



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (the "Meeting") of the shareholders (the "Shareholders") of **VIRGINIA ENERGY RESOURCES INC.** (hereinafter called the "Company") will be held at the Company's offices at 1040 Coles Road, Chatham, VA, USA, in the Company's BOARDROOM on Wednesday, January 8, 2020, at the hour of eleven o'clock in the morning (11:00 AM EASTERN TIME) for the following purposes:

- (a) To receive and consider the Report of the Directors, the audited financial statements of the Company for the year ended December 31, 2018 and the report of the auditor thereon;
- (b) To appoint Smythe LLP, Chartered Accountants, as auditor for the Company for the ensuing year at remuneration to be fixed by the Directors;
- (c) To determine the number of Directors for the ensuing year;
- (d) To elect Directors for the ensuing year;
- (e) To consider and, if thought fit, approve the incentive stock option plan as described in the accompanying information circular; and
- (f) To transact such other business as may be properly transacted at such Meeting or at any adjournment thereof.

Shareholders who are unable to attend the Annual General Meeting in person are requested to read the notes accompanying the Instrument of Proxy and complete online or return the Proxy to the office of the Company's Transfer Agent, Computershare Investor Services Inc.

**DATED** at the City of Vancouver, in the Province of British Columbia, as of the 4th day of December, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

*"Walter Coles, Sr."*

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WALTER COLES, SR., President and Chief Executive Officer



VIRGINIA ENERGY RESOURCES INC.

**INFORMATION CIRCULAR  
FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS  
TO BE HELD ON WEDNESDAY, JANUARY 8 2020  
AT 11:00 AM (EASTERN TIME)**

This information is given as of December 4, 2019 unless otherwise noted.

**SOLICITATION OF PROXIES**

This Information Circular (this "Circular") is furnished in connection with the solicitation of proxies by the management of **VIRGINIA ENERGY RESOURCES INC.** hereinafter referred to as (the "Company") to be voted at the Annual General Meeting (the "Meeting") of 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 and at any adjournment thereof.

**PERSONS OR COMPANIES 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 form of proxy. The cost of solicitation will be borne by the Company.

**APPOINTMENT OF PROXYHOLDER**

A duly completed form of proxy will constitute the person(s) named in the enclosed form of proxy as the proxyholder for the shareholder ("Registered Shareholder"). The persons whose names are printed on the enclosed form of proxy for the Meeting are officers or directors of the Company (the "Management Proxyholders").

**A Registered Shareholder has the right to appoint a person other than a Management Proxyholder to represent the Registered Shareholder at the Meeting by striking out the names of the Management Proxyholders and inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a Registered Shareholder.**

**VOTING BY PROXY**

Common shares of the Company (the "Shares") represented by properly executed proxies in the accompanying form will be voted or withheld from voting on each respective matter in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the Shares will be voted accordingly.

**If no choice is specified and one of the Management Proxyholders is appointed by a Registered Shareholder as proxyholder, such person will vote in favour of each matter identified in the Notice of Meeting.**

**The enclosed form of proxy also confers discretionary authority upon the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting.** At the date of this Circular, Management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**COMPLETION AND RETURN OF PROXY**

Proxies completed as per the voting details and instructions on the form of proxy must be received by 11:00 a.m. (Eastern time) on Monday, January 6, 2020, or not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the

Meeting if the Meeting is adjourned or postponed, unless the Chairman of the Meeting elects to exercise his discretion to waive the time limit for deposit of proxies and accept proxies received subsequently.

## **NON-REGISTERED HOLDERS**

**Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Shares.** More particularly, a person is not a Registered Shareholder in respect of Shares which are held on behalf of that person (the “Non-Registered Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “NOBOs”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “OBOs”.

The Company takes advantage of certain provisions of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), which permit the Company to directly deliver proxy-related materials to NOBOs who have not waived the right to receive them.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting materials to each OBO, unless the OBO has waived the right to receive them.

Meeting materials sent to Non-Registered Holders who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions (a “VIF”). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Shareholder. VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder or his/her nominee the right to attend and vote at the Meeting. **Non-Registered Holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.**

These proxy related materials are being sent to both Registered Shareholders and Non-Registered Shareholders. If you are a Non-Registered Shareholder, and the Company has sent these proxy related materials directly to you, your name and address and information about your holdings of Shares 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 your Intermediary) 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 VIF.

## **REVOCABILITY OF PROXY**

Any Registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing, including a proxy bearing a later date, executed by the Registered Shareholder or by his attorney authorized in writing or, if the Registered Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized. The instrument revoking the proxy must be deposited at the registered office of the Company at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting. **Only Registered Shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must, in sufficient time in advance of the Meeting, arrange for the Company or their respective Intermediary, as the case may be, to revoke the proxy on their behalf.**

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

Other than as disclosed elsewhere in this Circular, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company at any time since the commencement of the Company’s last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, save and except for the setting of the number of and election of directors and those matters pertaining to incentive stock options.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Company consists of an unlimited number of Shares without par value. The directors have fixed **December 4, 2019** as the record date for the purposes of determining those shareholders entitled to receive notice of, and to vote at, the Meeting. As at the record date **57,230,614** Shares were issued and outstanding, each such Share carrying the right to one (1) vote at the Meeting.

To the knowledge of the directors and executive officers of the Company, the following are the only persons who beneficially own, directly or indirectly, or exercise control or direction over, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the voting securities of the Company:

Name	No. of Shares	Percentage of Voting Securities
Coles Hill, LLC (controlled by Walter Coles, Sr.)	11,204,945	19.6%
Energy Fuels Inc.	9,439,857	16.5%

## MATTERS TO BE PRESENTED BEFORE THE MEETING

### Presentation of Financial Statements

The audited financial statements of the Company for the year ended December 31, 2018, together with the report of the auditors thereon, will be placed before the Meeting. Copies are filed with the securities commissions at [www.sedar.com](http://www.sedar.com) or may be obtained from the Company's website at [www.virginiaenergyresources.com](http://www.virginiaenergyresources.com) or by contacting the Company, at Suite 650, 1021 West Hastings, Vancouver, British Columbia, V6E 0C3.

### Appointment and Remuneration of Auditors

The directors of the Company recommend the appointment of Smythe LLP, Chartered Accountants, Vancouver, British Columbia, as auditors of the Company to hold office until the termination of the next annual general meeting of the Company's shareholders. It is proposed that the remuneration to be paid to the auditors be determined by the directors of the Company.

***Management of the Company recommends that shareholders vote in favour of the foregoing resolution, and the persons named by management in the enclosed form of proxy intend to vote FOR the approval of the foregoing resolution at the Meeting unless otherwise directed by shareholders appointing them in the absence of such shareholder direction.***

### Setting the Number of Directors

The Articles of the Company provide for a Board of Directors (the "Board") of the greater of, four and the number most recently set by ordinary resolution, directors. At the Meeting, it is proposed, and shareholders will be asked to pass an ordinary resolution, that the number of directors to be elected for the ensuing year be set at five (5).

**Management of the Company recommends that shareholders vote in favour of the foregoing resolution, and the persons named in the enclosed form of proxy intend to vote FOR the approval of the foregoing resolution at the Meeting unless otherwise directed by the shareholders appointing them in the absence of such shareholder direction.**

### Election of Directors

All current directors of the Company will be deemed to retire at the Meeting and will be eligible for re-election. Each director elected at the Meeting will hold office until the next annual general meeting of shareholders or until his successor is duly elected unless his office is earlier vacated in accordance with the Articles of the Company. Management proposes to nominate, and the persons named in the accompanying form of proxy intend to vote FOR (in the absence of specifications or instructions in the form of proxy that the Shares represented by the proxy are to be withheld from voting on the election of directors) the election of the persons whose names are set forth below. Management of the Company has been informed that, if elected, each of such nominees would be willing to serve as a director. However, in the event any proposed nominee advises that he is unable or unwilling to act for any reason prior to the Meeting, proxies held by the persons designated as proxyholders on the form of proxy will vote (in the absence of specifications or instructions in

the form of proxy that the Shares represented by the proxy are to be withheld from voting on the election of directors) for the election of the remaining nominees.

The following table states the name of each person proposed to be nominated by management for election as a director and sets out, in respect of each proposed nominee, such nominee's province and country of residence, present principal occupation including any positions and offices with the Company, principal occupation or employment for the past five years, and the approximate number of Shares of the Company beneficially owned, directly or indirectly, or over which control or direction is exercised by such nominee as of the date of this Circular:

NAME, PROVINCE OR STATE AND COUNTRY OF ORDINARY RESIDENCE OF NOMINEE AND PRESENT POSITION WITH THE COMPANY	PRINCIPAL OCCUPATION	PERIOD SERVED AS DIRECTOR	APPROXIMATE NUMBER OF VOTING SECURITIES <sup>(1)(3)</sup>
<b>Walter Coles, Sr.</b> <sup>(1)</sup> Chatham, Virginia, USA <i>Chairman, President, Chief Executive Officer and Director</i>	Businessman; Chairman and Director and Chief Executive Officer of VA Uranium Holdings, Inc. until September 26, 2012.	since September 27, 2012 to date	11,204,945
<b>Neal Keese</b> <sup>(1)(2)</sup> Roanoke, Virginia, USA <i>Director, Corporate Secretary</i>	Lawyer; Corporate lawyer at Woods, Rogers PLC; General Counsel and Corporate Secretary of VA Uranium Holdings, Inc. until September 26, 2012.	since September 27, 2012 to date	98,946
<b>Harold R. Roberts</b> <sup>(1)(2)</sup> Cherry Hills Village, Colorado, USA <i>Director</i>	Professional engineer; Chief Operating Officer of Energy Fuels.	Since October 6, 2015 to date	nil
<b>Joseph M. Kiely</b> <sup>(1)(2)</sup> New York, NY, USA <i>Director</i>	Certified Public Accountant, JMK Financial Services LLC; previously CFO of Virginia Uranium Inc. from 2007 to 2014.	Since August 25, 2017 to date	nil

(1) Information as to the place of residence, principal occupation and shares beneficially owned, directly or indirectly, or controlled or directed, has been furnished by the respective directors nominees and from reporting on the System for Electronic Disclosure by Insiders ("SEDI").

(2) Denotes member of the Audit Committee.

(3) Beneficially owned, or controlled or directed, directly or indirectly.

**Management of the Company recommends that shareholders vote in favour of the foregoing resolution, and the persons named by management in the enclosed form of proxy intend to vote FOR the approval of the foregoing resolution at the Meeting unless otherwise directed by shareholders appointing them in the absence of such shareholder direction.**

#### **Cease Trade Orders or Bankruptcies**

No proposed director:

- (a) 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:
- (i) was subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days (an "Order");
  - (ii) was subject to an Order that was issued after the person ceased to be a director or executive officer, and which resulted from an event that occurred while that person was acting in the capacity as a director or executive officer;
  - (iii) 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; or

- (b) 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.

### ***Penalties and Sanctions***

No proposed director of the Company 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 been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

### **Re-approval of Stock Option Plan**

As described below, the Company's stock option plan (the "Stock Option Plan") is subject to annual approval of the shareholders of the Company pursuant to the policies of the TSX Venture Exchange (the "Exchange"). At the Meeting, shareholders will be asked to re-approve the Stock Option Plan. See "Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan" for more information on the Stock Option Plan.

A full copy of the Stock Option Plan will be available at the Meeting. Shareholders may also obtain a copy of the Stock Option Plan in advance of the Meeting upon request to the Company, at the address set out in the Notice of Meeting.

The Board believes that passing of the following resolution is in the best interest of the Company. Accordingly, shareholders will be asked to approve the following ordinary resolution at the Meeting:

"BE IT RESOLVED that

1. the continued use of the Stock Option Plan by the Company be and is hereby ratified and approved;
2. the Board, or any committee of the Board created pursuant to the Stock Option Plan, is authorized to make such amendments to the Stock Option Plan from time to time as the Board may, in its discretion, consider to be appropriate or as may be required by the Exchange, in accordance with the Stock Option Plan and the policies of the Exchange and other regulatory authorities, as applicable; and
3. any one director or officer of the Company be and is hereby authorized and directed to execute on behalf of the Company and to deliver or cause to be delivered all such documents and to do all such other acts or things as necessary or desirable in order to carry out the intent of the foregoing resolution."

The foregoing resolution must be approved by a majority (more than 50%) of the votes cast by the shareholders of the Company present in person or represented by proxy at the Meeting in order for it to be adopted. **Management of the Company recommends that shareholders vote in favour of the resolution, and the persons named by Management in the enclosed form of proxy intend to vote FOR the approval of the foregoing resolution at the Meeting unless otherwise directed by the shareholders appointing them in the absence of such shareholder direction.**

### **Legacy Options**

Pursuant to a Plan of Arrangement on September 27, 2012 in conjunction with the spin out of certain Anthem Resources Incorporated incentive stock options were converted to 586,500 Virginia Energy legacy options of which none remain outstanding at the most recently completed year ended December 31, 2018.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The Board is responsible for ensuring that the Company has in place an appropriate plan for executive compensation and for making recommendations with respect to the compensation of the Company's executive officers. The Board ensures that total compensation paid to its NEOs (defined below) is fair and reasonable and is consistent with the Company's compensation philosophy.

Compensation payable is determined by considering compensation paid for directors and CEOs of companies of similar size and stage of development in the mining exploration industry and determining an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company.

### Summary Compensation Table

For the purposes of this Circular, “executive officer” of the Company means an individual who at any time during the year was the Chair or a Vice-Chair of the Company; the President; any Vice-President in charge of a principal business unit, division or function including sales, finance or production; and any officer of the Company or of a subsidiary of the Company or any other individual who performed a policy-making function in respect of the Company.

The summary compensation table below discloses compensation paid to the following individuals:

- (a) the chief executive officer (“CEO”) of the Company;
- (b) the chief financial officer (“CFO”) of the Company;
- (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (each, a “Named Executive Officer” or “NEO”), 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.

The Company currently has two Named Executive Officers, being Walter Coles, Sr., its President and Chief Executive Officer and Karen A. Allan, its Chief Financial Officer.

For each NEO, the following table contains a summary of the compensation paid to him/her for the Company’s most recently completed financial year ended December 31 2018, the years ended December 31, 2017 and December 31, 2016.

Name and Principal Position	Year <sup>(1)</sup>	Salary (\$)	Bonus (\$)	Share-based awards	Option-based awards (\$) <sup>(2)*</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
						Annual incentive plans	Long-term incentive plans			
COLES, Walter, Sr. President, CEO	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	\$125,000	Nil	Nil	\$115,500	Nil	Nil	Nil	Nil	\$240,500
	2016	\$25,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$25,000
ALLAN, Karen A. CFO <sup>(3)</sup>	2018	\$5,307	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$5,307
	2017	\$6,612	Nil	Nil	\$31,500	Nil	Nil	Nil	Nil	\$68,112
	2016	\$12,689	Nil	Nil	Nil	Nil	Nil	Nil	Nil	\$12,689

#### Notes:

- (1) Reports NEO compensation for the financial years ended December 31, 2018, December 31, 2017 and December 31, 2016.
- (2) The Company granted 3,940,000 stock options on August 21, 2017 to directors, officers, consultants and employees, exercisable at CAD\$0.15 until August 21, 2022. The options have an estimated fair value of CAD\$0.105 per option.
- (3) Compensation to Karen Allan is paid to her wholly owned private BC Corporation, Forde Management & Associates Ltd. for CFO services.

\* Fair value of stock option(s) on the date(s) of granting is determined using the Black-Scholes-Merton Model assuming the option(s) are fully vested. Until a stock option has been exercised and the stock sold, the NEO does not receive any cash proceeds from the option and, accordingly, the amount shown is only the deemed ‘paper gain’ of the option.

The Company calculates the fair value of stock options on the date of granting in the ‘Option Based Awards’ column using the Black-Scholes-Merton Model, a mathematical valuation model that ascribes a value to a stock option based on a number of variables, including

the exercise price of the options, the market price of the underlying Shares on the date the option was granted, the term of the option and assumptions with respect to the volatility of the price of the underlying Share and the risk-free rate of return. The Company used this model because it is the methodology recommended by the Canadian Institute of Chartered Accountants in its Handbook for valuing securities based compensation and, in line with that recommendation, is the methodology used by the Company, and most Canadian publicly traded companies, in valuing and reporting stock options in its financial statements.

### **Incentive Plan Awards**

The Company's Stock Option Plan permits the granting of options ("Options") to eligible participants to purchase up to a maximum of such number of Shares as is equal to 10% of the then issued and outstanding Shares of the Company. For further particulars of the Stock Option Plan, see "Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan".

### **Outstanding Option-based Awards**

The following table sets forth the outstanding option-based awards held by the Named Executive Officers of the Company at the end of the most recently completed financial year.

Name	Option-based Awards			
	Number of Securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money Options (\$) <sup>(1)</sup>
COLES, Walter, Sr. CEO	1,100,000	\$0.15	August 21, 2022	\$nil
ALLAN, Karen A. CFO	300,000	\$0.15	August 21, 2022	\$nil

### **Note:**

(1) Amounts shown in the "Value of unexercised in-the-money options" have been calculated based on the December 31, 2018 closing price of \$0.14 per Share.

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

The Company granted 3,940,000 stock options on August 21, 2017 to directors, officers, consultants and employees, exercisable at CAD\$0.15 until August 21, 2022. The options have an estimated fair value of CAD\$0.105 per option.

### **Pension Plan Benefits**

The Company does not have any pension or retirement plan.

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

The Company has no compensatory contract, agreement, plan or arrangement whereby any Named Executive Officer may be compensated in the event of that officer's resignation, retirement or other termination of employment, or in the event of a change of control of the Company or a subsidiary or a change in the Named Executive Officer's responsibilities following such a change of control.

### **Directors' Compensation**

No cash compensation was paid to any director of the Company for the director's services as a director during the financial year ended December 31, 2018. We have no standard arrangement pursuant to which directors are compensated for their services in their capacity as directors except for the granting, from time to time, of Options in accordance with the Company's Stock Option Plan and the policies of the Exchange. Directors who are also officers of the Company do not receive any additional remuneration for their services in their capacity as directors.



The following table sets out the compensation paid to Directors, other than the Named Executive Officers, during the most recently completed financial year:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Neal Keesee <sup>(2)</sup>	\$2,750	Nil	\$84,000	Nil	Nil	Nil	\$86,750
Harold Roberts	Nil	Nil	\$84,000	Nil	Nil	Nil	\$84,000
Joe Kiely	\$5,688	Nil	\$84,000	Nil	Nil	Nil	\$89,688

**Notes:**

- 1) The Company granted 3,940,000 stock options on August 21, 2017 to directors, officers, consultants and employees, exercisable at CAD\$0.15 until August 21, 2022. The options have an estimated fair value of CAD\$0.105 per option.
- 2) Fees paid to Woods Rogers PLC for corporate legal services of Mr. Keesee.

**Outstanding Option-based Awards**

The following table sets forth the outstanding option-based awards held by the directors of the Company, other than Named Executive Officers, at the end of the most recently completed financial year:

Name	Option-based Awards			
	Number of Securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>
Neal Keesee	800,000	\$0.15	August 21, 2022	\$nil
Harold Roberts	800,000	\$0.15	August 21, 2022	\$nil
Joe Kiely	800,000	\$0.15	August 21, 2022	\$nil

**Note:**

- (1) Amounts shown in the "Value of unexercised in-the-money options" have been calculated based on the December 31, 2018 closing price of \$0.14 per Share.

**SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

**Stock Option Plan**

The Exchange policies with respect to incentive stock options provide that listed companies may only issue incentive stock options pursuant to the terms of a stock option plan that has been approved by the shareholders of the Company and the Exchange. At the shareholder meeting of the company previously named Virginia Energy Resources Inc. (now Anthem) held on August 20, 2012, among other things, in connection with the Arrangement, pursuant to the policies, management proposed and the shareholders of Anthem approved the Stock Option Plan, a rolling stock option plan which reserves a maximum of 10% of the issued Shares of the Company on the applicable grant date for grant of Options under the plan. The policies require that such a rolling plan be re-approved each year by the shareholders and the Exchange.

Management of the Company believes that Options serve an important function in furnishing directors, officers, employees and consultants (collectively the "Eligible Parties") of the Company an opportunity to invest in the Company in a simple and effective manner and to better align the interests of the Eligible Parties with those of the Company and its shareholders through ownership of Shares in the Company. Accordingly, at the Meeting the shareholders will be asked to consider re-approving the Stock Option Plan and the allotment and reservation of sufficient Shares from treasury to provide the Shares necessary for issuance upon the exercise from time to time of Options granted pursuant to the Stock Option Plan.

The Stock Option Plan has been prepared by the Company in accordance with the policies of the Exchange and is in the form of a rolling stock option plan reserving for issuance upon the exercise of Options granted pursuant to the Stock Option Plan a maximum of 10% of the issued and outstanding Shares of the Company at any time, less any Shares required to be reserved with respect to Options granted by the Company prior to the implementation of the Stock Option Plan. The Stock Option Plan is administered at the Board level. Subject to the provisions of the Stock Option Plan, the Board in its sole discretion will determine all Options to be granted pursuant to the Stock Option Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Board will comply with all Exchange and other regulatory requirements in granting Options and otherwise administering the Stock Option Plan. A summary of some of the additional provisions of the Stock Option Plan follows:

- (i) Options granted to insiders of the Company as a total in any twelve-month period shall not exceed 10% of the issued and outstanding Shares of the Company;
- (ii) Options granted to any one person as a total in any twelve-month period shall not exceed 5% of the issued and outstanding Shares of the Company;
- (iii) Options granted to any one Consultant to the Company as a total in any twelve-month period shall not exceed 2% of the issued and outstanding Shares of the Company;
- (iv) Options granted to all employees, consultants and their associates engaged in investor relations activities for the Company in aggregate in any twelve-month period shall not exceed 2% of the issued and outstanding Shares of the Company;
- (v) Options granted shall be non-assignable and not transferable and shall not have a term in excess of five years;
- (vi) the exercise price of Options granted shall not be less than the closing price of the Company's Shares on the last trading day less any discount permitted by the Exchange, but, in any event, not less than \$0.10 per share;
- (vii) all Options granted shall be evidenced by written option agreements; and
- (viii) any amendment to reduce the exercise price of Options granted to insiders of the Company shall be subject to approval of the disinterested shareholders of the Company, the majority vote of the shareholders other than the insiders of the Company.

A copy of the Stock Option Plan will be available at the Meeting for review by interested shareholders. The directors of the Company believe the Stock Option Plan is in the Company's best interests and recommend that the shareholders re-approve it.

### Equity Compensation Plan Information

The following table sets forth details of the Company's compensation plans under which equity securities of the Company are authorized for issuance as of the end of the Company's most recently completed financial year:

	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders	3,940,000	\$0.15	1,783,061
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>TOTAL</b>	<b>3,940,000</b>	<b>\$0.15</b>	<b>1,783,061</b>

The rolling stock option feature reserves a maximum of 10% of the issued Shares of the Company on the applicable grant date for grant of Options under the plan.

### INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at the date hereof, there is no indebtedness owing by any directors, executive officers, employees or former directors, executive officers or employees of the Company to the Company or any of its subsidiaries or to another entity where the indebtedness to such other

entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries. Additionally, no individual who is, or at any time during the Company last financial year was, a director or executive officer of the Company, proposed nominee for director of the Company or associate of any such director, executive officer or proposed nominee is, or at any time since the beginning of the Company last financial year has been, indebted to the Company or any of its subsidiaries or to another entity where the indebtedness to such other entity is, or at any time since the beginning of the Company's last financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, including indebtedness for security purchase or any other programs.

## **MANAGEMENT CONTRACTS**

Management functions of the Company and its subsidiaries are performed by directors, executive officers or senior officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

## **CORPORATE GOVERNANCE DISCLOSURE**

Corporate governance relates to the activities of the Board. A summary of the responsibilities and activities and the membership of each of the Committees are set out below. National Instrument 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below. The Board is committed to sound corporate governance practices in the interest of its shareholders and believes such practices contribute to effective and efficient decision making. The Company will continue to review and implement corporate governance guidelines as the business of the Company progresses.

### **Board of Directors**

The Company's proposed Board consists of four directors, two of whom are independent based upon the tests for independence set forth in National Instrument 52-110 – *Audit Committees* ("NI 51-110"). Harold Roberts and Joseph Kiely are considered independent. Walter Coles, Sr. is not independent as he is the Chairman, President and CEO of the Company. Neal Keesee is not independent as he is the Corporate Secretary of the Company and provides corporate legal services.

### **Participation of Directors in Other Reporting Issuers**

The participation of the directors in other reporting issuers is described in "Election of Directors" in this Circular.

### **Orientation and Continuing Education**

The Board does not have a formal orientation or education program for its members. New Board members are provided with information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies, access to all of the publicly filed documents of the Company and complete access to management and the Company's professional advisors.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments and changes in legislation with the Company's assistance, to attend industry seminars and to visit the Company's operations. Board members have full access to the Company's records and legal counsel.

The Board's continuing education is typically derived from correspondence with the Company's legal counsel to remain up to date with developments in relevant corporate and securities law matters.

### **Ethical Business Conduct**

The Board believes good corporate governance is an integral component to the success of the Company and to meet responsibilities to shareholders.

At present, though the Board has not adopted formal guidelines or a code of ethical business conduct due to the size of its Board and its limited activities, the Company does promote ethical business conduct through the nomination of Board members it considers of good moral character and of sound reputation.

### **Nomination of Directors**

The Board has responsibility for identifying and assessing potential Board candidates. Recruitment of new directors has generally

resulted from recommendations made by directors, management and shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

### Compensation

The Company's Corporate Governance, Compensation and Nominating Committee will determine the compensation of the Company's directors and officers. Compensation payable is determined by considering compensation paid for directors and CEOs of companies of similar size and stage of development in the mining exploration industry and determining an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting his compensation, the performance of the CEO is reviewed in light of the Company's objectives and other factors that may have impacted the success of the Company. The CEO does not participate in Board discussions relating to his own compensation.

The Company's Stock Option Plan is administered by the Corporate Governance, Compensation and Nominating Committee, and in its sole discretion will determine all Options to be granted pursuant to the Stock Option Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. For more particulars, see "Securities Authorized For Issuance Under Equity Compensation Plans" herein.

### Other Board Committees

The Board has no other committees other than the Audit and the Corporate Governance, Compensation and Nominating Committees.

### Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal periodic assessments of the effectiveness of the Board and the individual directors.

### AUDIT COMMITTEE

#### Audit Committee Charter

The text of the Audit Committee's Charter is attached as Schedule "A" to this Circular.

#### Composition of the Audit Committee

The following are the members of the Committee:

Name	Independent (1)	Financially Literate (2)	Education & Experience relevant to performance of audit committee duties
Neal Keesee	No	Yes	Mr. Keesee practices corporate law with the firm of Woods Rogers PLC in Roanoke Virginia. He has extensive experience in all areas of corporate law, including mergers and acquisitions, tax, financing, creditor's rights and venture capital. Neal completed his undergraduate work in accounting at Virginia Tech ( <i>magna cum laude</i> ) and earned his law degree from the College of William & Mary. He was a member of the Order of the Coif and the <i>William &amp; Mary Law Review</i> .
Harold Roberts	Yes	Yes	Mr. Roberts is Executive Vice President and Chief Operating Officer for Energy Fuels. He was previously the Executive Vice President - U.S. Operations for Denison Mines Corp. from 2006 to 2012. Prior to his employment with Denison, Mr. Roberts was the President of Energy Fuels Nuclear, Inc. Throughout his career Mr. Roberts has held various positions related to operations oversight, project development, and permitting of mining operations. Mr. Roberts obtained his Bachelor of Science degree in Civil Engineering from Montana State University in 1975, and is a Registered Professional Engineer in several western states.
Joseph M. Kiely	Yes	Yes	Mr. Kiely, a Certified Public Accountant since May, 1976, now retired. He was previously CFO of Virginia Uranium Inc. from 2007 to 2014, CFO of Varana Capital LLC, New York from 2012 to 2015 and CFO of Cadence Investment Management LLC, New York from 2003 to 2008. Mr. Kiely obtained his Bachelor of Business Administration from Dowling College in 1974.

**Notes:**

- 1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Keesee acts as the Company's Corporate Secretary, and
- 2) An individual is financially literate if he 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.

**Exemption**

MI 52-110 exempts issuers listed on the TSX Venture Exchange (the "Exchange") from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*) of the Instrument. As a result, the members of the Committee are not required to be either "independent" or "financially literate" within the meaning of the Instrument; however, the Company is required to provide on an annual basis, the disclosure regarding its Audit Committee made in this Information Circular. All of the Committee members are financially literate. See the disclosure above under the heading "Composition of the Audit Committee".

**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 of the Company.

**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 Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee charter attached as Schedule 'A'.

**External Auditor Service Fees (By Category)**

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

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2018	\$20,000	Nil	\$14,800	Nil
2017	\$20,000	Nil	\$14,500	Nil
2016	\$15,400	Nil	\$13,888	Nil

**Notes:**

- 1) The aggregate audit fees billed by Smythe LLP.
- 2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees".
- 3) The aggregate fees billed for professional services rendered for tax compliance, tax advice and tax planning for the Company and its subsidiaries, including tax returns for the stub periods and year ends. Canadian tax returns were prepared by Smythe LLP. US returns were prepared by PKF O'Connor Davies, an associate company of Smythe LLP.
- 4) The aggregate fees billed for products and services other than as set out under the headings "Audit Fees", "Audit Related Fees" and "Tax Fees".

**Exemption** - The Company is relying upon the exemption in section 6.1 of NI 52-110 relating to certain reporting obligation.

**INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

To the knowledge of the directors and executive officers of the Company, no director, executive officer or insider of the Company or any proposed director of the Company or any associate or affiliate of the aforementioned persons has any material interest, direct or indirect, in any transaction since the beginning of the Company's most recently completed financial year or in any proposed transaction which has

materially affected or would materially affect the Company or any of its subsidiaries except as set out herein.

#### **ANY OTHER MATTERS**

Management knows of no other matters to come before the meeting of shareholders other than referred to in the notice of meeting. However, if any other matters which are not known to the management of the company shall properly come before the said meeting, the form of proxy given pursuant to the solicitation by management of the company will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). In addition, the meeting materials are posted on the Company's website at <http://www.virginiaenergyresources.com/s/FinancialReports.asp>

Financial information regarding the Company and its affairs is provided in the Company's comparative financial statements and management discussion and analysis ("MD&A") for its financial year ended December 31, 2018. Shareholders may contact the Company at the address set out on the face page of this Circular to request copies of the Company's financial statements and MD&A.

#### **DIRECTORS' APPROVAL**

The contents and the sending of this Management Information Circular to the Shareholders of the Corporation has been approved by the Board - DATED at Vancouver, British Columbia the 4<sup>th</sup> day of December, 2019

#### **BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) "*Walter Coles, Sr.*"  
Walter Coles, Sr.  
Chairman and Director

## Schedule "A"

### Audit Committee Charter

#### **Mandate**

The primary function of the Audit Committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements; (ii) review and appraise the performance of the Company's external auditors; and (iii) provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### **Composition**

The Committee shall be comprised of three directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is 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 presumably be expected to be raised by the Company's financial statements.

The Board of Directors at its first meeting following the annual shareholders' meeting shall elect the members of the Committee. Unless a Chair is elected by the full Board of Directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

#### **Meetings**

The Committee shall meet at least four times annually, or more frequently as circumstances dictate.

#### **Responsibilities and Duties**

To fulfil its responsibilities and duties, the Committee shall:

##### **Documents/Reports Review**

- (a) Review and update its Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, news releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.

##### **External Auditors**

- (a) Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) From time to time, as necessary, consult with the external auditors, without the presence of management, about the quality

of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
  - (ii) such services were not recognized by the Company at the time of the engagement to be non-audit services; and
  - (iii) such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

#### **Financial Reporting Processes**

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

#### **Other**

Review any related party transactions.