 2020

Dear Sir / Madam,

**Re: Notice of Change of Auditors of Delta Resources Limited**

We have read the Notice of Delta Resources Limited dated June 30, 2020 and are in agreement with the statements contained in such Notice.

Yours very truly,

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, slightly slanted style. Below the signature is a horizontal line that starts under the 'K' and ends under the 'P'.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. KPMG Canada provides services to KPMG LLP.