



**LEVON RESOURCES LTD.**

**Management Information Circular**

**Meeting Date:**

Friday, September 14, 2018 at 10:00 a.m. PDT

Stikeman Elliott LLP  
1700 - 666 Burrard Street  
Vancouver, BC V6C 2X8

**LEVON RESOURCES LTD.**  
Suite 500 – 666 Burrard Street  
Vancouver, B.C. V6C 2X8  
Tel: (778) 379-0040

## **INFORMATION CIRCULAR**

### **AS AT AND DATED August 14, 2018**

This information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by the management of LEVON RESOURCES LTD. ("Levon" or the "Company") for use at the annual general meeting of shareholders of the Company (the "Meeting") to be held at Stikeman Elliott LLP, 1700 - 666 Burrard Street, Vancouver, British Columbia, on Friday, September 14, 2018, at 10:00 a.m. PDT and any adjournment thereof, for the purposes set forth in the accompanying Notice of Annual General Meeting of Shareholders.

Notice of the Meeting was provided to the securities commissions in each jurisdiction where the Company is a reporting issuer under applicable securities laws.

In this Information Circular, references to "the Company", "we" and "our" refer to Levon Resources Ltd. "Common Shares" means common shares in the capital of the Company. "Beneficial Shareholders" means shareholders who do not hold Common Shares in their own name and "intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

## **GENERAL PROXY INFORMATION**

### **Solicitation of Proxies**

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. All costs of this solicitation will be borne by the Company. The Company has made arrangements for intermediaries to forward solicitation materials to the Beneficial Shareholders of the Common Shares held of record by those intermediaries and the Company may reimburse the intermediaries for reasonable fees and disbursements incurred by them in so doing.

### **Appointment of Proxyholders**

A shareholder entitled to vote at the Meeting may, by means of a proxy, appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf.

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

A proxy will not be valid unless the completed, signed and dated Proxy is delivered to the office of **Computershare Investor Services, 3<sup>rd</sup> Floor – 510 Burrard Street, Vancouver, British Columbia, V6C 3B9** not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

### **Revocation of Proxies**

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

- (a) executing a proxy bearing a later date; or

- (b) executing a valid notice of revocation;

either of the foregoing to be executed by the registered shareholder or the shareholder's authorized attorney in writing, or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized, and by depositing the proxy bearing a later date with **Computershare Investor Services**, or at the address of the registered office of the Company at 1700 - 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the date that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

- (c) by the registered shareholder personally attending the Meeting and voting the registered shareholder's Common Shares.

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

### **Exercise of Discretion**

The Management Designees named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. The Proxy will confer discretionary authority on the nominees named therein with respect to:

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

**In respect of a matter for which a choice is not specified in the Proxy, the Management Designees will vote the Common Shares represented by the Proxy at their own discretion for the approval of such matter.**

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting, but if any amendment, variation or other matter properly comes before the Meeting, each Management Designee intends to vote thereon in accordance with the Management Designee's best judgment.

### **Proxy Voting Options**

If you are a registered shareholder, you may elect to submit a proxy in order to vote whether or not you are able to attend the Meeting in person. In order to vote by mail, you must complete, date and sign the Proxy and return it to the Company's transfer agent, **Computershare Investor Services, 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9** not less than 48 hours, Saturdays and holidays excepted, prior to the time of the holding of the Meeting or any adjournment thereof.

### **Advice to Beneficial Shareholders**

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Common Shares in their own name. Beneficial Shareholders should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

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

Canada under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings unless the Beneficial Shareholders have waived the right to receive meeting material. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting.

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

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker (or agent of your broker), you may attend the Meeting as proxyholder for your broker and vote the Common Shares in that capacity. If you wish to attend the Meeting and indirectly vote your Common Shares as proxyholder for your broker or have a person designated by you to do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return same to your broker (or your broker's agent) in accordance with the instructions provided by your broker (or your broker's agent), well in advance of the Meeting.

Alternatively, you may request in writing that your broker send you a legal proxy which would enable you, or a person designed by you, to attend the Meeting and vote your Common Shares.

If any shareholder receives more than one proxy or voting instruction form, it is because that shareholder's Common Shares are registered in more than one form. In such cases, shareholders should sign and submit all proxies or voting instruction forms received by them in accordance with the instructions provided.

#### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

None of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the Company's last completed financial year, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company's board of directors (the "Board") has fixed **August 10, 2018**, as the record date (the "Record Date") for determination of shareholders entitled to receive notice of and to vote at the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver the Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

As of the Record Date, the Company had outstanding 125,671,907 fully paid and non-assessable Common Shares without par value, each carrying the right to one vote. The Company has no other classes of voting securities.

To the knowledge of the Company's directors and executive officers, no persons beneficially own or control or direct, directly or indirectly, Common Shares carrying 10% or more of the voting rights attaching to the outstanding Common Shares of the Company.

### **VOTES NECESSARY TO PASS RESOLUTIONS**

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein.

### **FINANCIAL STATEMENTS**

The audited financial statements of the company for the year ended March 31, 2018, (the "Financial Statements"), together with the auditor's report thereon, will be presented to the shareholders at the Meeting.

The following documents have been filed with the securities commissions or similar regulatory authorities in each of the Provinces of Canada, except Quebec:

- a) audited financial statements for the year ended March 31, 2018;
- b) auditor's report thereon; and
- c) management discussion and analysis for the year ended March 31, 2018.

Shareholders may obtain copies of these documents upon request without charge from the Company at Suite 500 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8. These documents are also available through the Internet on SEDAR, which can be accessed at [www.sedar.com](http://www.sedar.com) or on Levon's website at [www.levon.com](http://www.levon.com).

### **ELECTION OF DIRECTORS**

The Board currently consists of five (5) directors. Management proposes to fix the number of directors of the Company for the ensuing year at five (5) and to nominate the persons listed below for election as directors.

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

Management does not contemplate that any of the nominees will be unable to serve as director. In the event that prior to the Meeting any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by proxy for the election of any other person or persons as directors.

### **Majority Voting Policy**

The Toronto Stock Exchange (the "TSX") has adopted policies which require listed companies to disclose whether they have adopted a majority voting policy for the election of directors for non-contested meetings and if not, (i) explain their practices for electing directors and (ii) explain why they have not adopted a majority voting policy.

The election of directors is a matter of corporate law, which does not mandate majority voting in Canada. In accordance with applicable corporate law, the election of directors is carried out at each annual meeting of shareholders by means of an ordinary resolution, that is to say, a proposal adopted by a simple majority of votes cast by shareholders present at the meeting.

The Company has adopted a majority voting policy dated for reference October 14, 2015, as amended June 27, 2016 (the "Majority Voting Policy"), whereby any director receiving more votes "withheld" than votes "for" his/her candidature at a meeting of shareholders shall promptly tender his or her resignation to the chair of the Board following the meeting. The Company's Governance and Nominating Committee shall consider any such offers of resignation and recommend to the Board whether or not to accept it. Any director who has tendered his or her resignation shall not participate in the deliberations of either the Governance and Nominating Committee or the Board. In its deliberations, the Governance and Nominating Committee may consider any stated reasons as to why shareholders

“withheld” votes from the election of the relevant director, the length of service and the qualifications of the director, the director’s contributions to the Company, the effect such resignation may have on the Company’s ability to comply with any applicable governance rules and policies, the dynamics of the Board, and any other factors that the members of the Governance and Nominating Committee consider relevant.

The Board shall act on the Governance and Nominating Committee recommendation within 90 days following the applicable shareholders meeting, after considering the factors identified by the Governance and Nominating Committee and any other factors that the members of the Board consider relevant. The Board shall accept the resignation of the director except where exceptional circumstances would warrant the director continuing to serve on the Board. The Board must announce its decision through a press release, a copy of which must be provided to the Toronto Stock Exchange. If the Board declines to accept the resignation, it must fully state the reasons for its decision in the press release. The resignation of a director will be effective when accepted by the Board.

Forms of proxy provided for use at any shareholders meeting where directors are to be elected should enable the shareholders to vote in favour of, or to withhold from voting in respect of, each nominee separately. The results of the vote must be filed on SEDAR.

Subject to any applicable corporate law restrictions or requirements, if a resignation is accepted, the Board may leave the resulting vacancy unfilled until the next annual general meeting. Alternatively, it may fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or it may call a special meeting of shareholders at which there will be presented a management nominee or nominees to fill the vacant position or positions.

The Majority Voting Policy does not apply where an election involves a proxy battle i.e., where proxy material is circulated and/or a solicitation of proxies is carried out, in support of one or more nominees who are not part of the director nominees supported by the Board or public communications are disseminated, against one or more nominees who are supported by the Board.

#### Nominees for Election as Directors

The following table sets out the names of management's nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares of the Company which each beneficially owns, or controls or directs, directly or indirectly.

<b>Nominee Position with the Company and Province/State and Country of Residence</b>	<b>Occupation, Business or Employment<sup>(1)</sup></b>	<b>Director of the Company Since</b>	<b>Committee Membership</b>	<b>Common Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly<sup>(2)</sup></b>
Daniel Vickerman London, United Kingdom Chairman & Director	Principal, LakeRock Investments LLC. Formerly, head of Europe/UK Sales and managing Partner at Edgecrest Capital UK LLP.	July 9, 2015	Audit Committee, Compensation Committee, and Governance and Nominating Committee	200,000
Victor Chevillon Nevada, United States Director & Vice-President Exploration	Certified Professional Geologist; President of Chevillon Exploration Consulting. Director and Vice President, Exploration of Levon.	July 9, 2015	N/A	1,455,375

Edward Karr Geneva, Switzerland Director	CEO of RAM Partners S.A., a private financial services organization in Geneva, Switzerland.	July 9, 2015	Audit Committee, Compensation Committee and Mergers and Acquisitions Committee	500,000
Ron Tremblay Los Cabos, Mexico Director, President and CEO	Director, President and CEO of Levon. President of Stone's Throw Capital Inc.	February 18, 2015	Mergers and Acquisitions Committee	12,485,500 <sup>(3)</sup>
Lee Bowles Toronto, Ontario, Canada Director	Principal of Ironstone Capital Corp.	July 3, 2018	Audit Committee, Compensation Committee Governance and Nominating Committee	Nil

- (1) The information as to principal occupation, business or employment is not within the knowledge of the management of the Company and has been furnished by the respective nominees. Each nominee has held the same or a similar principal occupation with the organization indicated or a predecessor thereof for the last five years unless otherwise indicated.
- (2) The number of Common Shares beneficially owned, or controlled or directed, directly or indirectly by the above nominees for directors, is based on the information obtained from The System for Electronic Disclosure by Insiders ("SEDI").
- (3) These shares are held by Ron Tremblay indirectly through Stone's Throw Capital Inc., a company of which he is the sole shareholder.

#### **CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES**

To the knowledge of the Company, no proposed director of the Company is, as at the date of this Information Circular, 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:

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

No proposed director is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person now acting in that capacity, or within a year of that person ceasing to act in that capacity, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Company has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company has been subject to (i) any penalties or sanctions imposed by a court relating to securities legislation or by a security regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for that proposed director.

## EXECUTIVE COMPENSATION

Please see Form 51-102F6 Statement of Executive Compensation attached to this Information Circular as Schedule "A".

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only compensation plan under which equity securities are authorized for issuance as at the fiscal year ended March 31, 2018 is the Company's stock option plan. The table below summarizes information in relation to the Company's stock option plan as at the fiscal year ended March 31, 2018.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	8,846,000	\$0.17	3,721,190
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total:	8,846,000 <sup>(2)</sup>	\$0.17	3,721,190

- (1) Since the year end of March 31, 2018, no options to purchase common shares have been granted, no options to purchase common shares have been exercised and no options to purchase common shares have expired. As at the date hereof there are options outstanding to purchase 8,846,000 common shares.
- (2) As at March 31, 2018, a total of 8,846,000 common shares were issuable under the Company's Stock Option Plan, representing 7.04% of the issued and outstanding common shares.
- (3) As at March 31, 2018, a total of 3,721,190 common shares remain available for grant under the Company's Stock Option Plan, representing 2.96% of the issued and outstanding common shares.

#### Rolling Stock Option Plan

The Company's rolling stock option plan (the "**Stock Option Plan**") was established by the Company in 2015 as amended August 23, 2017.

Pursuant to the requirements of the TSX, the unallocated options under the Stock Option Plan must be re-approved by the shareholders at least every three years if the plan does not have a fixed maximum number of securities that can be issued under it. The Stock Option Plan provides that the maximum number of the common shares available for issuance under it cannot exceed 10% of the issued and outstanding shares at the time of grant. The Stock Option Plan was most recently approved by shareholders on September 28, 2017.

The Stock Option Plan provides that the maximum number of the common shares available for issuance under it cannot exceed 10% of the issued and outstanding shares at the time of grant.

There are currently 8,846,000 stock options outstanding under the Stock Option Plan representing 7.04% of the current outstanding common shares of the Company. Options to purchase 3,721,190 common shares are available to be granted, representing 2.96% of the current outstanding common shares of the Company, which, when combined with outstanding options, represents 10% of the current outstanding common shares of the Company.

The Board of Directors is of the view that the Stock Option Plan is required in order to provide incentive to the directors, officers, employees, management and others who provide service to the Company to act in the best interests of the Company.



The principal features of the Stock Option Plan are as follows:

1. Eligible participants include directors, senior officers and employees of, and certain other persons who provide services to, the Company and its subsidiaries (“Eligible Participants”).
2. The number of Common Shares which may be issuable under the Stock Option Plan or when combined with all other security based compensation arrangements of the Company, within a one-year period is limited under the Stock Option Plan, as follows:
  - a. no more than 5% of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis to any one optionee; and
  - b. the number of Common Shares i) issuable at any time, or ii) issued within any one year period, to all insiders, under the Stock Option Plan, or when combined with all other security based compensation arrangements of the Company will not exceed 10% of the Company’s issued and outstanding Common Shares on the grant date on a non-diluted basis.

Absent disinterested shareholder approval, the maximum percentage of Common Shares that may be issued to all insiders pursuant to the Stock Option Plan and all other established or proposed security based compensation arrangements of the Company is 10% of the outstanding Common Shares. Absent disinterested shareholder approval, the maximum percentage of Common Shares that may be issuable within one year to any one insider and the insider’s associates pursuant to the Stock Option Plan and all other established or proposed security based compensation arrangements of the Company is 10% of the outstanding Common Shares.

3. The exercise price for an option shall be equal to, and shall not be less than, the closing price per Common Share on the trading day immediately preceding the grant date.
4. The Stock Option Plan provides for the vesting of options over a one year period with 25% for every three months or otherwise as determined by the Board at the time of grant.
5. The term 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. The term of any options which expire during a blackout period will be extended by 10 business days past the date of the cessation of the blackout period, notwithstanding that this may result in options being outstanding for longer than the five year period. Options that expire during a blackout period and are not exercised by the end of the 10<sup>th</sup> business day following the end of the blackout period will be considered expired.
6. Under the Stock Option Plan if an optionee ceases to be an Eligible Person, his, her or its option shall be exercisable as follows:
  - a. if the optionee ceases to be an Eligible Person, due to his or her death or disability or, in the case of an optionee that is a company, the death or disability of the person who provides management or consulting services to the Company or to any entity controlled by the Company, the option held by such optionee shall be exercisable to acquire vested but unissued option shares at any time up to but not after the earlier of: (i) 365 days after the date of death or disability; and (ii) the expiry date of such option;
  - b. if the optionee, or in the case of a management company employee or a consultant, the optionee’s employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the optionee, or, in the case of a management company employee or a consultant, the optionee’s employer, is employed or engaged, any outstanding option held by such optionee on the date of termination shall be cancelled as of that date; or

- c. if the optionee or, in the case of a management company employee or a consultant, the optionee's employer, ceases to be an Eligible Person 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, her or its termination by the Company other than for cause, or due to his, her or its voluntary resignation, the option then held by the optionee shall be exercisable to acquire vested but unissued option shares at any time up to but not after the earlier of the 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 a management company employee or a consultant, the optionee's employer, ceases to be an Eligible Person.
7. No optionee may assign any of his, her or its rights under the Stock Option Plan or any option granted thereunder.
  8. The Stock Option Plan permits the Board to amend or discontinue the Plan or options granted thereunder at any time without shareholder approval, provided any amendment to the Plan that requires approval of any applicable exchanges may not be made without approval of such applicable exchanges. However, shareholder approval will be required for changes to the Stock Option Plan that (a) increase the percentage of shares issuable on exercise of outstanding options at any time; (b) reduce the exercise price of any outstanding options or in respect of the cancellation or re-issue of options; (c) extend the term of any outstanding options beyond the original expiry date of such options unless such extension is due to a blackout period being in effect; (d) increase the maximum limit on the number of securities that may be issued to insiders pursuant to the Stock Option Plan; (e) permit an optionee to transfer or assign options to a new beneficial holder, other than for estate settlement purposes; or (f) amend the Stock Option Plan's amendment provisions. Furthermore, no amendment to the Stock Option Plan or options granted pursuant to the Stock Option Plan may be made without the consent of an optionee, if it adversely alters or impairs any options previously granted to such optionee under the Stock Option Plan.
  9. The Stock Option Plan provides additional powers to the Board with respect to the withholding of tax and other required deductions in connection with the exercise of an option.
  10. The Stock Option Plan allows for the extension of options that expire during a blackout period imposed by the Company for a period of 10 business days following the cessation of the blackout period.
  11. If the unallocated entitlements are not approved, existing options will continue unaffected; however, the Company may not grant any further options or reallocate any options that expire unexercised.

The annual burn rate of the Stock Option Plan is as follows for fiscal years ended: 2018 – 0%; 2017 – 4.6%; 2016 – 246%. Note that no stock options were outstanding at the beginning of the fiscal year ended 2016, as this was the year the in which the Stock Option Plan was adopted.

## **CORPORATE GOVERNANCE**

### **General**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101") requires issuers to disclose the corporate governance practices that they have adopted according to guidance provided pursuant to National Policy 58-201 *Corporate Governance Guidelines* ("NP 58-201").

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. The Canadian Securities Administrators (the "CSA") have adopted NP 58-101, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers. In addition, the CSA have implemented NI 58-101, which prescribes certain disclosure by reporting issuers of their corporate governance practices. This section sets out the Company's approach to corporate governance and addresses the Company's compliance with NI 58-101.

### **Board of Directors**

#### ***Independence of the Board***

The Board facilitates its independent supervision over management by choosing management who demonstrate a high level of integrity and ability and by having strong independent Board members. The independent directors are able to meet at any time without any of the non-independent directors being present. Further supervision is performed through the Audit Committee, who may meet with the Company's auditors without management being in attendance.

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

The Board consists of five directors, of whom two are independent. Neither of the two independent directors has any direct or indirect material relationship with the Company (other than as a holder of shares or options of the Company) which could, in the view of the Company's Board, reasonably interfere with the exercise of a directors' independent judgment. Edward Karr, and Lee Bowles are independent directors. Ron Tremblay is the Chief Executive Officer and President of the Company, Victor Chevillon is the VP Exploration, and Daniel Vickerman, Chairman, is a former paid consultant of the Company. As officers of the Company, neither Mr. Tremblay nor Mr. Chevillon are independent directors. As a former paid consultant, within the previous three years, Mr. Vickerman is not currently considered to be an independent director. The Company is currently seeking a third independent director.

The Board meets at least once every quarter and following the annual meeting of shareholders. The frequency of the meetings and the nature of the meeting agendas are dependent on the nature of the business and affairs which the Company faces from time to time. During the year ended March 31, 2018 the Board met four times.

To facilitate the functioning of the Board independently of management, the Audit Committee and Compensation Committee currently consist of a majority of independent directors. The Company is currently seeking an additional independent director who will also sit on these committees to replace the non-independent director. The Governance and Nominating Committee consists of one independent and one non-independent member. When appropriate, members of management are not present for the discussion and determination of certain matters at meetings of the Board. The independent directors hold *in-camera* meetings regularly following certain board meetings and Audit Committee meetings at which non-independent directors and members of management are not in attendance.

The Board has adopted a Charter and Corporate Governance Guidelines, which is attached as Schedule "B" to the Company's 2016 information circular, filed on the Company's profile at [www.sedar.com](http://www.sedar.com) on August 11, 2016.

### ***Directorships***

Certain directors of the Company are directors of other reporting issuers as described in the following table:

<b>Name of Director</b>	<b>Names of Other Reporting Issuers of which the Director is a Director</b>
Daniel Vickerman	Butte Energy Inc.
Edward Karr	Pershing Gold Corporation
Lee Bowles	Butte Energy Inc. Richmond Minerals Inc.
Ron Tremblay	Butte Energy Inc.

### ***Board of Directors Attendance***

There were four formal meetings of the Board between April 1, 2017 and March 31, 2018. The attendance record for each director at such meetings is as follows:

Director	Number of Meetings Attended/Number of Board Meetings in the year when the individual was a director
Daniel Vickerman	3/4
Victor Chevillon	3/4
Ron Tremblay	4/4
Edward Karr	4/4
Lee Bowles	Nil <sup>(1)</sup>
Gary Robertson	4/4 <sup>(2)</sup>
Barry Honig	0/3 <sup>(3)</sup>

- (1) Lee Bowles joined the Board subsequent to March 31, 2018, on July 3, 2018.
- (2) Gary Robertson resigned from the Board on June 30, 2018.
- (3) Barry Honig resigned from the Board on November 24, 2017.

In addition, certain of the Board's decisions during the year ended March 31, 2018 were passed by way of written resolution. There were also a number of informal meetings of the Board.

### ***Board Practices***

The Board is currently comprised of five directors. The size and experience of the Board is important for providing the Company with effective governance in the mining industry. The Board's mandate and responsibilities can be effectively and efficiently administered at its proposed size. The Chairman of the Board is not a member of management; however, is not considered independent within the meaning of NI 58-101 by virtue of being a former paid consultant of the Company, within the previous three years. The Board has functioned, and is of the view that it can continue to function, independently of management as required. Directors are elected for a term of one year at the annual general meeting. The Company is currently seeking a third independent director.

Procedures are in place to allow the Board to function independently and to facilitate open and candid discussion among its independent members. The Board and its committees conduct *in camera* sessions, at which members of management are not present. The *in camera* sessions are intended not only to encourage the Board and its committees to independently fulfill their mandates, but also to facilitate the performance of the fiduciary duties and responsibilities of the Board. At the present time, the Board has experienced directors that have made a significant contribution to the Company's success, and are satisfied that it is not constrained in its access to information, in its deliberations or in its ability to satisfy the mandate established by law to supervise the business and affairs of the Company.

### ***Mandate of the Board of Directors, its Committees and Management***

The role of the Board is to oversee the conduct of the Company's business, including the supervision of management, and determining the Company's strategy. Management is responsible for the Company's day to day operations, including proposing its strategic direction and presenting budgets and business plans to the Board for consideration and approval. The strategic plan takes into account, among other things, the opportunities and risks of the Company's business. Management provides the Board with periodic assessments as to those risks and the implementation of the Company's systems to manage those risks. The Board reviews the personnel needs of the Company from time to time, having particular regard to succession issues relating to senior management. Management is responsible for the training and development of personnel. The Board assesses how effectively the Company communicates with shareholders, and ensures compliance with the Company's Disclosure and Confidentiality Policy, as described below. Through the Audit Committee, and in conjunction with its auditors, the Board assesses the adequacy of the Company's internal control and management information systems. The Board looks to management to keep it informed of all significant developments relating to or effecting the Company's operations. Major financings, acquisitions, dispositions and investments are subject to Board approval. The Board meets as required, and the Board and committees may take action at these meetings or at a meeting by conference call or by written consent.

### ***Position Descriptions***

The Board has four (4) committees: the Audit Committee, the Compensation Committee, the Governance and Nominating Committee, and the Mergers and Acquisitions Committee. The Chair of each committee is required to

ensure that the committee meets when required and performs its duties as set forth in the charter, and to report to the Board on the activities of the committee. Because the size and nature of the Company's business allows each director to understand his role in progressing the Company's operations, the Board has not yet developed written position descriptions for the Chair of each Board committee.

The Board has not developed a written position description for the Chairman of the Board; however, the role of the Chairman of the Board is well established. The responsibilities of the Chairman include the efficient operation of the Board, ensuring that the Board is alert to its obligations to the Company, providing leadership to the Board, as well as chairing meetings of the Board. Though the current Chairman is not independent, the independent directors have sufficient breadth of experience to operate without necessarily needing to rely on the leadership of the Chairman.

The established role of the Chief Executive Officer is to provide leadership and vision for the Company, to oversee the executive management of the Company, to develop long term and short term strategic plans, financial and operating plans, to report to the Board and Shareholders and to manage relationships with stakeholders. The written description of the Chief Executive Officer, as approved by the Board is to:

- actively engage with the Board to ensure that the initiatives of the management team are aligned with the strategic direction and objectives for the Company that have been established by the Board;
- provide overall direction for the Company in order for it to implement agreed strategies in order to meet Company goals and objectives;
- provide shareholder and investor communication and manage key investment banking and institutional relationships;
- make decisions in line with organizational goals, leading to desired results, and will be responsible and accountable for results;
- create and sustain the organizational culture and environment needed to achieve objectives and results and recruit and retain a high performance operating team;
- oversee the management and administration of the Company; and
- complete such other duties and responsibilities as may be assigned or vested in him by the Board from time to time and which are consistent with the duties and responsibilities of a President and Chief Executive Officer.

Further, the Chief Executive Officer agrees, during the continuance of his employment, to devote the majority of his working time, services, skill and ability to such employment and to serve at all times with loyalty and honesty in the best interests of the Company.

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

Given the Company's size and stage of development, the Company has not yet established a formal orientation policy for new Board members. Management will provide new Directors with an initial orientation in order to familiarize them with Levon and its strategic plans, its significant financial, accounting and risk management issues, its compliance programs, its Corporate Governance Guidelines and its independent auditors. The Board will encourage, but not require directors to periodically pursue or obtain appropriate programs, sessions or materials as to the responsibilities of directors of publicly traded companies. Directors are also kept informed as to matters impacting, or which may impact, the Company's operations through regular communications from management and reports and presentations given by management and employees at Board meetings.

The current directors of the Company, who are experienced in boardroom procedures and corporate governance and have a good understanding of the Company's business, are also available to any new directors to provide information regarding the Company's business and to answer any questions new directors may have. The Board does not feel a formal education program is necessary for its directors.

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

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

The Board has adopted a Code of Business Practice & Conduct (the “Code”) which requires that the Company's directors, officers and employees maintain the highest level of integrity in their dealings with each other and with the public on behalf of the Company. Procedures for dealing with conflicts of interest are outlined in the Code, which is reviewed and acknowledged by the Company’s directors, officers, employees and consultants on an annual basis. To date, there have been no departures from the Code by any of the Company’s directors, officers, employees or consultants.

The Code of Business Practice & Conduct is attached as Schedule "C" to the Company’s 2016 information circular, filed on the Company’s profile at [www.sedar.com](http://www.sedar.com) on August 11, 2016, and is also available on our website at [www.levon.com](http://www.levon.com).

### ***Whistleblower Policy***

The Company has adopted a Whistleblower Policy which allows its directors, officers and employees who feel that a violation of the Code has occurred, or who have concerns regarding corporate fraud, unethical business conduct, questionable accounting or auditing practices, or a violation of provincial or federal securities laws to report such violation or concerns on a confidential and anonymous basis. Such reporting can be made to the General Counsel and the Chair of the Audit Committee. Complaints may be investigated internally by Management, by the Board of Directors, or the appropriate Committee or referred to the police or the appropriate regulatory authority.

The Company’s Whistleblower policy is available on our website at [www.levon.com](http://www.levon.com).

### ***Disclosure and Confidentiality Policy***

The Company has adopted a Disclosure and Confidentiality Policy which establishes procedures which permit the disclosure about the Company and its subsidiaries to the public in a timely manner and to ensure that when information has not been publicly disclosed it remains confidential. All directors, officers, consultants and employees are required to adhere to this policy to ensure that all investors in securities of the Company have equal access to information that may affect their investment decisions.

### ***Insider Trading Policy***

The Company has adopted an Insider Trading Policy which, in conjunction with the *Business Corporations Act* (British Columbia), the *Criminal Code* (Canada), the *Securities Act* (British Columbia) and National Instrument 55-104, *Insider Reporting Requirements and Exemptions*, establishes guidelines and procedures for purchases and sales of shares in the Company by directors, officers, employees, and consultants. The policy describes procedures for the communication of trading blackout periods and procedures for the exercise of stock options or other convertible securities. The policy also ensure that there is no speculating in the securities of the Company, that unpublished price-sensitive information is kept strictly confidential, and prohibits the short selling of the Company’s securities at any time. It also ensures that there is no trading in securities of other companies with the knowledge that the Company is contemplating or engaged in acquiring such company or its securities or negotiating significant business arrangements.

### ***Nomination of Directors***

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

The process for identifying and recommending the nomination of new Board candidates is set forth in the Governance and Nominating Committee Charter. Annually, the Governance and Nominating Committee, together with the Chairman of the Board and the Chief Executive Officer, provides the Board with a list of individuals recommended for election to the Board at the annual meeting of shareholders. Before recommending a candidate, replacement or additional director, the Governance and Nominating Committee will review his or her qualifications, availability to serve, conflicts of interest and other relevant factors.

Nominees for directorship will be recommended to the Board by the Chairman, Chief Executive Officer or Governance and Nominating Committee in accordance with the policies and principles set forth in its charter. Any invitation to join the Board should be extended through the Chairperson of the Corporate Governance and Nominating Committee

or the Chairman of the Board or Chief Executive Officer after approval by the full Board. The Board is responsible for nominating members to the Board and for filling vacancies on the Board that may occur between annual meetings of shareholders, in each case based upon the recommendation of the Corporate Governance and Nominating Committee.

### ***Governance and Nominating Committee***

The Governance and Nominating Committee acts in an advisory capacity to the Board with respect to governance and nominating matters. The purpose of the Governance and Nominating Committee is to:

- manage the corporate governance system for the Board;
- assist the Board to fulfill its duty to meet the applicable legal, regulatory and (self-regulatory) business principles and 'codes of best practice' of corporate behaviour and conduct;
- assist in the creation of a corporate culture and environment of integrity and accountability;
- monitor the quality of the relationship between the Board and management of the Company;
- review the Chief Executive Officer's succession plan;
- recommend to the Board nominees for appointment of the Board;
- lead the Board's annual review of the Chief Executive Officer's performance; and
- annually review and set an agenda of the Board on an ongoing basis.

The Governance and Nominating Committee currently consists of one independent director, Lee Bowles, and one non-independent director, Daniel Vickerman. To encourage an objective nomination process, the entire Board also reviews the qualifications of the nominee, availability to serve, conflicts of interest and other relevant factors. The Board will be reviewing the composition of the Governance and Nominating Committee following the Meeting.

The Company has adopted the Governance and Nominating Committee Charter, which is attached as Schedule "D" to the Company's 2016 information circular, filed on the Company's profile at [www.sedar.com](http://www.sedar.com) on August 11, 2016.

### ***Compensation Committee***

The Compensation Committee recommends to the Board the compensation of the Company's directors and the Chief Executive Officer which the Compensation Committee feels is suitable. Its recommendations are reached primarily by comparison of the remuneration paid by the Company with publicly available information on remuneration paid by other reporting issuers that the Compensation Committee feels are similarly placed within the same business of the Company.

The Compensation Committee currently consists of two independent directors, Edward Karr and Lee Bowles, and one non-independent director, Daniel Vickerman. All members of the Compensation Committee are experienced in the oversight of executive and operational management teams as a result of their experience with various private and public sector businesses.

The Company has adopted the Compensation Committee Terms of Reference (the "Terms of Reference"), which are attached as Schedule "E" to the Company's 2016 information circular, filed on the Company's profile at [www.sedar.com](http://www.sedar.com) on August 11, 2016. The Terms of Reference ensure that independent directors determine and review the compensation of executives on behalf of the Board and design the compensation policies and packages so as to attract, retain, and motivate quality employees while not exceeding market rates.

### ***Mergers and Acquisitions Committee***

The Mergers and Acquisitions Committee acts in an advisory capacity to the Board on an as-needed basis with respect to any potential corporate transactions or acquisitions that may present themselves to the Company. This committee currently consists of, Edward Karr and Ron Tremblay. This committee did not meet during the year ended March 31, 2018 and does not have a formal mandate at this time.

### *Assessments*

The Company's Corporate Governance and Nominating Committee annually evaluates and reports to the Board on the performance and effectiveness of the Board and its committees. In addition, in order to satisfy itself that the Board, its committees and individual directors are performing effectively, the Board monitors the adequacy of information given to directors, communication between the Board and management, and the strategic direction and processes of the Board and committees.

Each committee of the Board is responsible for conducting an annual self-evaluation. The Corporate Governance and Nominating Committee shall be responsible for monitoring the process and evaluation criteria established by each committee. The assessment will be discussed with the full Board following the end of each fiscal year.

### *Director Term Limits and Mechanisms of Board Renewal*

The Company does not have any terms limits or other mechanisms of Board renewal, as the Board believes that the imposition of terms limits for its directors may lead to the exclusion of potentially valuable members of the Board. The Board's retirement age policy provides that Directors will not stand for election for any term that begins after their 85th birthday.

### *Policies Regarding the Representation of Women on the Board*

While the Company recognizes the value of and supports the principle of diversity, it has not adopted a written policy relating to the identification and nomination of women Directors. The Board does not believe that strict rules in the identification and nomination process necessarily ensure the selection of the best candidates.

The Company's Governance and Nominating Committee's identification and selection process is based on a variety of different criteria, including diversity of background and opinion, skills, experience and other relevant factors. As such, consideration of the level of women on the Board is one factor among many that plays a role in the decision making process. The Company's Governance and Nominating Committee also considers a multitude of factors, including the representation of women in executive officer positions.

The Company has not adopted targets regarding women on the Company's Board or in executive officer positions given the relatively small number of Directors and executive officers. Currently the Board does not have any female Directors. With respect to executive officer positions, there are currently two women (50%) and two men (50%) who are executive officers of the Company.

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

No director, executive officer, employee or former director, executive officer or employee of the Company was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company. None of the proposed nominees for election as a director of the Company, or any associate of any director, executive officer or proposed nominee, was indebted to the Company as at the date hereof or at any time during the most recently completed financial year of the Company.

The Company and its subsidiaries have not provided any guarantee, support agreement, letter of credit or other similar arrangement or understanding for any indebtedness of any of the Company's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Company.



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

An "informed person" means: (a) a director or executive officer of the Company (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself, if and for so long as it has purchased, redeemed or otherwise acquired any of its shares.

Since the commencement of the Company's most recently completed financial year, no informed person of the Company, proposed director or any associate or affiliate of any informed person or proposed director, had any material interest, direct or indirect, in any transaction, or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

### **Composition**

The Audit Committee currently consists of three directors, Edward Karr, Lee Bowles, and Daniel Vickerman. Edward Karr and Lee Bowles are independent, all members are financially literate and at least one member has accounting or related financial expertise. The Board is currently seeking a third independent director to sit on the Audit Committee. "Financially literate" means 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 Company's financial statements. "Accounting or related financial expertise" means the ability to analyze and interpret a full set of financial statements, including the notes attached thereto.

The Audit Committee assists the Board in its oversight of the Company's consolidated financial statements and other related public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors, qualifications and independence and the performance of the internal audit function and the external auditors. The Audit Committee has direct communications channels with the Company's auditors. The Audit Committee reviews the Company's financial statements and related management's discussion and analysis of financial and operating results. The Audit Committee can retain legal, accounting or other advisors.

### **Charter**

The Board has adopted an Audit Committee Charter which is reviewed annually and sets out the role and oversight responsibilities of the Audit Committee with respect to:

- its relationship with and expectation of the external auditors, including the establishment of the independence of the external auditor and the approval of any non-audit mandates of the external auditor;
- determination of which non-audit services the external auditor is prohibited from providing;
- the engagement, evaluation, remuneration, and termination of the external auditors;
- appropriate funding for the payment of the auditor's compensation and for any advisors retained by the audit committee;
- its relationship with and expectations of the internal auditor;
- its oversight of internal control;
- disclosure of financial and related information; and
- any other matter that the Audit Committee feels is important to its mandate or that which the board chooses to delegate to it.

The Audit Committee Charter is attached as Schedule "F" to the Company's 2016 information circular, filed on the Company's profile at [www.sedar.com](http://www.sedar.com) on August 11, 2016. It is also available on our website at [www.levon.com](http://www.levon.com).

### Relevant Education and Experience

Edward Karr, Lee Bowles, and Daniel Vickerman are directors of other reporting issuers which face the breadth and level of complexity of issues which can reasonably be expected to be raised by the Company's financial statements. In such capacities, they have developed an understanding of the accounting principles used by the Company to prepare its financial statements and in connection with the accounting for estimates, accruals and reserves and of internal controls and procedures used for financial reporting.

### Audit Committee Oversight

The Audit Committee has not made any recommendations to the Board to nominate or compensate any external auditor.

### Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "External Auditors" in the Company's Audit Committee Charter.

### Reliance on Certain Exemptions

The Company's auditors, Smythe LLP, Chartered Accountants, have not provided any material non-audit services.

### External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audited services provided by Smythe LLP, Chartered Accountants, to the Company to ensure auditor independence. Fees invoiced by the auditors for audit and non-audit services since the Company's incorporation are outlined in the following table:

Nature of Services	Fees Invoiced by the Auditor in Year Ended March 31, 2018	Fees Invoiced by the Auditor in Year Ended March 31, 2017
Audit Fees <sup>(1)</sup>	\$30,600	\$33,660
Audit-Related Fees <sup>(2)</sup>	\$Nil	\$Nil
Tax Fees <sup>(3)</sup>	\$4,400	\$15,000
All Other Fees <sup>(4)</sup>	\$Nil	\$Nil

- (1) "Audit Fees" invoiced in the years-ended March 31, 2018 and March 31, 2017, are for the audit of the Company's consolidated annual financial statements.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include assurance related services not contained under "Audit Fees".
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

### APPOINTMENT OF AUDITOR

Management recommends that shareholders vote to appoint Smythe LLP, Chartered Accountants, of Suite 700 –355 Burrard Street, Vancouver, British Columbia, V6C 2G8, as auditor for the Company and to authorize the directors to fix their remuneration.

### Other Matters

Management of the Company is not aware of any other matters which are to come before the Meeting other than the matters referred to in the Notice of Meeting. However, if any matters other than those referred to herein should be presented at the Meeting, the persons named in the enclosed Proxy are authorized to vote the shares represented by the Proxy in accordance with their best judgment.

### **Additional Information**

Additional information relating to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information on the Company is provided in the Company's comparative financial statements and management discussion and analysis of the most recently completed financial year ended March 31, 2018. Copies of the Company's financial statements and management discussion and analysis may be obtained upon request from the Company to the attention of the Corporate Secretary at Suite 500 – 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, Tel (778) 379-0040.

### **Approval and Certification**

The contents of this Information Circular have been approved and this mailing has been authorized by the directors of the Company.

Where information contained in this Information Circular rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The foregoing contains no untrue statement of material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

### **Directors' Approval**

The Board of the Company has approved the contents of this Management Information Circular and its distribution to each shareholder entitled to receive notice of the Meeting.

Dated at Vancouver, British Columbia, this 14<sup>th</sup> day of August, 2018.

*"Ron Tremblay"*

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Ron Tremblay  
President and Chief Executive Officer

## SCHEDULE "A"

### Form 51-102F6 Statement of Executive Compensation (for the year ended March 31, 2018)

#### LEVON RESOURCES LTD.

For purposes of this Statement of Executive Compensation, "NEO" or "named executive officer" means each of the following individuals:

- (a) the Company's Chief Executive Officer ("CEO");
- (b) the Company's chief financial officer ("CFO");
- (c) each of the Company's, including any of its subsidiaries', three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the financial year.

Based on the foregoing definition, during the last completed fiscal year of the Company, there were four Named Executive Officers, namely, its CEO & President, Ron Tremblay, its former CFO, Nigel Kirkwood, its current CFO, JoAnne Odette, and its Vice President Exploration, Victor Chevillon.

#### References to Currency

Unless otherwise stated, all references in this information circular to monetary amounts are expressed in Canadian dollars.

#### COMPENSATION DISCUSSION AND ANALYSIS

The Company does not have a compensation program other than paying base salaries, incentive bonuses, and granting incentive stock options to the NEOs. The Company recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility. The three components of the compensation package are included to enable the Company to meet different objectives. The objectives of base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The objective of incentive bonuses (paid in the form of cash payments) is to add a variable component of compensation to recognize corporate and individual performances for executive officers and employees. The objectives of stock option awards are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Company. Implementation of new incentive stock option plans and amendments to the existing stock option plan are the responsibility of the Company's Compensation Committee.

The compensation of the NEOs is reviewed and recommended for Board approval by the Company's Compensation Committee. Although the Board has not formally evaluated the risks associated with the Company's compensation policies and practices, the Board has no reason to believe that any risks that arise from the Company's compensation policies and practices are reasonably likely to have a material impact on the Company.

The members of the Compensation Committee are Edward Karr, Lee Bowles and Daniel Vickerman, a majority of whom are independent directors, applying the definition set out in Section 1.4 of NI 52-110. See "*Corporate Governance – Compensation Committee*" for a discussion of the role and responsibilities of the Compensation Committee.

The general objectives of the Company's compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long term shareholder value;

- (b) align management's interests with the long term interests of shareholders;
- (c) provide a compensation package that is commensurate with other comparable companies to enable the Company to attract and retain talent; and
- (d) ensure that the total compensation package is designed in a manner that takes into account the Company's present stage of development and its available financial resources. The Company's compensation packages have been designed to provide a blend of a non-cash stock option component and a reasonable salary. In addition, extraordinary efforts which enhance shareholder value are rewarded with cash bonuses.

The Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

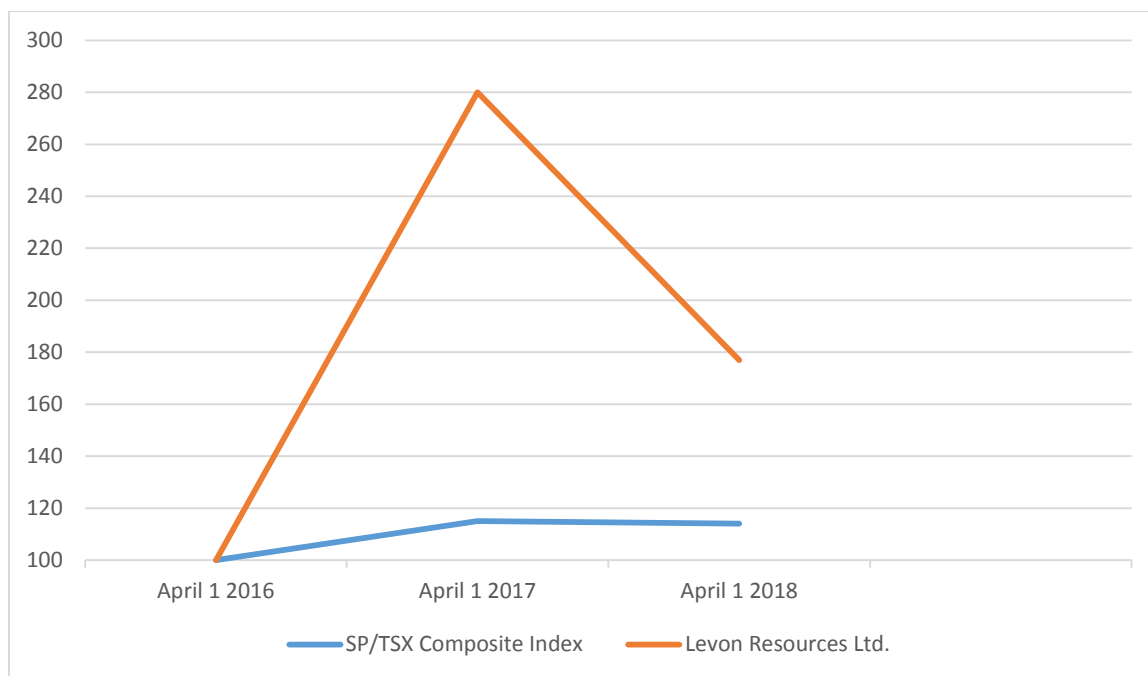
Actual compensation will vary based on the performance of the executives relative to the achievement of goals and the price of the Company's securities.

<b>Compensation Element</b>	<b>Description</b>	<b>Compensation Objectives</b>
Annual Base Salary (all NEOs)	Salary is market-competitive, fixed level of compensation	Retain qualified leaders, motivate strong business performance
Incentive Bonuses	Discretionary cash payment	Reward individual performance in achieving corporate goals
Incentive Stock Option (all NEOs)	Equity grants are made in the form of stock options. The amount of grant will be dependent on individual and corporate performance	Reward long-term financial and operating performance and align interests of key employees with those of shareholders

The Company relies on the discretion and judgment of the directors in establishing and amending contracts for all forms of compensation, including stock options to be granted to the CEO and the directors, and for reviewing the CEO's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. There is no formal process using objectives, criteria, or analysis, for determining compensation. When determining the compensation of its officers, the Compensation Committee and the Board are guided by the general objectives of the Company's compensation strategy as set out above. The Compensation Committee is authorized, at its discretion, to engage external executive compensation advisors to review contracts for NEOs.

### **Performance Graph**

The following graph compares the yearly percentage change in the cumulative total shareholder return for \$100 invested in Common Shares of the Company on April 1, 2016, against the cumulative total return of the S&P/TSX Composite Index over the most recently completed financial year. The Company did not pay any dividends during this period. As the Company did not become a reporting issuer until July 9, 2015, there is no comparative data for the preceding four year period. The Company's Compensation Committee takes into account the performance of the Company's common shares as an element of executive compensation.



	April 1, 2016	April 1, 2017	April 1, 2018
<b>Levon Resources Ltd.</b>	100	280	177
<b>S&amp;P/TSX Composite</b>	100	115	114

### SUMMARY COMPENSATION TABLE

The following table sets forth particulars concerning the compensation paid or accrued for services rendered to the Company by its NEOs in all capacities during the most recently completed financial year ended March 31, 2018.

Name and principal position	Year	Salary (\$)	Share-based awards (\$) <sup>1</sup>	Option-based awards (\$) <sup>2</sup>	Non-equity incentive plan compensation (\$) <sup>3</sup>	Pension value (\$) <sup>4</sup>	All other compensation (\$)	Total compensation (\$)
RON TREMBLAY* Director, President & CEO	2018	387,035	Nil	Nil	Nil	Nil	Nil	387,035
	2017	394,387	Nil	Nil	Nil	Nil	Nil	394,387
	2016	301,675	Nil	597,147	Nil	Nil	Nil	898,822

Name and principal position	Year	Salary (\$)	Share-based awards (\$) <sup>1</sup>	Option-based awards (\$) <sup>2</sup>	Non-equity incentive plan compensation (\$) <sup>3</sup>	Pension value (\$) <sup>4</sup>	All other compensation (\$)	Total compensation (\$)
JOANNE ODETTE CFO <sup>(5)</sup>	2018	48,750	Nil	Nil	Nil	Nil	Nil	48,750
NIGEL KIRKWOOD Former CFO <sup>(5)</sup>	2018	24,000	Nil	Nil	Nil	Nil	Nil	24,000
	2017	70,550	Nil	Nil	Nil	Nil	Nil	70,550
	2016	44,345	Nil	29,857	Nil	Nil	Nil	74,202
VICTOR CHEVILLON** DIRECTOR & VP EXPLORATION	2018	115,423	Nil	Nil	Nil	Nil	Nil	115,423
	2017	118,677	Nil	Nil	Nil	Nil	Nil	118,677
	2016	90,719	Nil	89,572	Nil	Nil	Nil	180,291

- (1) The Company does not currently have any share-based award plans.
- (2) The methodology used to calculate the fair value of a stock option on the grant date is based on the Black-Scholes Option Pricing Model. The Black-Scholes Option Pricing Model is the model accepted under International Financial Reporting Standards in computing the fair value of stock options granted and is commonly used by public companies. The Company did not grant any option-based awards for the year ended March 31, 2018. The Company used the following weighted average assumptions in the model to determine the awards granted above in 2016: Dividend Yield – Nil; Expected Life – 5.00 years; Volatility – 101.04%; Risk Free Interest Rate – 0.79%.
- (3) The Company does not have a non-equity incentive plan.
- (4) The Company does not have any pension plans.
- (5) Mr. Kirkwood resigned as CFO on August 16, 2017. JoAnne Odette was appointed CFO on August 16, 2017.

\* Mr. Tremblay is a director of the Company and has served as its President and CEO since the Company became a reporting issuer, on July 9, 2015. None of the compensation received by Mr. Tremblay relates to his role as director.

\*\* Mr. Chevillon is a director of the Company and has served as its VP Exploration since July 9, 2015. None of the compensation received by Mr. Chevillon relates to his role as director.

### Annual Base Salary

Base salaries for NEOs are determined by the Board upon the recommendation of the Compensation Committee and its recommendations are reached primarily by informal comparison with the remuneration paid by other reporting issuers with the same size and industry and with publicly available information on remuneration that the Compensation Committee feels is suitable.

The annual base salary paid to NEOs is, for the purpose of establishing appropriate increases, reviewed annually by the Board upon the recommendation of the Compensation Committee as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase is in the sole discretion of the Board and the Compensation Committee.

## Non-Equity Incentive Plan Compensation

One of the three components of the Company's compensation package is a discretionary annual cash bonus, paid to recognize individual performance in attaining corporate goals and objectives. The Company does not have a long-term incentive plan.

### Option Based Awards

Option based awards are in the form of incentive stock options. The objective of incentive stock options is to reward NEOs', employees' and directors' individual performance at the discretion of the Board upon the recommendation of the Compensation Committee.

The Company currently maintains a formal stock option plan, under which stock options have been granted and may be granted to purchase shares equal to 10% of the Company's issued capital from time to time.

The stock option plan is administered by the Compensation Committee. The process the Company uses to grant option based awards is upon the recommendations of the Compensation Committee. The role of the Compensation Committee is to recommend to the Board the compensation of the Company's directors and NEOs which the Compensation Committee feels is suitable. All previous grants of option-based awards are taken into account when considering new grants.

## INCENTIVE PLAN AWARDS

### Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the NEOs to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year ended March 31, 2018:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
RON TREMBLAY Director, President & CEO	5,000,000	\$0.16	Nov 3, 2020	525,000	Nil	Nil	Nil
JOANNE ODETTE, CFO	50,000	\$0.16	Nov 3, 2020	5,250	Nil	Nil	Nil
NIGEL KIRKWOOD FORMER CFO <sup>(2)</sup>	Nil	N/A	N/A	Nil	Nil	Nil	Nil
VICTOR CHEVILLON VP EXPLORATION	750,000	\$0.16	Nov 3, 2020	78,750	Nil	Nil	Nil

(1) In-the-Money Options is the difference between the market value of the underlying securities at March 31, 2018 and the exercise price of the option. The closing market price of the Company's common shares as at March 31, 2018 was \$0.265 per common share.

(2) Mr. Kirkwood resigned as CFO on August 16, 2017, and his options were exercised in accordance with the Company's stock option plan.



### **Incentive plan awards – value vested or earned during the year**

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended March 31, 2018:

<b>Name</b>	<b>Option-based awards – Value vested during the year (\$)<sup>(1)(2)</sup></b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
RON TREMBLAY Director, President & CEO	Nil	Nil	Nil
JOANNE ODETTE, CFO <sup>(3)</sup>	Nil	Nil	Nil
NIGEL KIRKWOOD Former CFO <sup>(3)</sup>	Nil	Nil	Nil
VICTOR CHEVILLON VP Exploration	Nil	Nil	Nil

- (1) The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.
- (2) The actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise and the value of the Common Shares upon disposition of such Common Shares.
- (3) Mr. Kirkwood resigned as CFO, effective August 16, 2017, and JoAnne Odette was appointed CFO on the same date.

### **PENSION PLAN BENEFITS**

No pension plan or retirement benefit plans have been instituted by the Company and none are proposed at this time.

### **USE OF FINANCIAL INSTRUMENTS**

Though the Company prohibits speculation in the Company's securities, the Company does not have in place policies which restrict the ability of directors or NEOs to purchase financial instruments, such as prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a director or NEO. Any such purchases would be subject to applicable insider reporting requirements.

### **TERMINATION AND CHANGE OF CONTROL BENEFITS**

The Company has entered into consulting agreements with Stone's Throw (Barbados) Ltd., a company wholly owned by Ron Tremblay, and with Chevillon Exploration Consulting, a company wholly owned by Vic Chevillon, and on July 1, 2015 (the "Tremblay Agreement" and the "Chevillon Agreement", respectively). Each agreement contains provisions for termination of employment and change of control benefits.

Each of the Tremblay and Chevillon Agreements can be terminated at any time prior to the expiry of the term, as follows:

- a) by the consultant, upon giving the Company not less than 3 months prior notice of such termination;
- b) by the Company, upon giving the consultant 3 months prior notice of such termination along with a termination payment of US\$750,000 to Stone's Throw (Barbados) Ltd., and US\$7,500 for each



\*Independent & Non-Employee Directors.

- (1) The Company does not currently have any share-based award plans.
- (2) The Company did not grant any option-based awards for the year ended March 31, 2018.
- (3) The Company does not have a non-equity incentive plan.
- (4) The Company does not have any pension plans.
- (5) Consulting fees paid to Lakerock Investments LLC, a company wholly-owned by Daniel Vickerman.
- (6) Lee Bowles was appointed as a director on July 3, 2018.
- (7) Gary Robertson resigned as a director on June 30, 2018.
- (8) Barry Honig resigned as a director on November 24, 2017.
- (9) Daniel Vickerman ceased receiving consulting fees from the Company, effective July 31, 2018.

Except as disclosed herein, no director of the Company who is not a Named Executive Officer has received, during the most recently completed financial year, compensation pursuant to:

- (a) any standard arrangement for the compensation of directors for their services in their capacity as directors, including any additional amounts payable for committee participation or special assignments;
- (b) any other arrangement, in addition to, or in lieu of, any standard arrangement, for the compensation of directors in their capacity as directors except for the granting of stock options; or
- (c) any arrangement for the compensation of directors for services as consultants or experts.

Lakerock Investments LLC, a company wholly-owned by Daniel Vickerman, was paid US\$5,000 per month for consulting services provided to the Company by Daniel Vickerman. This agreement terminated on July 31, 2018.

The Company may grant incentive stock options to Directors of the Company from time to time pursuant to the stock option plan of the Company and in accordance with the policies of the Toronto Stock Exchange (the "TSX").

#### Outstanding share-based awards and option-based awards

The following table sets forth the options granted to the directors to purchase or acquire securities of the Company outstanding at March 31, 2018:

Name <sup>(1)</sup>	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Daniel Vickerman	500,000	\$0.16	Nov 3, 2020	52,500	Nil	Nil	Nil
Edward Karr	500,000	\$0.16	Nov 3, 2020	52,500	Nil	Nil	Nil
Gary Robertson	Nil	N/A	N/A	Nil	Nil	Nil	Nil
Barry Honig <sup>(3)</sup>	Nil	N/A	N/A	Nil	Nil	Nil	Nil

- (1) For the compensation of Ron Tremblay and Victor Chevillon who are NEOs of the Company, see "Incentive Plan Awards" above.
- (2) In-the-Money Options is the difference between the market value of the underlying securities at March 31, 2018 and the exercise price of the option. The closing market price of the Company's common shares as at March 31, 2017 was \$0.265 per common share.
- (3) Barry Honig resigned as a director on November 24, 2017. His options were exercised according to the Company's stock option plan.

### Incentive plan awards – value vested or earned during the year

An "incentive plan" is any plan providing compensation that depends on achieving certain performance goals or similar conditions within a specific period. An "incentive plan award" means compensation awarded, earned, paid or payable under an incentive plan.

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to directors during the year ended March 31, 2018:

<b>Name<sup>(1)</sup></b>	<b>Option-based awards – Value vested during the year (\$)<sup>(2)(3)</sup></b>	<b>Share-based awards – Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation – Value earned during the year (\$)</b>
Daniel Vickerman	Nil	Nil	Nil
Edward Karr	Nil	Nil	Nil
Gary Robertson	Nil	Nil	Nil
Barry Honig	Nil	Nil	Nil

(1) For the compensation of Ron Tremblay and Victor Chevillon who are NEOs of the Company, see "Incentive Plan Awards" above.

(2) The aggregate dollar value that would have been realized if the options granted during the year had been exercised on the vesting date.

(3) The actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise and the value of the Common Shares upon disposition of such Common Shares.

