



**ANNUAL GENERAL MEETING**

**Annual General Meeting Materials Attached:**

**Notice of Meeting  
Information Circular  
Proxy  
Supplemental Mailing List Return Card**

**The Annual General Meeting of the Shareholders of El Niño Ventures Inc.**

**is being held at**

**BEADLE RAVEN LLP, 600-1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7**

**on Thursday, November 28, 2019 at 11:30 a.m. (Pacific time)**

**El Niño Ventures Inc.**  
101 – 2148 West 38<sup>th</sup> Avenue  
Vancouver, British Columbia V6M 1R9  
Telephone: (604) 685-1870

**EL NIÑO VENTURES INC.  
101 – 2148 West 38<sup>th</sup> Avenue  
Vancouver, British Columbia V6M 1R9**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the “*Meeting*”) of the Shareholders of El Niño Ventures Inc. (the “*Company*”) will be held at Beadle Raven LLP, 600-1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7 on Thursday, November 28, 2019 at 11:30 a.m. (Vancouver time) and any adjournments thereof (the “**Meeting**”), for the following purposes:

1. To receive and consider the financial statements of the Company for the fiscal year ended January 31, 2019, and the auditors’ report thereon.
2. To re-appoint Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company’s auditors for the ensuing year and to authorize the directors to fix their remuneration.
3. To set the number of directors at four.
4. To elect directors for the ensuing year.
5. To transact any other business which may properly come before the Meeting.

The details of the business to be transacted at the Meeting are described in further detail in the information circular accompanying this Notice.

**It is important that your shares be represented at this Meeting to ensure a quorum. If you cannot be present to vote in person, please ensure that your proxy or, if a company, your representative, is appointed and present to vote on your behalf at the Meeting. Instructions regarding the appointment of a proxy or representative are contained in the Information Circular.**

DATED at Vancouver, British Columbia this 25<sup>th</sup> day of October, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

*"Harry Barr"*

Harry Barr  
Chairman & Chief Executive Officer

# Chairman's Message

Dear Shareholders:

On behalf of the Board of Directors, I am pleased to update you on the Business Plan for El Niño Ventures, its progress to date, in 2019, and our Goals and Objectives for the balance of this year and beyond.

El Niño Ventures Inc. is an Exploration Company, who for the last 9 years has focused on Exploration for Zinc, Lead, Copper and Silver, and gold on the East Coast of Canada. **The Board of Directors has recently agreed to Management's request to look at diversifying the Company into other areas within the resource sector and the possibility of new acquisitions beyond the resource sector.** To that end, the Company plans to add to its director base and form an advisory committee with individuals that have diversified backgrounds in multiple industries including mining, oil and gas, alternative energy, diversified industrial projects, real estate, technology, alternative medicine and communications.



**Harry Barr**  
**Chairman & CEO**

The Company optioned its Minority Interest, in our Joint Venture, with Votorantim Metals Canada Inc., more specifically our interest in the Murray Brook Polymetallic Project.

By mutual agreement on May 10, 2017 and amended on April, 2019 and again July 8, 2019, El Niño Ventures Inc. and Puma Exploration Inc. ("Puma") agreed to modify the original payment terms of their asset purchase agreement. Thus, the initial payment to El Niño was modified to a cash payment of an aggregate of \$300,000, which includes a non-refundable deposit, the issuance of five (5) million Puma shares at the deemed value of seven cents, and the issuance of two (2) million share purchase warrants. The warrants issued are exercisable until May 4, 2020 at a price of C\$0.07 in year one, C\$0.08 in year two and \$0.10 in year three. In 2018 the company was paid an additional C\$1.5 million dollars as a second payment towards an end price of C\$3.1 million. In April 2019 the company received an additional one million shares of Puma for the April 2019 amended agreement.

The final payment due to El Niño of one (1) million dollars will now become due on or before June 30, 2020. Subject to this payment being made, El Niño will have received a total value of C\$3.1 million dollars excluding valuations for shares and additional option payments for the sale of its 32.14% interest in the Murray Brook Project. As agreed in the July 8<sup>th</sup> amendment, Puma will also pay to ELN an extra C\$120,000 as follows, a C\$30,000 payment on or prior to July 30<sup>th</sup>, September 30 and December 30<sup>th</sup> of 2019. The final payment of C\$30 000 is due payable on March 31<sup>st</sup>, 2020. The total of C\$120,000 is payable even if Puma pays out the C\$1 million-dollar payment before June 30<sup>th</sup>, 2020.

In the event that Puma does not proceed with the final \$1,000,000 payment before June 30, 2020, a 0.67% royalty (NSR) on the Murray Brook Project will be granted to ELN under the same terms as the existing royalty in the Purchase Agreement or, at the option of Puma and subject to prior approval of the TSX Venture Exchange, Puma will issue to ELN 1.5 million shares of Puma.

As part of the original agreement dated May 10, 2017 El Niño will also receive a laddered Net Smelter Return on Production (NSR), starting at 0.50%, at a Zinc price of US\$1.04/lb. and increasing, in increments of 0.25%, to a maximum of 1.75% above US\$1.50/lb. Zn, in relation to 32.14% of the production from the Murray Brook Property, which includes the Mining Lease and the Camel Back Claims, for the life of the Murray Brook Deposit and any new discovery made on the total project. As of July 8<sup>th</sup>, 2019 the price of zinc was US\$1.08 per pound.

In the event that PUMA does not make the final payment to ELN in regards to the asset purchase agreement, El Niño will retain its full interest in the Murray Brook Project.

**The funds from the sale of ELN's Murray Brook interest will amount to a Non-Dilutive Financing for the Company and Management plans to use these funds to acquire new projects and will continue to search for high quality new projects and also look at diversifying the company.**

## **COMMENTARY**

The Junior Exploration sector, which suffered considerably, over the last nine (9) years, appears to have reached its bottom. Metal Prices have increased considerably and although both metals prices and junior companies share prices have been volatile, a vast number of savvy investors, industry analysts and mine investment companies feel demand for metals is expected to increase over the next few years due to world-wide demand, and increased commerce on an international scale.

ELN Management and Directors continue to work diligently on acquiring financing for the Company and our Projects. Our January 2019 cash balance is approximately \$1.3 million with no debt in addition to a \$1 million receivable by June 30, 2020. We look forward to continuing to provide you with updates on our go-forward plan for the balance of our activities in 2019 and beyond. On behalf of the Board of Directors, we thank you for your ongoing support.

### **Opt-in List and Additional Information**

For additional information please visit our website at [www.ElNiñoVentures.com](http://www.ElNiñoVentures.com) or contact our field office directly at 1-613-659-1870 (toll free at 1-800-667-1870). If you have not done so already, we encourage you to sign up on our website to receive updates.

On behalf of the Board of Directors,

Yours sincerely,

A handwritten signature in black ink, appearing to read 'HAB', with a long horizontal flourish extending to the right.

Harry Barr  
Chairman & CEO

**EL NIÑO VENTURES INC.**  
**101 – 2148 West 38<sup>th</sup> Avenue**  
**Vancouver, British Columbia V6M 1R9**

**INFORMATION CIRCULAR**

(Containing information as at October 25, 2019 unless otherwise indicated)

This information circular ("*Information Circular*") is provided in connection with the solicitation of proxies by the management of **EL NIÑO VENTURES INC.** (the "*Company*") for use at the Annual General Meeting of the shareholders of the Company (the "*Meeting*") to be held on Thursday, November 28, 2019, at the offices of Beadle Raven LLP, 600-1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7 at 11:30 a.m. (Vancouver time) and at any adjournments thereof for the purpose set forth in the enclosed Notice of Annual General Meeting ("*Notice of Meeting*").

**SOLICITATION OF PROXIES**

The solicitation of proxies is intended to be primarily by mail but may also be made by telephone, facsimile or other electronic means of communication or in person by the directors, officers, and employees/consultants of the Company. The cost of such solicitation will be borne by the Company.

**APPOINTMENT OF PROXYHOLDER**

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY OR BY COMPLETING ANOTHER FORM OF PROXY.** Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder's shares are to be voted. In any case, the form of proxy should be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a company, under its corporate seal, or by an officer or attorney thereof duly authorized.

**VOTING OF PROXIES**

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

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

**In respect of a matter for which a choice is not specified in the form of proxy, the persons named in the proxy will vote the shares represented by the form of proxy for the approval of such matter.**

A proxy will not be valid for the Meeting or any adjournment thereof unless the completed, signed and dated form of proxy is delivered to the office of Computershare Investor Services Inc., Proxy Dept., 100 University Avenue, 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting.

**REGISTERED SHAREHOLDERS**

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

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), by fax within North America at 1-866-249-7775, outside North America at 1-416-263-9524, or by mail or hand delivery to Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1; or
- (b) using a touch-tone phone to transmit voting choices to a toll free number. The toll free number to call is 1-800-564-6253 within North America and 1-416-263-9200 outside North America. Registered shareholders

- must follow the instructions of the voice response system and refer to the enclosed form of proxy for the toll free number, the holder's account number and the proxy access number; or
- (c) using the internet through the website for the Company's transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered shareholders must follow the instructions that appear on the screen and refer to the enclosed form of proxy for the holder's account number and the proxy control number.

**In all cases the form of proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the form of proxy is to be used.**

## **NON-REGISTERED SHAREHOLDERS**

**The information in this section is important to many shareholders as a substantial number of shareholders do not hold their shares in their own name.** Shareholders who hold shares through their brokers, intermediaries, trustees or other nominees (such shareholders being collectively called "*Beneficial Shareholders*"). Beneficial shareholders should note that the only form of proxy that can be recognized and acted upon at the Meeting are those deposited by registered shareholders (those whose names appear on the records of the Company as the registered holders of shares).

If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Company. Such shares will more likely be registered under the name 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 United States 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. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

### **If you are a Beneficial Shareholder:**

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

The form of proxy supplied to you by your broker will be similar to the form of proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Many brokers delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications or another investor communication service (collectively, for the purposes of this Information Circular, "**Broadridge**") in Canada and the United States. Broadridge will typically mail a voting instruction form in lieu of a proxy provided by the Company. The voting instruction form will name the same persons as the Company's form of proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a Beneficial 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 shares to be represented at the Meeting. **If you receive a voting instruction form from Broadridge, you cannot use it to vote shares directly at the Meeting - the voting instruction form must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the shares voted.**

Although as a Beneficial shareholder you may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of your broker, you, or a person designed by you, may attend at the Meeting as proxy holder for your broker and vote your shares in that capacity. If you wish to attend at the Meeting and indirectly vote your shares as proxy holder 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 the same to your broker in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

Alternatively, you can request in writing that your broker send you a legal proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your shares.

This Information Circular and related material is being sent to both registered and non-registered owners of the securities of the Company. If you are a non-registered owner, and the Company or its agent has sent these 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. Please return your voting instructions as specified in the proxy.

## **REVOCATION OF PROXIES**

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

- (a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the registered shareholder or the registered shareholder's authorized attorney in writing, or, if the registered shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to the Company's transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at 1-416-263-9524, or by mail or hand delivery to Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario, Canada, M5J 2Y1 at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the registered shareholder's shares.

Only registered shareholders have the right to revoke a proxy. Beneficial shareholders who wish to revoke their proxy must, at least seven days before the Meeting, arrange for their respective intermediaries (as described above) to revoke the proxy on their behalf. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

## **RECORD DATE**

The Company has set the close of business on October 25, 2019 as the record date (the "*Record Date*") for the Meeting. Only the registered holders of common shares, and those beneficial holders entitled to receive notice through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her shares and the transferee, upon producing properly endorsed certificates evidencing such shares or otherwise establishing that he or she owns such shares, requests at least ten (10) days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such shares at the Meeting.

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

Other than as set forth in this Information Circular and except for the fact that certain directors and officers of the Company may have been granted stock options, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer of the Company, any nominee for election as a director of the Company or any associate or affiliate of any such person, 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 holders of the Company's common shares of record at the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held. The Company is authorized to issue an unlimited number of common shares without par value (the "*shares*") of which 61,611,970 shares are issued and outstanding as of the Record Date. The Company has no other class of voting securities.

A quorum for the transaction of business at the Meeting is at least one person who is, or who represents by proxy one or more shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, and based upon the Company's review of the records maintained by Computershare Investor Services Inc. and insider reports filed with System for Electronic Disclosure

by Insiders (SEDI), as at the Record Date, the following shareholders beneficially owned, directly or indirectly, or exercised control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

Shareholder Name	Number Of Shares Held	Percentage Of Issued Shares
Harry Barr <sup>(1)</sup>	17,912,130 <sup>(2)</sup>	29.07%

<sup>(1)</sup> Harry Barr is the Chairman and CEO of the Company

<sup>(2)</sup> As a result of being a director of New Age Metals, Mr. Barr exercises control over the voting rights of New Age Metal's 4,335,601 common shares of the Company. Mr. Barr's 13,576,529 common shares combined with the 4,335,601 common shares owned by New Age Metals, equals 17,912,130 common shares representing approximately 29.07% of the Company's outstanding common shares.

## PARTICULARS OF MATTERS TO BE ACTED UPON

### 1. Financial Statements

The Company's board of directors (the "Board of Directors") has approved all of the information in the audited financial statements for the year ended January 31, 2019, including the auditor's report thereon, copies of which have been sent to those shareholders who had requested receipt of same. Copies of these materials are also available on the Company's website at [www.elninoventures.com](http://www.elninoventures.com) and under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

### 2. Re-appointment of Auditors

Shareholders of the Company will be asked to vote for the re-appointment of Dale Matheson Carr-Hilton Labonte LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company's auditors, to hold office until the next annual general meeting of the shareholders, and to authorize the directors to fix their remuneration

### 3. Set Number of Directors

The Board of Directors of the Company presently consists of four (4) directors. The term of office of each of the present directors expires at the Meeting. Shareholders will be asked at the Meeting to approve an ordinary resolution the number of directors elected be set at four (4) for the ensuing year, subject to such increase as may be permitted by the by-laws of the company and the provisions of the Business Corporations Act (British Columbia). **In the absence of instructions to the contrary, the enclosed proxy will be voted in favour of setting the number of directors at four (4).**

### 4. Election of Directors

Management is nominating the individuals identified below for election as directors of the Company for the ensuing year. The persons designated in the enclosed form of proxy, unless instructed otherwise, intend to vote for the election of the nominees listed below to the Company's Board. No management nominee is to be elected under any arrangement or understanding between the management nominee and any other person or company, except the directors and executive officers of the Company acting solely in such capacity. Each director elected will hold office until the close of the next annual general meeting, or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the *Business Corporations Act* (British Columbia) and the Articles of the Company.

Management of the Company does not contemplate that any of the nominees will be unable to serve as a director but, if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy reserve the right to vote for other nominees in their discretion.

**The persons named in the proxy intend to vote IN FAVOUR of the election of the nominees whose names are listed in the following table, unless the shareholder signatory of the proxy has indicated his will to withhold from voting regarding the election of directors.**

The following table sets out the names of management's nominees for election as directors, all offices in the Company each now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a director of the Company and the number of shares of the Company beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at October 25, 2019:



Name, Municipality of Residence and Position Held	Principal Occupation for the Past Five Years <sup>(1)</sup>	Director of the Company Since	Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction is Exercised <sup>(1)</sup>
Harry Barr <sup>(2)(3)</sup> Vancouver, BC, Canada <i>Director, Chairman &amp; CEO</i>	CEO, Chairman and Director of New Age Metals Inc.	Sept. 25, 2009	17,912,130
Gary Moore, MBA, BComm. <sup>(2)</sup> Delta, BC, Canada <i>Director</i>	Director of, Freegold Ventures Limited; VP, CFO and Director of Goldcliff Resource Corporation.	May 27, 2010	166,000
Michael Neumann, P. Eng. <sup>(2)(3)</sup> Kingston, ON, Canada <i>Director</i>	Proprietor of Neumann Engineering and Mining Services, Inc. and Director of New Age Metals Inc.	April 18, 2012	4,352,268
Gordon Chunnett Cape Town, South Africa <i>Director</i>	Retired Businessman and an Advisory Board Member of New Age Metals Inc.	October 18, 2018	2,100,000

(1) The information as to principal occupation and share ownership has been furnished by the respective individual.

(2) Denotes member of the audit committee.

(3) Mr. Barr currently holds 13,576,529 common shares directly and indirectly and Mr. Neumann currently holds 16,667 common shares of the Company. As Mr. Barr and Mr. Neumann are also directors of New Age Metals Inc., and therefore common directors, both report an additional 4,335,601 common shares held by New Age Metals Inc.

### Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No director or proposed director of the Company:

- (a) is, as at the date hereof, or has been, within 10 years before the date hereof, a director, CEO or CFO of any company (including the Company) that,
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO,
- (b) is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

### 5. Other Business

Management of the Company is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of the Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters that properly may come before the Meeting.

## STATEMENT OF EXECUTIVE COMPENSATION

The following terms have the meanings set out below:

Chief Executive Officer (“*CEO*”) means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Chief Financial Officer (“*CFO*”) means an individual who served as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year.

Named Executive Officers (“*NEOs*”) means the following individuals:

(a) a CEO; (b) a CFO; (c) each of the Company’s 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 for that financial year; 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, nor acting in a similar capacity, at the end of that financial year.

### *Compensation Discussion & Analysis*

When determining the compensation of the NEOs, the Board of Directors considers the resources of the Company and the objectives of attracting, motivating and retaining highly skilled and experienced executive officers. The Board of Directors does not have a formal compensation program with set benchmarks, however, the Board of Directors does have an informal program which seeks to reward an executive officer’s current and future expected performance and the achievements of corporate milestones and align the interests of executive officers with the interests of the Company’s shareholders.

The compensation awarded to, earned by, paid to or payable to each of the NEOs for the most recently completed financial year is set out under the heading, “*Executive Compensation – Summary Compensation Table*”.

### *Compensation Review Process*

The Board of Directors reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the NEOs.

In establishing levels of remuneration, stock option and bonus grants, the Board of Directors are guided by the following principles:

- compensation is determined on an individual basis by the need to attract and retain talented, qualified and effective executives;
- total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment; and
- the current market and economic environment.

### *Assessment of Individual Performance*

Individual performance in connection with the achievement of corporate milestones and objectives is reviewed by the Board of Directors for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual’s qualitative contribution to the Company. For example, the Board of Directors will evaluate the individual’s leadership skills, commitment to the Company’s shareholders, innovation and teamwork.

### *Elements of Executive Compensation*

There are two main elements of direct compensation, namely base salary and equity participation through the Company’s stock option plan (the “*Stock Option Plan*”).

#### *Base Salary*

The base fee or salary for each NEO is determined by an assessment by the Board of Directors of such NEOs performance, a consideration of competitive compensation levels in companies similar to the Company and review of the performance of the Company as a whole.

The base fee or salary for each NEO is determined by an assessment by the Board of Directors of such NEOs performance, a consideration of competitive compensation levels in companies similar to the Company and review of the performance of the Company as a whole.

### Option Based Awards

In the Company's view, encouraging its executive officers and employees to become shareholders of the Company is the best way to align their interests with those of the Company's shareholders. Equity participation is accomplished through the Stock Option Plan.

The Board reviews the performance of the Company's management and advisors from time to time, and recommends option based awards as appropriate, taking into consideration factors such as individual performance and the overall performance of the Company.

### Summary of Compensation

As at the year ended January 31, 2019, the Company had two NEOs, being: (i) Harry Barr, Chairman and CEO of the Company; and (ii) Robert Guanzon, CFO of the Company. The following table sets forth a summary of the compensation paid to the Company's NEOs for the fiscal year ended January 31, 2019.

#### Summary Compensation Table

Name and Principal Occupation	Year Ended Jan 31	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plan			
Harry Barr Chairman & CEO	2019	\$125,911	Nil	Nil	Nil	Nil	Nil	Nil	\$125,911
	2018	\$60,000	Nil	Nil	Nil	Nil	Nil	Nil	\$60,000
	2017	\$60,000	Nil	Nil	Nil	Nil	Nil	Nil	\$60,000
Robert Guanzon CFO	2019	\$45,867	Nil	Nil	Nil	Nil	Nil	Nil	\$45,867
	2018	\$30,000	Nil	Nil	Nil	Nil	Nil	Nil	\$30,000
	2017	\$14,000	Nil	Nil	Nil	Nil	Nil	Nil	\$14,000

- (1) Deemed fair value of options granted during the fiscal year ended January 31, 2019, based on the Black-Scholes model. Indicated figure does not represent in-the-money value of options on grant date
- (2) These fees paid to 3846717 Canada Inc., a wholly-owned company of Mr. Barr.

### Outstanding Share-Based and Option-Based Awards

The following table sets forth option-based awards outstanding to NEOs for the fiscal year ended January 31, 2019. The closing price of the Company's shares on the TSX Venture Exchange (the "Exchange") on January 31, 2019 was \$0.035. The value of the unexercised, in the money options is based on the difference between the market price on January 31, 2019 and the exercise price of the options.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Harry Barr Chairman & CEO	1,000,000	\$0.05	Nov. 1/22	Nil	N/A	N/A
Robert Guanzon, CFO	250,000	\$0.05	Nov. 1/22	Nil	N/A	N/A

### Incentive Plan Awards – Value Vested or Earned During the Year Ended January 31, 2019

The following table sets forth the value of share-based and option-based awards vested or earned by NEOs during the fiscal year ended January 31, 2019:

Name	Option-based awards – Value vested during the year (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan comp. – Value earned during the year (\$)
Harry Barr Chairman & CEO	Nil	N/A	N/A
Robert Guanzon, CFO	Nil	N/A	N/A

### ***Pension Plan Benefits***

As at the fiscal year ended January 31, 2019, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans.

### ***Termination and Change of Control Benefits***

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

### ***Director Compensation***

The following table shows the compensation provided to the non-executive directors of the Company for the fiscal year ended January 31, 2019. Please see “*Summary Compensation Table*” above for details of compensation paid by the Company to those directors who are also NEOs.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Gary Moore	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Michael Neumann	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Chunnnett	Nil	Nil	Nil	Nil	Nil	Nil	Nil

<sup>(1)</sup> Deemed fair value of options granted during the fiscal year, based on Black-Scholes pricing model. Indicated figure does not represent in-the-money value of options on grant date.

There are no arrangements under which directors of the Company who were not NEOs were compensated by the Company or its subsidiaries during the Company's most recently completed fiscal year-end for their services in their capacity as directors or consultants of the Company.

### ***Outstanding Share-Based & Option-Based Awards***

The following table sets forth share-based and option-based awards outstanding to the directors of the Company who were not NEOs for the fiscal year ended January 31, 2019. The closing price of the Company's shares on the Exchange on January 31, 2019 was \$0.035. The value of the unexercised, in the money options is based on the difference between the market price on January 31, 2019 and the exercise price of the options.

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

As at the fiscal year ended January 31, 2019, no option-based or share-based awards vested or were earned.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Gary Moore	250,000	\$0.05	Nov 1, 2022	Nil	N/A	N/A
Michael Neumann	250,000	\$0.05	Nov 1, 2022	Nil	N/A	N/A
Gordon Chunnnett	75,000	\$0.05	Nov 1, 2022	Nil	N/A	N/A

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

During the fiscal year ended January 31, 2019, the Company maintained the Stock Option Plan, which was approved by the shareholders of the Company on November 23, 2016. The following table sets forth information with respect to the securities outstanding under the Stock Option Plan as at January 31, 2019.

<b>Plan Category</b>	<b>Number of common shares to be issued upon exercise of outstanding options</b> (a)	<b>Weighted average exercise price (\$) of outstanding options</b> (b)	<b>Number of common shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b> (c)
Equity Compensation Plans approved by Shareholders	4,725,000	\$0.068	7,245,566
Equity Compensation Plans not approved by Shareholders	N/A	N/A	N/A
<b>TOTAL:</b>	<b>4,725,000</b>	<b>\$0.068</b>	<b>7,245,566</b>

### *Stock Option Plan*

The following is a summary of the substantive terms of the Company's Stock Option Plan (the "Plan"):

1. The Plan is administered by the Board of Directors or by a committee appointed by the board in accordance with the terms of the Stock Option Plan.
2. The term of any options granted under the Stock Option Plan will be fixed by the Board of Directors at the time such options are granted, provided that the options will not be permitted to exceed a term of ten years.
3. The maximum aggregate number of Plan Shares that may be reserved for issuance under the Plan being 11,970,566, equal to 20% of the issued and outstanding Common Shares of the Company as approved by the Company shareholders, unless the Plan is amended pursuant to the requirements of TSX Venture Exchange (the "Exchange").
4. The following restrictions on issuance of Options are applicable:
  - (a) No Service Provider can be granted an Option if that Option would result in the total number of Options, together with all other Share Compensation Arrangements granted to such Service Provider in the previous 12 months, exceeding 5% of the Outstanding Shares, unless the Company has obtained Disinterested Shareholder Approval to do so;
  - (b) the aggregate number of Options granted to all Service Providers conducting Investor Relations Activities in any 12-month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the Exchange; and
  - (c) the aggregate number of Options granted to any one Consultant in any 12 month period cannot exceed 2% of the Outstanding Shares, calculated at the time of grant, without the prior consent of the Exchange.
5. The exercise price of an Option will be set by the Board of Directors at the time such Option is allocated under the Plan, and cannot be less than the discounted market price permitted under the policies of the Exchange.
6. Options may be exercised after the Service Provider has left office or has been advised by the Company that services are no longer required or the service contract has expired, until the term applicable to such Options expires, except as follows:
  - (a) in the case of the death of an Optionee, any vested Option held by him at the date of death will become exercisable by the Optionee's lawful personal representatives, heirs or executors until the earlier of one year after the date of death of such Optionee and the date of expiration of the term otherwise applicable to such Option;
  - (b) an Option granted to any Service Provider will expire 90 days (or such other time, not to exceed one year, as shall be determined by the Board as at the date of grant or agreed to by the Board and the Optionee at any time prior to expiry of the Option) after the date the Optionee ceases to be employed by or provide services to the Company, and only to the extent that such Option was vested at the date the Optionee ceased to be so employed by or to provide services to the Company; and
  - (c) in the case of an Optionee being dismissed from employment or service for cause, such Optionee's Options, whether or not vested at the date of dismissal will immediately terminate without right to exercise same.

7. Subject to 6(a) above, all Options will be exercisable only by the Optionee to whom they are granted and will not be assignable or transferable.

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

None of the current or former directors, executive officers or employees of the Company or persons who were directors, executive officers or employees of the Company at any time during the Company's last completed fiscal year, nor any proposed nominees for election of directors of the Company and no associate or affiliate of such persons are or have been indebted to the Company (or its subsidiaries) at any time since the beginning of the last completed fiscal year ended January 31, 2019, nor as at the date of this Information Circular. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

## **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, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company 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 securities, for so long as it holds any of its securities.

None of the informed persons of the Company, 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, in any transactions since the commencement of the Company's last completed financial year, or in any proposed transaction which, in either case, has or will materially affect the Company or any of its subsidiaries other than in the ordinary course of business or has not already been disclosed.

## **MANAGEMENT CONTRACTS**

No management functions of the Company are to any substantial degree performed by a person other than the directors or executive officers of the Company, except as disclosed herein.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

Corporate governance relates to activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("NI 58-101") requires that each reporting company disclose its corporate governance practices on an annual basis. The Company's general approach to corporate governance is summarized below.

### ***The Board of Directors***

The Board of Directors is currently composed of four directors.

### ***Independence***

Section 1.4 of National Instrument 52-110 – *Audit Committees* ("NI 52-110") sets out the standard for director independence. Under NI 52-110, a director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, be reasonably expected to interfere with the exercise of a director's independent judgment. NI 52-110 also sets out certain situations where a director will automatically be considered to have a material relationship to the Company.

Applying the definition set out in section 1.4 of NI 52-110, three of the four members of the Board of Directors are independent. The members who are independent are Gary Moore, Michael Neumann and Gordon Chunnnett. Harry Barr is not independent by virtue of the fact that he is an executive officer of the Company.

### ***Other Directorships***

In addition to their positions on the Board, the following directors also serve as directors of the following reporting issuers or reporting issuer equivalents:

<b>Name of Director</b>	<b>Reporting Issuer(s) or Equivalent(s)</b>
Harry Barr	New Age Metals Inc.
Gary Moore	Goldcliff Resources Corporation Freegold Ventures Limited
Michael Neumann	New Age Metals Inc.
Gordon Chunnett	nil

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

The Company has not adopted a formalized process of orientation for new members of the Board of Directors. Orientation of new directors is conducted on an ad hoc basis.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at meetings of the Board of Directors. Directors are also provided the opportunity to meet with senior management and other employees and advisors, who can answer any questions that may arise.

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

The Company has adopted an ethical business conduct policy. The full text of this policy is available on the Company's website at [www.elninoventures.com](http://www.elninoventures.com) or free of charge to any person on request to the Company at 101 – 2148 West 38<sup>th</sup> Avenue, Vancouver, British Columbia V6M 1R9; telephone: 604-685-1870.

### ***Whistleblower Policy***

The Company has adopted a whistleblower policy. The full text of this policy is available on the Company's website or free of charge to any person on request to the Company 101 – 2148 West 38<sup>th</sup> Avenue, Vancouver, British Columbia V6M 1R9; telephone: 604-685-1870.

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

The Board of Directors does not have a nominating committee or a formal procedure with respect to the nomination of directors. The nominees are generally the result of recruitment efforts by the members of the Board of Directors, including both formal and informal discussions among Board members and the President. The current and proposed size of the Board is such that the entire Board takes responsibility for selecting new directors and assessing current directors. Proposed directors' credentials are reviewed in advance of a Board Meeting with one or more members of the Board prior to the proposed director's nomination.

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions. The Board does not, at present, have a formal process in place for assessing the effectiveness of the Board as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. Based on the Company's size, its stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be inappropriate at this time. The Board plans to continue evaluating its own effectiveness on an ad hoc basis.

New directors are briefed on strategic plans, short, medium and long term corporate objectives, business risks and mitigation strategies, corporate governance guidelines and existing company policies. However, there is no formal orientation for new members of the Board, and this is considered to be appropriate, given the Company's size and current level of operations.

The skills and knowledge of the Board of Directors as a whole is such that no formal continuing education process is currently deemed required. The Board is comprised of individuals with varying backgrounds, who have, both collectively and individually, extensive experience in running and managing businesses. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation, with management's assistance. Board members have full access to the Company's records. Reference

is made to the table under the heading "Election of Directors" for a description of the current principal occupations of the members of the Board.

## **BOARD COMMITTEES**

The Company currently has one standing committee – the audit committee.

### ***Audit Committee***

The Company's audit committee (the "*Audit Committee*") is currently comprised of Gary Moore (Chairman of the Audit Committee), Michael Neumann and Harry Barr, who are financially literate in accordance with Section 1.6 of NI 52-110 which states that an individual is financially literate if he or she has the ability to read and understand a set of financial statements that presents 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 issuer's financial statements.

Applying the definition of "independence" set out in section 1.4 of NI 52-110, Gary Moore and Michael Neumann are independent members of the Audit Committee.

The Audit Committee is governed by an audit committee charter the text of which is attached hereto as Schedule "A".

**Gary Moore**, is a graduate from the University of British Columbia's Faculty of Commerce and from the Masters of Business Administration program. He has held junior and senior executive positions with various companies, including as a director of Next Gen Metals Inc. (2010 – 2016); a director of Freegold Ventures Limited (2010-present); a director of Goldcliff Resource Corporation (2007-present); a director of HTI Ventures Corp. (2006-2011); Assistant VP and then VP and Branch Manager of Pacific International Securities Inc. (2000-2005).

**Michael Neumann**, since 1993, Mr. Neumann has been Proprietor of Neumann Engineering and Mining Services, Inc. providing international engineering services focusing primarily on underground hard rock engineering facets such as mine design, productivity improvements, rock mechanics, second opinions, peer reviews and other types of studies.

Mr. Neumann is a graduate of Haileybury School of Mines and Michigan Technological University (Mining Engineering Degree) a member of the Canadian Institute of Mining, the International Society of Rock Mechanics and the Association of Professional Engineers of Ontario. Concurrent with his current position, he is also a director of New Age Metals Inc. (formerly Pacific North West Capital Corp.) (2012 - present). Mr. Neumann was Director and Chief Operating Officer of Silver Eagle Mines Inc. (2003-2006), a TSX listed Canadian-based silver exploration and development company. Prior to this Mr. Neumann was Co- Founder and Director of the Engineering Seismology Group Inc. based in Kingston, Ontario. His early industry experience includes positions of Chief Engineer at Campbell Red Lake Mines and Underground Superintendent at Barrick's Holt McDermott Mine.

**Harry Barr**, has over 30 years' experience in the mining industry, founding Freegold Ventures Limited (FVL:TSX/OTCBB) (Director from 1985-2007 and Chairman from 1999 - 2007); CanAlaska Uranium Ltd. (CVV:TSX/OTCBB) (President from 1985- 2005 and Chairman from 2005-2007); New Age Metals Inc. (formerly Pacific North West Capital Corp.) (PFN:TSX/OTCBB) (Chairman, CEO and Director 1996-present);. Over the last 15 years, Mr. Barr has also acted in various capacities for El Nino Ventures Inc. (ELN:TSXV) (Chairman, CEO and Director 2009-present – Director 1999-2007 – CEO 2003-2007 – Chairman 2006-2007).

The Audit Committee reviews and recommends to the Board of Directors for approval the annual financial statements and the annual report of the Company. The quarterly financial statements of the Company are reviewed and approved by the Audit Committee. In addition, the Audit Committee is charged with the responsibility of monitoring the integrity of the Company's internal controls and management information systems. For the purposes of performing these duties, the members of the Audit Committee have the right, at all times, to inspect all of the books and financial records of the Company and to discuss with management and the auditors of the Company any accounts, records and matters relating to the financial statements of the Company.

Since the commencement of the Company's most recently completed fiscal year ended January 31, 2019, the Company's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.



The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

### ***Audit Fees***

The Audit Committee must pre-approve any engagement of the external auditors for any non-audit services to the Company in accordance with applicable law and policies and procedures to be approved by the Board. The engagement of non-audit services will be considered by the Company's Board of Directors on a case-by-case basis.

In the following table, “*audit fees*” are fees billed by the Company's external auditors for services provided in auditing the Company's annual financial statements for the subject year. “*Audit-related fees*” are fees not included in audit fees that are billed by the auditors for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. “*Tax fees*” are fees billed by the auditors for professional services rendered for tax compliance, tax advice and tax planning. “*All other fees*” are fees billed by the auditors for products and services not included in the foregoing categories.

The fees paid by the Company to its auditors for each of the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
January 31, 2019	\$29,587	Nil	Nil	Nil
January 31, 2018	\$30,975	Nil	Nil	Nil

### **OTHER MATTERS**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment. Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting the common shares represented by the proxies solicited hereby will be voted on such matter in accordance with the best judgement of the persons voting by proxy.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company concerning the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year ended January 31, 2019. Copies of this information are available either on SEDAR or by contacting the Company at its offices located at 101 – 2148 West 38<sup>th</sup> Avenue, Vancouver, British Columbia V6M 1R9; Telephone 604-685-1870; [info@elninovenures.com](mailto:info@elninovenures.com).

Dated this 25<sup>th</sup> day of October, 2019.

### **ON BEHALF OF THE BOARD OF DIRECTORS**

“*Harry Barr*”

Harry Barr  
Chairman & Chief Executive Officer

## SCHEDULE "A"

### EL NINO VENTURES INC.

#### Charter of the Audit Committee of the Board of Directors

##### 1. Purpose

The purpose of the Audit Committee (the "Committee") of the Board of Directors (the "Board") of El Nino Ventures Inc. ("El Nino") is to provide an open avenue of communication between El Nino's management ("Management"), the independent Auditors ("Auditors") and the Board and to assist the Board in its oversight of the following: integrity, adequacy and timeliness of El Nino's financial reporting and disclosure practices; process for identifying the principal financial risks of El Nino and the control systems in place to monitor them; compliance with legal and regulatory requirements related to financial reporting; and independence and performance of El Nino's Auditors.

The Committee shall also perform any other activities consistent with the Charter, El Nino's by-laws and governing laws as the Committee or Board deems necessary or appropriate.

The Committee's role is one of oversight. It is not the responsibility of the Committee to determine that El Nino's financial statements are complete and accurate and in accordance with generally accepted accounting principles or to plan or conduct audits. The financial statements are the responsibility of Management. The Auditors are responsible for performing an audit and expressing an opinion on the fair presentation of El Nino's financial statements in accordance with generally accepted accounting principles.

##### 2. Authority

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Auditors as well as any officer of El Nino, or El Nino's outside counsel, to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. The Committee shall have unrestricted access to El Nino's books and records and has the authority to retain, at El Nino's expense, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties. Subject to Board approval, the Committee has the authority to set and pay the compensation of the advisors employed by the Committee. The Chairperson of the Committee ("Chairperson") or other member of the Committee so designed by the Committee may represent the Committee to the extent permitted by applicable legal and listing requirements.

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

##### 3. Composition of Meetings

- a) The Committee and its membership shall meet all applicable legal, regulatory and listing requirements.
- b) Members of the Committee and the Chairperson shall be appointed by the Board and may be removed by the Board in its discretion. The Committee will be elected annually at the first Board meeting following the annual general meeting.
- c) The Committee shall be comprised of three or more directors, one of whom shall serve as Chairperson.
- d) Each member of the Committee shall be independent, non-executive director, free from any relationship that, in the opinion of the Board, could reasonably be expected to interfere with the exercise of his or her independence from management, El Nino, or the Auditors.
- e) All members of the Committee shall be, or promptly after appointment, shall become financially literate as determined by the Board. Preferably at least one member of the Committee shall have accounting or related financial management expertise as determined by the Board.
- f) The Committee shall meet, at the discretion of the Chairperson or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirement, and a majority of the members of the Committee shall constitute a quorum.
- g) If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all powers and responsibilities so long as quorum remains in office.
- h) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose; actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective

as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. In the case of a tie the Chairperson shall have a second or tie-breaking vote.

- i) The Committee shall maintain minutes of meetings and periodically report to the Board on significant results of the Committee's activities.
- j) The Committee may invite such other persons to its meetings as it deems appropriate.
- k) The Auditors will have direct access to the Committee on their own initiative.

#### **4. Responsibilities**

##### **A. With respect to the Interim and Annual Financial Statements, the MD&A, and the Annual Information Form**

- a) The Committee shall review El Nino's interim financial statements for approval of same prior to their being filed with the appropriate regulatory authorities. The Committee shall review El Nino's annual audited financial statements and report thereon to prior to their being filed with the appropriate regulatory authorities. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of Management with Management and the Auditors and when the Committee deems it appropriate to do so.
- b) The Committee shall review Management's Discussion and Analysis relating to annual and interim financial statements, the Annual Information Form and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws prior to their being filed with the appropriate regulatory authorities.
- c) The Committee shall review Management's earnings releases relating to annual and interim financial statements and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws prior to their being filed with the appropriate regulatory authorities.
- d) The Committee shall review the post-audit or management letter containing the recommendations of the Auditors and Management's response and subsequent follow-up to any identified weaknesses.
- e) The Committee shall review the evaluation of internal controls by the Auditors, together with Management's response.
- f) The Committee shall meet no less frequently than annually separately with the Auditors and the Chief Financial Officer to review El Nino's accounting practices, internal controls and such other matters as the Committee or Chief Financial Officer deems appropriate.

##### **B. With Respect to the Auditors**

The Auditors are ultimately accountable to the Board of Directors. The Board has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the Auditors (or nominate the Auditors to be proposed for shareholder approval in any proxy statement).

- a) The Committee shall review the performance of the Auditors.
- b) The Committee shall annually recommend to the Board the appointment of the Auditor, or, as appropriate, the discharge or replacement of the Auditors when circumstances warrant. The Board will set the compensation for the Auditors.
- c) The Committee shall be responsible for ensuring that the Auditors submit on a periodic basis to the Committee a formal written statement delineating all relationships between the Auditors and El Nino. The Committee is responsible for discussing with the Auditors any disclosed relationships or services that may impact the objectivity and independence of the Auditors and for recommending that the Board take appropriate action in response to the Auditor's report to satisfy itself of the Auditor's independence.
- d) El Nino considers the core services provided by the Auditors to include the annual audit, tax planning and tax compliance. The Committee shall review any engagements for non-audit services beyond the core services proposed to be provided by the Auditors or any of their affiliates, together with estimated fees, and consider the impact on the independence of the Auditors.
- e) The Committee shall review the Auditor's audit plan, including scope, procedures and timing of the audit.

##### **Other Committee Responsibilities**

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

- a) Establishing and reviewing El Nino's procedures for the receipt, retention and treatment of complaints regarding accounting, financial disclosure, internal controls or auditing matters.
- b) Establishing and reviewing El Nino's procedures for confidential, anonymous submissions by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
- c) Conducting or authorizing investigations into any matters that the Committee believes is within the scope of its responsibilities.
- d) Making inquiries of management and the Auditors to identify significant business, political, financial and control risks and exposures and assess the steps management has taken to minimize such risk.