



JULIAN RESOURCES INC.
九连矿产资源公司 TSX-V: JLR

JULIAN RESOURCES INC.

**NOTICE OF ANNUAL GENERAL MEETING
OF SHAREHOLDERS
TO BE HELD ON WEDNESDAY, AUGUST 24, 2016**

AND

INFORMATION CIRCULAR

July 20, 2016

This document requires immediate attention. If you are in doubt as to how to deal with the documents or matters referred to in this Information Circular, you should immediately contact your advisor.



JIULIAN RESOURCES INC.
九達礦產資源公司 TSX-V: JLR

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that the Annual General Meeting (the “**Meeting**”) of the shareholders of **JIULIAN RESOURCES INC.** (the “**Company**”) will be held at Suite 890, 580 Hornby Street, Vancouver, British Columbia, on **Wednesday, August 24, 2016** at **11:00 a.m.** (Vancouver Time) for the following purposes:

1. To receive and consider the audited financial statements of the Company for the fiscal year ended February 28, 2016, together with the auditor’s report thereon;
2. To fix the number of directors at Four (4);
3. To elect directors for the ensuing year;
4. To appoint James Stafford, Inc., Chartered Accountants, as auditors for the Company for the ensuing financial year at a remuneration to be fixed by the directors; and
5. To transact such other business as may properly come before the Meeting or any adjournment thereof.

The accompanying Information Circular provides additional detailed information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Annual General Meeting. Additional information about the Company and its financial statements are also available on SEDAR (www.sedar.com).

The Company’s board of directors has fixed *Wednesday, July 20, 2016*, as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company’s transfer agent, Computershare Investor Services Inc. (the “**Transfer Agent**”), at their offices located on the 8th Floor, 100 University Avenue, Toronto ON M5J 2Y1, or by toll-free fax within North America 1-866-249-7775 by **11:00 AM (Vancouver time) on Monday, August 22, 2016**, or at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Annual General Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing or any other person that holds your security on your behalf (the “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 20th day of July 2016

BY ORDER OF THE BOARD OF DIRECTORS

Yours truly,

“Charlie Cheng”

Charlie Cheng
Chief Executive Officer and Director

JULIAN RESOURCES INC.

INFORMATION CIRCULAR

For the Annual General Meeting of Shareholders to be held on **Wednesday, August 24, 2016**
(containing information as at July 20, 2016 unless otherwise indicated)

SOLICITATION OF PROXIES

This Information Circular (the "**Circular**") is furnished in connection with the solicitation of proxies by the management (the "**Management**") of *Julian Resources Inc.* (the "**Company**"), for use at the annual general meeting (the "**Meeting**") of the shareholders (the "**Shareholders**") of the Company to be held at the time and place and for the purposes set forth in the accompanying notice of meeting (the "**Notice**") and at any adjournment thereof.

Persons Making the Solicitation

The enclosed form of Proxy is solicited by Management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining authorization from their principals to execute the Proxy. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by Management as set forth in this Circular.

APPOINTMENT OF PROXY NOMINEE

The persons named as proxy nominees (the "**Designated Persons**") in the enclosed instrument of proxy (the "**Proxy**") are directors and/or officers of the Company, or persons designated by them.

A Shareholder has the right to appoint a person or corporation (who need not be a Shareholder) to attend and represent the Shareholder at the Meeting other than the Designated Persons. To exercise this right, a Shareholder shall strike out the printed names of the Designated Persons in the Proxy and insert the name of its proxy nominee in the blank space provided in the Proxy, or complete another valid instrument of proxy. Such Shareholder should notify its proxy nominee of the appointment, obtain the proxy nominee's consent to act as proxy nominee and provide instructions to its proxy nominee on how the Shareholder's common shares should be voted. The proxy nominee should bring personal identification to the Meeting.

EXECUTION AND DELIVERY OF PROXY

An instrument of proxy will not be valid unless signed and dated by the Shareholder giving it or that Shareholder's attorney-in-fact duly authorized in writing, or, in the case of a corporation, signed and dated by an officer or attorney-in-fact duly authorized in writing for the corporate Shareholder. If an instrument of proxy is executed by an attorney-in-fact, or by an officer or attorney-in-fact for a corporate Shareholder, the instrument so empowering the attorney-in-fact or officer, as the case may be, or a notarially certified copy thereof, should accompany the instrument of proxy.

An instrument of proxy will not be valid unless deposited with the Company's registrar and transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**"), at its offices located on the 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, or by toll-free fax within North America to 1-866-249-7775, at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof.

VOTING OF PROXY

If instructions as to voting indicated in a Proxy are certain, the common shares represented by a Proxy will be voted or withheld from voting by the Designated Persons in accordance with the instructions of the Shareholder on any ballot that may be called for, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the securities will be voted accordingly. **In the absence of certain instructions in a Proxy or other**

instrument of proxy, it is intended that the common shares represented thereby will be voted in favour of the motions proposed to be made at the Meeting as stated in the Notice and in this Circular.

The Proxy, when properly signed and delivered, confers discretionary authority upon the proxy nominee with respect to any amendments or variations to the matters identified in the Notice or in this Circular or any other matters which may properly come before the Meeting. At the date of this Circular, Management is not aware of any such amendments, variations or other matters. If, however, any amendments, variations or other matters should properly come before the Meeting, such discretionary authority conferred by a Proxy will be exercised in accordance with the best judgment of the Designated Persons on such matters.

In the case of abstentions from, or withholding of, the voting of common shares on any matter, the common shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

REVOCATION OF PROXY

A Shareholder who has given an instrument of proxy may revoke it at any time before it is exercised. The revocation of an instrument of proxy does not affect any matter on which a vote has been taken prior to such revocation.

In addition to revocation in any other manner permitted by law, an instrument of proxy may be revoked by an instrument in writing (i) signed by the Shareholder or that Shareholder's attorney-in-fact duly authorized in writing, or, in the case of a corporation, signed by an officer or attorney-in-fact duly authorized in writing for the corporate Shareholder; and (ii) delivered either to the Transfer Agent at the address/fax number set forth above at any time up to and including the last business day preceding the day of the Meeting or any adjournment or postponement thereof, or to the Chair of the Meeting on the day of the Meeting and prior to the commencement thereof or, in the case of any adjournment or postponement, prior to the reconvening thereof.

An instrument of proxy will also automatically be revoked by either (i) attendance at the Meeting and participation in a poll (ballot) by the Shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold common shares in their own name. Shareholders who do not hold their common shares in their own name (referred to herein as a "**Beneficial Shareholder**") should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of common shares (a "**Registered Shareholder**") 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 or another intermediary then in almost all cases those common shares will not be registered in the name of the Shareholder on the records of the Company, but in the name of that broker or intermediary or an agent of the broker or intermediary. In Canada, the vast majority of such common shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms and banks) and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and banks).

Beneficial Shareholders should ensure that instructions respecting the voting of their common shares are communicated to the appropriate person well in advance of the Meeting. Applicable regulatory policies require intermediaries and brokers to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary and broker 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. The form of proxy supplied to a Beneficial Shareholder by its broker or intermediary or an agent of that broker or intermediary is often similar to the Proxy provided to Registered Shareholders by the Company. Its purpose, however, is limited to instructing the Registered Shareholder (the broker or intermediary or an agent of that broker or intermediary) on how to vote on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically applies a special sticker to proxy forms, mails those forms to the Beneficial Shareholders, and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of the common shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy form cannot use that proxy form to vote common shares directly at the Meeting. The proxy form must be returned to Broadridge or the alternative voting procedures must be completed well in advance of the Meeting in order to ensure such common shares are voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker or intermediary (or agent of that broker or intermediary), a Beneficial Shareholder may attend at the Meeting as proxy holder for the Registered Shareholder and vote their common shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their common shares as proxy holder for the Registered Shareholder should contact their broker, intermediary or other agent or nominee holder well in advance of the Meeting for instructions.

These security holder materials are being sent to both registered and non-registered owners of the common shares 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. In this event, 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 request for voting instructions.

All references to Shareholders in this Circular and the Proxy are to Registered Shareholders unless specifically stated otherwise.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or an officer of the Company at any time since the beginning of its last completed financial year or any proposed nominee for election as a director, or any associate of any such director or officer, 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 and the appointment of auditors, except as generally disclosed in this Circular or otherwise particularly described in the disclosure for a matter to be acted upon.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company has determined **July 20, 2016** as the record date (the "**Record Date**") for purposes of determining the persons entitled to notice of and to vote at the Meeting. The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. As at the close of business on the Record Date, there were **11,595,000** common shares and no preferred shares outstanding.

Each common share carries, on any poll at the Meeting, one vote. Only registered holders of common shares as at the close of business on the Record Date will be entitled to receive notice of and to vote their common shares so shown on the register of the Company as at the close of business on the Record Date, at the Meeting. See also "*Advice to Beneficial Shareholders*", above.

To the knowledge of the Company's directors and executive officers, no person or company beneficially owns or exercises control or direction over, directly or indirectly, common shares carrying 10% or more of the voting rights attached to the outstanding common shares of the Company on the Record Date, other than as set forth below:

Name ⁽¹⁾	Number of Common Shares	Percentage of Issued and Outstanding Common Shares ⁽²⁾
Nanmao Su	1,202,000	10.37%

- (1) The majority of the common shares are held by the CDS & Co., an intermediary, and as such management is unaware of the beneficial holders thereof. The above information is based upon information supplied by the Company's registrar and transfer agent and the Company's management.
- (2) Based on 11,595,000 common shares issued and outstanding on the Record Date. The Company believes that all persons hold legal title and it has no knowledge of actual common share ownership.

BUSINESS OF THE MEETING

RECEIPT OF FINANCIAL STATEMENTS

The financial statements of the Company for the financial year ended February 29, 2016 and accompanying auditor's report will be presented at the Meeting.

APPOINTMENT OF AUDITOR

The Shareholders will be asked to vote for the appointment of James Stafford, Inc., Chartered Accountants, as the auditor of the Company to hold office until the next annual meeting of Shareholders of the Company, and to authorize the Board to fix their remuneration.

James Stafford, Inc., Chartered Accountants, was first appointed as the auditor of the Company by the Board on March 15, 2012.

Management recommends that shareholders vote in favour of the appointment of James Stafford, Inc., Chartered Accountants, as the Company's auditors and authorize the Board to fix their remuneration.

NUMBER OF DIRECTORS

Management recommends, and the Designated Persons, if named as proxy, intend to vote in favour of, a resolution fixing the number of directors for the ensuing year at four (4). Unless a proxy contains express instructions to vote otherwise, it is intended that all proxies received will be voted in favour of such resolution.

ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next Annual General Meeting of Shareholders or until their successors are duly elected or appointed, unless an office is earlier vacated by death or by resignation or removal in accordance with the Business Corporations Act and the Articles of the Company.

MANAGEMENT NOMINEES FOR DIRECTORSHIP

Summary Information

The following table sets out required information, as at the Record Date, regarding Management's nominees for election as a director. Management does not contemplate that any of its nominees will be unable to serve as a director.

No proposed director is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity and except as generally disclosed in this Circular or otherwise under the heading for the matter to be acted upon. The Company has not received notice of, and Management is not aware of, any proposed nominee for director other than Management's nominees.

Name, Position(s), Province/State and Country of Ordinary Residence ⁽¹⁾	Principal Occupation Business or Employment for Last Five Years	Director Since	Common shares beneficially owned or controlled or directed ⁽²⁾
Xiaolin (Charlie) Cheng ⁽³⁾ BC, Canada President and CEO	President and CEO of the Company;	October 17, 2006	847,500 ⁽⁵⁾

Name, Position(s), Province/State and Country of Ordinary Residence ⁽¹⁾	Principal Occupation Business or Employment for Last Five Years	Director Since	Common shares beneficially owned or controlled or directed ⁽²⁾
Paul Sorbara BC, Canada Director	Director of the Company; President of Golden Goliath Resources Ltd. since 1997; Geologist; President and Director of Minera Delta S.A. de C.V. since 1992; President and Director of Sorbara Geological Consulting Limited since August 1986; Director of Vanadiumcorp Resource Inc. since August 2013; and Director of Great Atlantic Resources Corp. from 2004 to July 2013	August 10, 2007	45,000 ⁽⁴⁾
Nanmao Su ⁽³⁾ BC, Canada Director	Businessman and Director of the Company; Chairman of Dongying Delta Forestry Development Co. since 2003; Director of China Foundation Investment & Development Co., Ltd. since 2004	October 17, 2006	1,202,000 ⁽⁵⁾
Thea Koshman ⁽³⁾ BC, Canada and Hawaii, USA Director	Self-employed securities, business and corporate finance lawyer and consultant since April 2008	August 5, 2014	Nil

(1) The information as to country of residence and principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.

(2) The information as to shares beneficially owned directly or indirectly or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective directors individually.

(3) Member of Audit Committee.

(4) The registered holder of these common shares is Sorbara Geological Consulting Ltd., a company owned and controlled by Mr. Sorbara.

(5) Common shares beneficially owned directly.

Cease Trade Orders, Penalties, Sanctions and Bankruptcies

For purposes of the disclosure in this section, an "order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to the directors or executive officers of the relevant company that was in effect for a period of more than 30 consecutive days.

Thea Koshman is a director of Huaxing Machinery Corp ("HUA"), which had a cease trade order issued against it on February 26, 2015. Due to its declining financial position, HUA's subsidiary operating company in China was unable to fund HUA, a reporting issuer that traded on the TSX Venture Exchange (TSXV : HUA), and provide the ongoing regulatory and financial reporting required by the British Columbia Securities Commission. HUA was thus unable to complete an audit of its financial statements for the fiscal year ended December 31, 2014, which was to include restated financial statements for the prior year. HUA is currently on the NEX Board.

Other than as disclosed above, none of the proposed Management nominees for election as a director of the Company:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer 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, chief executive officer or chief financial officer; or
 - (ii) 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;
- (b) is, as at the date of this Circular, or has been within 10 years before the date of this Circular, 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 of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of 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 since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; 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.

Recommendation

Management recommends, and the Designated Persons, if named as proxy, intend to vote in favour of, the election of Management's nominees for election as a director. Unless a proxy contains express instructions to vote otherwise, it is intended that all proxies received will be voted in favour of such election.

STATEMENT OF EXECUTIVE COMPENSATION

Unless otherwise noted the following information is for the Company's last completed financial year ended February 29, 2016.

General

For the purpose of this Statement of Executive Compensation:

"Company" means **Julian Resources Inc.**

"compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

"NEO" or **"named executive officer"** means:

- (a) each individual who served as chief executive officer ("**CEO**") of the Company, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as chief financial officer ("**CFO**") of the Company, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was 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 or its subsidiaries (if any), nor acting in a similar capacity, at the end of that financial year;

"plan" includes any plan, contract, authorization or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons; and

"underlying securities" means any securities issuable on conversion, exchange or exercise of compensation securities.

As of the fiscal year ended February 29, 2016, the Company had two NEO's during the most recently completed financial year ended February 28, 2016, namely (i) Xiaolin (Charlie) Cheng, who served as CEO of the Company since October 17, 2006 and President of the Company since February 29, 2008; and (ii) Sheng (Sam) Wang who has served as CFO of the Company since March 20, 2013.

Currencies

All financial amounts are stated in Canadian dollars unless otherwise indicated.

Compensation Discussion and Analysis

Philosophy and Objectives

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- to align executive compensation with Shareholders' interests;
- to attract and retain highly qualified management;
- to focus performance by linking incentive compensation to the achievement of business objectives and financial results; and
- to encourage retention of key executives for leadership succession.

The Company's executive compensation program comprises three elements: base salary, bonus incentives and equity participation. The compensation program is designed to pay for performance. Employees, including senior executives, are rewarded for the achievement of annual operating and financial goals, progress in executing the Company's long-term growth strategy and delivering strong total shareholder return performance.

The Company reviews industry compensation information and compares its level of overall compensation with those of comparable sized oil exploration companies. Generally, the Company targets base management fees at levels approximating those holding similar positions in comparably sized companies in the industry and hopes to achieve competitive compensation levels through the fixed and variable components.

The Company's total compensation mix places a significant portion of the executive's compensation at risk and relies heavily on the award of stock options. The design takes into account individual and corporate performance. Compensation practices, including the mix of base management fees, short-term incentives and long-term incentives, are regularly assessed to ensure they are competitive, take account of the external market trends and support the Company's long-term growth strategies. Due to the early stage of the Company's development programs, the flexibility to quickly increase or decrease appropriate human resources is critical. Accordingly, the Company does not enter into long-term commitments with its officers.

The Board has not conducted a formal evaluation of the implications of the risks associated with the Company's compensation policies. Risk management is a consideration of the Board when implementing its compensation policies and the Board does not believe that the Company's compensation policies result in unnecessary or inappropriate risk taking including risks that are likely to have a material adverse effect on the Company.

Base Compensation

In the Board's view, paying base salaries or management fees which are competitive in the markets in which the Company operates is a first step to attracting and retaining talented, qualified and effective executives. Base compensation is compensation for discharging job responsibilities and reflects the level of skills and capabilities demonstrated by the executive. Annual adjustments take into account the market value of the role and the executive's demonstration of capability during the year.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the executive meeting those strategic objectives and milestones, the executive's individual performance and sufficient cash resources being available for the granting of bonuses. The Board approves executive bonus compensation dependent upon comparable compensation levels based on recommendations of the Board as a whole, and such recommendations are generally based on survey data provided by independent consultants.

Equity Participation

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

Option-Based Awards

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the long-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire and increase proprietary interest in the Company. The Company awards stock options to its executive officers based upon the recommendation of the Board, which recommendation is based upon the Board's review of a proposal from the CFO. Previous grants of incentive stock options are taken into account when considering new grants. Implementation and amendments to the existing stock option plan are the responsibility of the Board.

Use of Financial Instruments

The Company does not have a policy that would prohibit an NEO or director from purchasing financial instruments, including 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 the NEO or director. However, management is not aware of any NEO or director purchasing such an instrument.

Director and NEO Compensation, excluding Compensation Securities

Summary Compensation Table

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Company thereof to each NEO and each director of the Company, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the NEO or director for services provided and for services to be provided, directly or indirectly, to the Company for the two fiscal years ended February 29, 2016 and February 28, 2015:

Table of compensation excluding compensation securities								
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees) (\$)	Pension value (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Xiaolin (Charlie) Cheng, ⁽¹⁾ CEO, Director	2016	13,500	N/A	Nil	N/A	Nil	Nil	13,500
	2015	30,000	N/A	Nil	N/A	Nil	Nil	30,000
Sheng (Sam) Wang ⁽²⁾ CFO	2016	15,000	N/A	Nil	N/A	Nil	Nil	15,000
	2015	13,589	N/A	Nil	N/A	Nil	Nil	13,589
Paul Sorbara ⁽³⁾ Director	2016	Nil	N/A	Nil	N/A	Nil	Nil	Nil
	2015	Nil	N/A	Nil	N/A	Nil	Nil	Nil
Nanmao Su ⁽⁴⁾ Director	2016	Nil	N/A	Nil	N/A	Nil	Nil	Nil
	2015	Nil	N/A	Nil	N/A	Nil	Nil	Nil
Thea Koshman ⁽⁵⁾ Director	2016	Nil	N/A	Nil	N/A	Nil	Nil	Nil
	2015	838.50	N/A	Nil	N/A	Nil	Nil	838.50
Yingbin Ian He ⁽⁶⁾ Former Director	2016	Nil	N/A	Nil	N/A	Nil	Nil	Nil
	2015	Nil	N/A	Nil	N/A	Nil	Nil	Nil

(1) Dr. Cheng was appointed as a director on October 17 2006 and as CEO on February 29, 2008.

(2) Mr. Wang was appointed as CFO on March 20, 2013.

(3) Mr. Sorbara was appointed as a director on August 10, 2007.

(4) Mr. Su was appointed as a director on October 17, 2006.

(5) Ms. Koshman was appointed as a director on August 5, 2014.

(6) Mr. He was appointed as a director on October 17, 2006 and resigned as a director on November 28, 2015.

Stock Options and Other Compensation Securities

The following table discloses all compensation securities granted or issued to each NEO and director by the Company in the financial year ended February 29, 2016 for services provided or to be provided, directly or indirectly, to the Company or any subsidiary thereof:

Compensation Securities							
Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date
Xiaolin (Charlie) Cheng, <i>CEO, Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Sheng (Sam) Wang CFO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Paul Sorbara Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Nanmao Su Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Thea Koshman Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Yingbin Ian He Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Exercise of Compensation Securities by Directors and NEO							
Name and Position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date
Xiaolin (Charlie) Cheng, <i>CEO, Director</i>	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Sheng (Sam) Wang CFO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Paul Sorbara Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Nanmao Su Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Thea Koshman Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A
Yingbin Ian He Former Director	N/A	Nil	N/A	N/A	N/A	N/A	N/A

Exercise of Compensation Securities by Directors and NEOs

No director or NEO were granted nor exercised any compensation securities, being solely comprised of stock options, during the year ended February 29, 2016.

Stock Option Plans and Other Incentive Plans

The Company currently has a fixed stock option plan (the "**Option Plan**") pursuant to which its directors, officers, employees and consultants may be granted options to acquire common shares as an incentive mechanism to foster their interest in the success of the Company and to encourage their proprietary ownership of the Company. The Option Plan was approved by shareholders on August 5, 2014, and adopted by the directors of the Company that same day and approved by the TSXV on October 14, 2015; reserving up to 1,159,500 common shares for issue pursuant to options granted under the Option Plan.

The principal terms of the Option Plan are as follows:

- (a) the number of common shares reserved for issue to any one Person and, where permitted under this Policy 4.4, any Companies that are wholly owned by that Person in any 12 month period under the Option Plan may not exceed 5% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval (as defined in Policy 4.4 of the Exchange);
- (b) the number of common shares reserved for issue to any Consultant (as defined by the Exchange) in any 12 month period under the Option Plan may not exceed 2% of the outstanding common shares at the time of grant;
- (c) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued shares of the Company in any 12 month period, calculated at the date an option is granted to any such Person;
- (d) the number of common shares reserved for issue to Insiders (as a group) (as defined by the Exchange) at any time, and in any 12 month period, may not exceed 10% of the outstanding common shares at the time of grant without Disinterested Shareholder Approval;
- (e) options granted to Consultants performing Investor Relations Activities shall vest over a minimum of 12 months with no more than 1/4 of such Options vesting in any three month period;
- (f) the exercise price per common share for a stock option may not be less than the Discounted Market Price (as calculated pursuant to the policies of the Exchange) at the time of grant;
- (g) stock options may have a term not exceeding ten years;
- (h) there is no longer any requirement that stock options terminate within specified periods of the optionee ceasing to be a director, officer, employee or consultant of the Company but only must expire within a reasonable period after ceasing to serve in such capacities;
- (i) stock options are non-assignable and non-transferable;
- (j) the Option Plan contains provisions for adjustment in the number of common shares or other property issuable on exercise of stock options in the event of a share consolidation, split, reclassification or other relevant change in the common shares, or an amalgamation, merger, arrangement or other relevant event affecting the common shares;
- (k) in connection with the exercise of an option, as a condition to such exercise, the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option;
- (l) the Board may amend, subject to any required approval of any regulatory authority having jurisdiction, or suspend or terminate the Option Plan or any portion or provision thereof.

As at the end of the most recently completed fiscal year ended February 29, 2016, there were 670,000 options outstanding. Based on the Company having outstanding share capital of 11,595,000 shares outstanding, an additional 489,500 options could be granted under the Option Plan.

The Company has no other plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Employment, Consulting and Management Agreements

During the most recently completed financial year, the significant terms of the employment agreement or arrangement for each NEO and director is as follows:

- Mr. Wang entered into a consultant agreement with the Company on March 22, 2013 and amended in 2015 pursuant to which Mr. Wang is engaged as the CFO of the Company and will receive a fee of \$3,000 for each of the first three quarters of each fiscal year and a fee of \$5,000 for the last quarter of each fiscal year.
- Dr. Cheng did not have any compensation arrangement with the Company.
- Ms. Koshman did not have any compensation arrangement with the Company.
- Mr. Sorbara did not have any compensation arrangement with the Company.
- Mr. Su did not have any compensation arrangement with the Company.

Pension and Retirement Plan Benefit Plans

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

Termination and Change of Control Benefits

The Company has no plan or arrangement whereby any NEO may be compensated in the event of that NEO's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a change in NEO's responsibilities following such a change of control.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	670,000	\$0.10	489,500 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	670,000	\$0.10	489,500

(1) Represents stock option plan of the Company, which reserves a fixed number of 1,159,500 common shares for issue pursuant to stock options under the plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the individuals who are, or at any time during the most recently completed year were, directors or executive officers of the Company or any subsidiary thereof, the proposed nominees for election as a director, or associates of such persons, is or has been indebted to the Company (other than routine indebtedness) at any time since the beginning of the most recently completed financial year, or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "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 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 if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

No informed person or proposed director of the Company, nor any associate or affiliate of any such informed person or proposed director, has any material interest, direct or indirect, in any material transaction since the commencement of the Company's last completed financial year or in any proposed transaction which, in either case, has materially affected or will materially affect the Company or any subsidiary thereof, except as generally disclosed in this Circular or otherwise under the heading for the matter to be acted upon.

CORPORATE GOVERNANCE

General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 *Corporate Governance Guidelines* provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI58-101**") prescribes certain disclosure by the Company of its corporate governance practices. The following information has been prepared and provided as required by NI58-101.

Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent communication with management.

In accordance with NI58-101, a director is considered "independent" if he or she has no direct or indirect "material relationship" with the Company, being a relationship which could in the view of the Board be reasonably expected to interfere with the exercise of a director's independent judgment, subject to certain specified circumstances where an individual is considered to have a material relationship.

As at the date of this Circular, the directors who are considered independent are as follows:

- Thea Koshman
- Paul Sorbara
- Nanmao Su

As at the date of this Circular, the directors who are considered not independent, and the basis for that determination, are as follows:

- Xiaolin (Charlie) Cheng, as he is an executive officer of the Company

Directorships

The directors listed below are presently directors of a reporting issuer (or equivalent) in a jurisdiction of Canada or a foreign jurisdiction.

Director	Directorship in Other Reporting Issuer(s)
Xiaolin (Charlie) Cheng	Pacific Potash Corp.
Paul Sorbara	Golden Goliath Resources Ltd. Vanadiumcorp Resource Inc.
Nanmao Su	None
Thea Koshman	Durango Resources Inc. Huaxing Machinery Corp. Vanoil Energy Ltd.

Orientation and Continuing Education

The Company does not currently have a formal orientation program for new board members nor does it provide continuing education for its directors. The Board is currently composed of four directors, one is an officer of the Company with extensive knowledge of its business and affairs, and the other three of whom are experienced

business persons. All directors have previous experience with public companies. As a result, the Company does not intend orientation or continuing education programs are anticipated at this time.

Ethical Business Conduct

The Board expects Management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance objectives and goals, and is encouraged to discuss with the Board any perceived or potential issues in ethical business conduct.

In addition, the Board must comply with conflict of interest provisions of applicable corporate, securities and common law, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Individual directors identify new nominees to the Board based on perceived or potential requirements for particular knowledge or skills. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President of the Company.

Compensation

The Board reviews, as needed, compensation to directors and to officers with respect to industry comparables and with regards to the particular circumstances of the Company and the position.

The Board does not have a compensation committee, and these functions are currently performed by the Board as a whole. However, this policy may be reviewed in the future depending on the circumstances of the Company.

Other Board Committees

The Board has no other committees other than the Audit Committee. The Board as a whole addresses executive compensation, corporate governance and Board nominations.

Assessments

The Company has no formalised assessment procedures to satisfy itself that its directors, Board committee members and the Board as a whole are performing effectively.

AUDIT COMMITTEE DISCLOSURE

National Instrument 52-110 *Audit Committees* ("**NI52-110**") prescribes certain disclosure by the Company of information concerning the audit committee and its relationship with its independent auditor. The following information has been prepared and provided as required by NI52-110.

The Audit Committee Charter

The following Audit Committee Charter was adopted by the Audit Committee of the board of directors and the Board of the Company:

1. Members. The Board will appoint an Audit Committee of at least three (3) members, a majority of whom should be "independent" directors of the Board. "Independent" means a director who meets the definition of "independence" under NI 52-110 or any successor policy promulgated by securities regulatory authorities

All members of the Audit Committee should be "financially literate". An individual is financially literate if he or she has 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. Each appointed member of the Audit Committee shall be subject to annual reconfirmation and may be removed by the Board at any time.

2. Purposes, Duties, and Responsibilities. The Audit Committee represents the Board in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and audit activities and legal compliance of the Company and its subsidiaries; however, the Audit Committee's function shall not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the

Company's financial results and conditions or the responsibilities of the independent accountants relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) Recommend to the Board the appointment (including terms of appointment such as compensation and scope of duties) and discharge the external auditor of the Company (the "auditor") who perform the annual audit or other audit, review or attest services in accordance with applicable securities laws, which auditor shall be ultimately accountable to the Board through the Audit Committee. The auditor of the Company must report directly to the Audit Committee;
- (b) Have the authority to communicate directly with the auditor of the Company;
- (c) Review with the auditor the scope of the audit and the results of the annual audit examination by the auditor and any reports of the auditor with respect to reviews of interim financial statements or other audit, review or attest services. The Audit Committee will be responsible for resolving any disagreements between management and the auditor regarding financial reporting;
- (d) Review information, including written statements, if any, from the auditor concerning any relationships between the auditor and the Company or any other relationships that may adversely affect the independence of the auditor and assess the independence of the auditor;
- (e) Review and discuss with management and the auditor the Company's annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Company's accounting principles;
- (f) Review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (g) Review the services to be provided by the auditor to assure that the auditor does not undertake any engagement for services for the Company that would constitute prohibited services under applicable securities laws under the rules of any stock exchange or trading market on which the Company's shares are listed for trading, or could be viewed as compromising the auditor's independence. The Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries by the auditor;
- (h) Review with management and the auditor the results of any significant matters identified as a result of the auditor's interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;
- (i) Review the annual program for the Company's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;
- (j) Periodically review the adequacy of the Company's internal controls;
- (k) Review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditor that may have a significant impact on the Company's financial reports, and make comments on the foregoing to the Board;
- (l) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (m) Periodically review the adequacy of this Audit Committee Charter;
- (n) Make reports and recommendations to the board of directors within the scope of its functions;
- (o) Approve material contracts where the Board determines that it has a conflict;
- (p) Establish procedures for receipt, retention and treatment of complaints received by the Company regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;

- (q) Where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and/or other advisors at the Company's expense upon the terms and conditions, including compensation, determined by the Audit Committee;
- (r) Satisfy itself that management has put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements. The Audit Committee will assess the adequacy of these procedures annually;
- (s) Review all loans to officers;
- (t) Review and monitor all related party transactions which may be entered into by the Company as required by rules of the stock exchange or trading market upon which the Company's common shares are listed for trading;
- (u) Ensure all public disclosure regarding the audit committee is made in compliance with applicable stock exchange rules and securities legislation.

3. **Meetings.** The Audit Committee will, when expedient, meet to review the Company's quarterly and annual financial statements and MD&A, and will hold special meetings as it deems necessary or appropriate in its judgment. The Audit Committee will endeavor to meet at any time that the auditor believes that communication to the Audit Committee is required. As it deems appropriate, but not less than once each year, the Audit Committee will meet in private session with the independent accountants. The majority of the members of the Audit Committee constitutes a quorum and shall be empowered to act on behalf of the Audit Committee. The members of the Audit Committee will designate one member as chair. Meetings may be held in person or by telephone, and shall be at such times and places as the Audit Committee determines.

Composition of the Audit Committee

As at the date of this Circular, the following are the members of the audit committee and whether they are considered independent and financially literate:

	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Xiaolin (Charlie) Cheng	no	yes
Nanmao Su	yes	yes
Thea Koshman	yes	yes

(1) As defined and determined under NI 52-110.

Relevant Education and Experience

Xiaolin (Charlie) Cheng

Dr. Cheng holds a Ph.D. in Geology from the University of British Columbia and a M.Sc and B.Eng in Geology from the China University of Geosciences, Wuhan China. Over the last 25 years, Dr. Cheng has specialized in the exploration and evaluation of most types of precious, base and rare metal ore deposits in China, North and South America where he worked as the field geologist, exploration geologist, computing geologist, project manager, chief geologist, and general manager of several mineral exploration projects. Among the projects that Dr. Cheng participated in or was in charge of, three of them have been in production, one of them is under development into a mine, and two of them are in the pre-feasibility and feasibility stage respectively.

Nanmao Su

Mr. Su holds a B.Sc. degree and a M.Sc. degree both in geology from China University of Geoscience. He has 12 years of experience as an officer and director of private and public companies. He is able to read and prepare financial statements.

Thea Koshman BA, LL.B

Ms. Koshman obtained an LL.B. from Osgoode Hall Law School in 1987 and a Bachelor of Arts (Honours) degree from York University in 1984. Ms. Koshman is a securities lawyer and is a member of the Law Society of British Columbia. Ms. Koshman has held various positions as director, vice president, corporate secretary and /or corporate counsel for a number of public companies. She is currently an independent director of Durango Resources Inc., Huaxing Machinery Corp. and Vanoil Energy Ltd., all listed on the TSXV. In her capacity as a

securities lawyer and as corporate counsel, she has provided securities law advice and guidance to industrial, junior resource issuers and other public companies for over 25 years.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board.

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis* Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in Section 2(g) of the Audit Committee Charter which is reproduced above.

External Auditor Service Fees (By Category)

The aggregate fees billed by the Company's external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
February 28, 2016	\$7,010	Nil	\$500	Nil
February 28, 2015	\$6,500	Nil	\$500	Nil

(1) The aggregate fees billed by the Company's auditor for audit fees.

(2) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".

(3) Fees charged for tax compliance, tax advice and tax planning services.

(4) Fees for services other than disclosed in any other column.

Exemption

The Company is relying upon the exemptions set out in section 6.1 of NI 52-110 with respect to compliance with the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

MANAGEMENT CONTRACTS

The management functions of the Company are not to any substantial degree performed by any person other than the senior officers and directors of the Company.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED ON

No director or executive officer of the Company who was a director or executive officer at any time since the beginning of the Company's last financial year, or any associate or affiliates of any such directors or officers, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than as disclosed under the heading "Particulars of Matters to be Acted Upon".

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Other Matters

As of the date of this Circular, Management knows of no other matters to be acted upon at the Meeting. Should, however, any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com or the Company's web site www.julianresources.com. Financial information concerning the Company is provided in the Company's

comparative financial statements and MD&A for its most recently completed financial year, which is available on SEDAR and the Company's website at the internet addresses indicated above. Shareholders of the Company may request copies of the Company's audited financial statements and MD&A by contacting the Company at Suite 890, 580 Hornby Street, Vancouver, BC, V6C 3B6, (Tel: 778-239-0127).

Director Approval

The contents and the sending of this Circular to the Shareholders has been approved by the Board of Directors.

Dated: July 20, 2016

BY ORDER OF THE BOARD

JIULIAN RESOURCES INC

(signed) Xiaolin (Charlie) Cheng
President, CEO and Director