



**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO THE SHAREHOLDERS:**

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the "Meeting"), of **Western Resources Corp.** (the "Company") will be held at Suite 1205-789 W Pender Street, Vancouver, BC V6C 1H2, on **Friday, March 13, 2020** at **10:00 a.m.** (local time) to transact the usual business of an Annual General Meeting and for the following purposes:

1. To receive and consider the audited financial statements of the Company for the fiscal year ended Sept. 30, 2019, including the accompanying notes and the auditor's report, and the annual Management Discussion and Analysis.
2. To set the number of Directors at seven (7).
3. To elect directors to hold office until the close of the next Annual General Meeting.
4. To appoint an auditor for the Company to hold office until the close of the next Annual General Meeting.
5. To authorize the directors to fix the remuneration to be paid to the auditor of the Company.
6. To transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The audited financial statements of the Company, including the auditor's report for the financial year ended September 30, 2019 are available for viewing on SEDAR (<http://www.sedar.com>) and on the Company's website (<http://www.westernresources.com/investors/agm>).

The Management Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice. Copies of any documents will be available for inspection at the registered and records office of the Company at 2500 Park Place, 666 Burrard Street, Vancouver, BC, V6C 2X8, during normal business hours up to **March 13<sup>th</sup>, 2020** being the date of the Meeting, and at the Meeting. The Management Information Circular is available for viewing on SEDAR (<http://www.sedar.com>) and at [www.westernresources.com/investors/agm](http://www.westernresources.com/investors/agm).

The directors of the Company fixed the close of business on **January 29, 2019** as the record date for determining holders of common shares who are entitled to vote at the Meeting.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed Form of Proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location in accordance with the instructions set out in the Form of Proxy and Information Circular accompanying this Notice. Please advise the Company of any change in your address.

DATED at Vancouver, B.C. this 30<sup>th</sup> day of January 2020.

BY ORDER OF THE BOARD OF DIRECTORS

**WESTERN RESOURCES CORP.**

A handwritten signature in black ink, appearing to read "James Moore", written over a horizontal line.

Hon. James Moore, Chairman

## MANAGEMENT INFORMATION CIRCULAR

As at January 30, 2020 unless otherwise noted  
(All dollar amounts are in Canadian funds unless otherwise stated)

### SOLICITATION OF PROXIES

**This Information Circular is furnished in connection with the solicitation of proxies by the management of Western Resources Corp. ("Western Resources" or the "Company"), at the time and place and for the purposes set forth in the Notice of Annual General Meeting of Shareholders (the "Notice of Meeting").**

**Notes:** The term "shareholder" as defined in the *Business Corporations Act* (British Columbia), S.B.C.2002, c.57 (the "BCBCA"), except in section 385, means a person whose name is entered in a securities register of a company as a registered owner of a share of the company or, until such an entry is made for the company:

- (a) in the case of a company incorporated before the coming into force of the BCBCA, a subscriber, or
- (b) in the case of a company incorporated under the BCBCA, an incorporator.

Under National Instruments 54-101 and 52-102, the concept of Notice & Access was introduced by the CSA with an effective date of February 11, 2013. This Instrument enables issuers to change their existing mail packs to a single Notice outlining the meeting date, time, venue, and provide information on how to ACCESS the proxy materials online. Main benefit of the Notice & Access is the reduction in printing which could greatly reduce environmental impact as no longer printing high volume of materials. However, proxies may also be solicited personally or by telephone by directors, officers or employees of the Company at nominal cost. The cost of this solicitation will be borne by the Company.

Unless the context otherwise requires, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Glossary of Terms set out in Appendix A of this Circular.

### 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 (the "Registered Shareholder"). The persons whose names are printed in 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 by inserting the desired person's name in the blank space provided or by executing a proxy ("Proxy") in a form similar to the enclosed form. A proxyholder needs not be a Registered Shareholder.

The persons named in the accompanying Form of Proxy are nominees of the Company's management. A shareholder desiring to appoint another person (who needs not be a shareholder) to represent him or her at the Meeting may do so either by:

- (a) STRIKING OUT THE PRINTED NAMES AND INSERTING THE DESIRED PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY; OR
- (b) BY COMPLETING ANOTHER PROPER FORM OF PROXY.

The completed Proxy must be deposited at the office of Computershare Investor Services Inc., 100 University Ave., 8<sup>th</sup> Floor, Toronto, Ontario, M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting.

A shareholder who has given a Proxy may revoke it by an instrument in writing delivered to the office of Computershare Investor Services Inc., Stock Transfer Department, or to the registered office of the Company at 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, BC Canada V6C 3B9 or to the Chairman of the Meeting, or in any other manner provided by law, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment(s) or postponement(s) thereof.

### VOTING OF PROXIES

If the instructions as to voting indicated in the Proxy are certain, the common shares of the Company (the "Shares") represented by the proxy will be voted on any poll and where a choice with respect to any matter to be acted upon has been specified in the Proxy, the Shares will be voted on any poll in accordance with the specifications so made. IF A CHOICE IS NOT SO SPECIFIED, IT IS INTENDED THAT THE PERSON DESIGNATED BY MANAGEMENT IN THE ACCOMPANYING FORM OF PROXY WILL VOTE THE SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED ON THE FORM OF PROXY AND FOR THE NOMINEES OF MANAGEMENT FOR DIRECTORS AND AUDITOR.

The Form of Proxy accompanying this Information Circular confers discretionary authority upon the named Management Proxyholder with respect to amendments or variations to the matters identified in the accompanying Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date of this Information Circular, the management of the Company knows of no such amendment or variation or matters to come before the Meeting other than those referred to in the accompanying Notice of Meeting.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Except for the statements of historical fact contained herein, the information presented in this Circular and the information incorporated by reference herein, constitutes "forward-looking information" within the meaning of applicable Canadian Securities Laws concerning the business, operations, plans, financial performance and condition of each of Western Potash and Western Resources. Often, but not always, forward-looking statements can be identified by words such as "*pro forma*", "plans", "expects", "may", "should", "could", "will", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", "believes", or variations including negative variations thereof of such words and phrases that refer to certain actions, events or results that may, could, would, might or will occur or be taken or achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual plans, results, performance or achievements of Western Resources or Western Potash to differ materially from any future plans, results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the timing, closing or non-completion of the Arrangement, including due to the parties failing to receive, in a timely manner and on satisfactory terms, the necessary Court, securityholder, stock exchange and regulatory approvals or the inability of the parties to satisfy or waive in a timely manner the other conditions to the closing or the conditions precedent, as applicable, of the Arrangement; factors discussed under the heading "*Risk Factors*".

Although Western Resources has attempted to identify important factors that could cause plans, actions, events or results to differ materially from those described in forward-looking statements in this Circular, and the documents incorporated by reference herein, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate as actual plans, results and future events could differ materially from those anticipated in such statements or information. Accordingly, readers should not place undue reliance on forward-looking statements in this Circular, nor in the documents incorporated by reference herein. All of the forward-looking statements made in this Circular, including all documents incorporated by reference herein, are qualified by these cautionary statements.

Western Resources Shareholders are cautioned not to place undue reliance on forward-looking statements. Western Resources undertakes no obligation to update any of the forward-looking statements in this Circular or incorporated by reference herein, except as required by law.

### 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 own 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 of 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 Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to non-registered shareholders unless the non-registered shareholder 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.**

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

Other than as disclosed elsewhere herein, none of the following persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors or the appointment of auditors:

- (a) any director or executive officer of the Company at any time since the commencement of the Company's last completed financial year;
- (b) any proposed nominee for election as a director of the Company; and
- (c) any associate or affiliate of any of the foregoing persons.

#### **FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS**

The consolidated financial statements of the Company for the year ended September 30, 2019 (the "Financial Statements"), including the accompanying notes and the auditor's report, and the Management Discussion and Analysis will be available to the shareholders at the Meeting. These documents are also available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Company's website at [www.westernresources.com/investors/](http://www.westernresources.com/investors/).

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). A securityholder may contact the Company to request copies of the Company's financial statements and Management's Discussion and Analysis ("MD&A"). Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year.

#### **RE-APPOINTMENT AND REMUNERATION OF AUDITOR**

The management of the Company will recommend to the Meeting to re-appoint KPMG LLP, Chartered Accountants, of 777 Dunsmuir Street, Vancouver, BC, Canada as Auditor of the Company to hold office until the close of the next Annual General Meeting of Shareholders. It is proposed that the remuneration to be paid to the auditor be fixed by the directors.

KPMG LLP was first appointed Auditor of the Company on September 7, 2016.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of Shares without par value, of which **186,874,220** Shares are issued and outstanding as of the date of this Information Circular. Only Registered Shareholders whose names have been entered into the registers of Western Resources as at the close of business (5:00 p.m. Vancouver Time) on the Record Date will be entitled to receive notice of and vote at the Meeting, and the Registered Shareholders are entitled to one vote for each Share held. The directors of the Company fixed **January 29, 2020** as the record date for the determination of the shareholders entitled to vote at the Annual General Meeting or at any adjournment(s) or postponement(s) thereof.

To the knowledge of the directors and senior officers of the Company, there are no persons who, or corporations which, beneficially own, directly or indirectly, or exercise control or direction over, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company other than

1. As of the record date, Tairui Mining Inc. held **105,854,938** Shares, representing **56.65%** of the issued and outstanding Shares;
2. As of the record date, CBC (Canada) Holding Corp. held **18,874,296** Shares, representing **10.10%** of the issued and outstanding Shares.

#### **DETERMINATION OF NUMBER OF DIRECTORS**

The directors are elected at each annual general meeting to hold office until the next Annual General Meeting or until their successors are duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Company or a director becomes disqualified to act as a director. As at the date of this Information Circular the Company has six (6) directors.

Management intends to set the number of directors comprising the Board at seven (7) for the ensuing year.

### ELECTION OF DIRECTORS

The Board of Directors presently consists of six directors as a result of one director who resigned in November 2019 due to personal reasons, and it is intended that seven directors be elected at this AGM for the ensuing year. The term of office of each of the present directors expires at the Meeting.

The persons named in the following table are proposed by management for election as directors of the Company, five of whom are incumbent, and two as newly appointed. Each director elected will hold office until the next Annual General Meeting or until his successor is duly elected or appointed, unless such office is earlier vacated in accordance with the Articles of the Company or he becomes disqualified to act as a director. In the absence of instructions to the contrary, the enclosed Proxy will be voted for the nominees listed herein.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. THE COMPANY HAS NOT RECEIVED NOTICE OF, AND MANAGEMENT IS NOT AWARE OF, ANY PROPOSED NOMINEE IN ADDITION TO THE NAMED NOMINEES.

The following information concerning the respective nominees has been furnished by each of them:

Name, Province/State and Country of Ordinary Residence	Present principal occupation, business or employment and, if not elected a director by a vote of security holders, principal occupation, business or employment during the past five years <sup>(1)</sup>	Term of service as a director of the Company and Proposed Expiry Date <sup>(2)</sup> and First and Last Position in the Company	Approx. no. of voting securities beneficially owned, or controlled or directed, directly or indirectly or over which direction or control is exercised <sup>(3)</sup>
James Moore British Columbia, Canada	Western Resources - <i>Chairman</i> Dentons Canada LLP - <i>Senior Advisor</i> Edelman Canada - <i>Senior Advisor</i> Auditor General of Canada - <i>Senior Advisor</i> NAFTA Advisory Council - <i>Member</i> Canadian Cancer Society - <i>Vice-Chair</i> Business Council of B.C. - <i>Board Member</i> Canada China Business Council - <i>Board Member</i>	Chairman since April 5, 2017	Nil
Bill (Wenye) Xue <sup>(8) (9)</sup> British Columbia, Canada	President & CEO of the Company, Executive Director of Tairui Mining Inc. (Canada).	Director from September 16, 2015 to April 5, 2016. Re-appointed Director September 29, 2016. President since September 28, 2015. CEO since April 5, 2017.	105,854,938 <sup>(9)</sup>
Fritz Venter <sup>(7) (8)</sup> , Saskatchewan, Canada	CEO & President of Western Potash Corp. since August 1, 2019 ; Senior Vice President of SNC-Lavalin from November 2016 to July 2019; Project Director & MPG Director, FLUOR from October 2014 to October 2016; Vice President of Project Services and General Manager of WorleyParsons, from December 2007 to August 2014;	Director since June 28, 2019, COO since August 1, 2019; CEO & President of Western Potash Corp. since August 1, 2019.	Nil
Qinglong Xia <sup>(4) (5) (6)</sup> Beijing, China	Chairman of CNOOC International Ltd.; Previously, Chairman of ChinaBlue Chemical Ltd. till December 2019; Chief Geologist of CNOOC China Limited Tianjin Branch from November 2005 to April 2013.	Director since July 29, 2016.	18,874,296 <sup>(5)</sup>

Name, Province/State and Country of Ordinary Residence	Present principal occupation, business or employment and, if not elected a director by a vote of security holders, principal occupation, business or employment during the past five years <sup>(1)</sup>	Term of service as a director of the Company and Proposed Expiry Date <sup>(2)</sup> and First and Last Position in the Company	Approx. no. of voting securities beneficially owned, or controlled or directed, directly or indirectly or over which direction or control is exercised <sup>(3)</sup>
Yinping Wang <sup>(4)</sup> <sup>(6)</sup> Beijing, China	Board Member of both China Risun Group Ltd. (since March 15, 2019) and Yida China Holdings Ltd.; Formerly, board member of Pioneer Pharma Holdings Ltd (till January 1, 2020) and Vice President of Sinochem Group.	Director from September 16, 2015 to September 29, 2016. Re-appointed Director April 5, 2017.	Nil
Yujia Ren Beijing, China	Managing Director of Beijing Tairui Innovation Capital Management Ltd. since July 2017.	Proposed Director	Nil
Guy Bentinck <sup>(4)</sup> <sup>(6)</sup> Toronto, Canada	Consultant of Baffinland Iron Mines since 2019; SVP & CFO of Fairfax Africa from 2017- 2019; President and CEO of Potash Ridge Corp., from 2010-2015; SVP & CFO of Sherritt International Corp., from 1997 to 2010.	Proposed Director	Nil

**Notes:**

- (1) Unless otherwise stated, each of the above-named nominees has held the principal occupation or employment indicated for at least five years.
- (2) For the purposes of disclosing positions held in the Company, "Company" shall include the Company and/or a parent or subsidiary thereof. The term of office of each director or proposed director will expire at the next Annual General Meeting.
- (3) Securities beneficially owned by directors are based on information furnished to the Company by the nominees.
- (4) Member of Audit Committee.
- (5) Mr. Qinglong Xia holds 18,874,296 common shares over which he exercises direction through CBC (Canada) Holding Corp.
- (6) Member of Compensation Committee.
- (7) Member of Corporate Disclosure Policy Committee.
- (8) Member of Executive Committee.
- (9) Mr. Bill Xue holds 105,854,938 common shares over which he exercises direction through Tairui Mining Inc.

**Majority Voting Policy**

The Board of Directors has adopted a majority voting policy for the election of directors in uncontested elections that meets the requirements of the policies of the Toronto Stock Exchange (the "TSX"). Under this policy, if a nominee does not receive the affirmative vote of at least the majority of votes cast, the director shall be expected to promptly tender a resignation for consideration by the Board. The Board shall, taking all material facts into consideration as they determine necessary, and with the nominee in question not participating in such meeting, consider the resignation and determine the appropriate action to be taken with respect to such offered resignation. Such factors may include, without limitation, the stated reasons why shareholders withheld votes from the election of the nominee, the length of service and the qualifications of the director whose resignation has been submitted, such director's contributions to the Company and the Company's governance guidelines, if any. The Board's determinations may include: accepting the resignation, maintaining the director but addressing what the Board believes to be the underlying cause of the withheld votes, resolving that the director will not be re-nominated in the future for election, or rejecting the resignation. Such resolution shall set out the reasons underlying the basis for the Board's decision. With exception of special circumstances that would warrant the continued service of the applicable director on the Board, the Board shall be expected to accept the resignation by the director. If a resignation is accepted, the Board may appoint a new director to fill any vacancy created by the resignation or reduce the size of the Board.

The Board's decision shall be made within 90 days after the shareholder meeting at which the election of directors occurred and the Company will then promptly issue a news release setting out that decision. If applicable, the news release will set out the reasons for rejecting any resignation.

## STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

- (a) "Chief Executive Officer" or "CEO" means each individual who served as chief executive officer of the Company or acted in a similar capacity during the most recently completed financial year;
- (b) "Chief Financial Officer" or "CFO" means each individual who served as chief financial officer of the Company or acted in a similar capacity during the most recently completed financial year;
- (c) "Named Executive Officers" or "NEOs" means the following individuals:
  - (i) each CEO;
  - (ii) each CFO;
  - (iii) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and
  - (iv) each individual who would be a 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 September 30, 2019.

The following disclosure sets out the compensation that the Board intended to pay, make payable, award, grant, give or otherwise provide to each NEO and director for the financial year ended September 30, 2019.

### COMPENSATION DISCUSSION AND ANALYSIS

The Company has established a Compensation Committee, which Committee was comprised of three (3) directors. The Board will appoint annually, at the organizational meeting of the full Board, from its members, the members of the Committee. The Board will appoint one member of the Committee as the Chairman of the Committee. Should a Committee member cease to be a director of the Company, then such Committee member shall be automatically removed. In discharging its general purposes, the Committee's duties include the following items:

1. reviewing the adequacy and form of compensation of senior management;
2. reviewing the performance of the Company's senior management and recommending annually to the Board for approval the amount and composition of compensation to be paid to the Company's senior management;
3. reviewing and approving the corporate goals and objectives relevant to CEO, President and CFO and other senior officer's compensation;
4. reviewing and making recommendations to the Board of Directors with respect to pension, stock option and other incentive plans for the benefit of senior management;
5. overseeing the administration of the Company's employee stock option plan; and
6. reviewing the adequacy and form of the compensation of directors.

On March 4, 2008 the Board (here and thereafter up till April 5, 2017 when the Plan of Arrangement occurred, all referring to that of the Western Potash Corp) approved the Company's first employee incentive stock option plan (the "Initial Plan"). Pursuant to the terms of the Initial Plan, up to 10% of the total number of Shares issued and outstanding from time to time were reserved for issuance as stock options. Shareholder approval to the Initial Plan, as amended, was obtained at the Company's Annual General Meetings held March 26, 2009, March 24, 2010, and March 30, 2011. On July 12, 2011 the Company's listing was transferred from the TSX Venture Exchange to the TSX. At the Company's Annual and Special General Meeting held on March 26, 2012, Management of the Company sought and obtained shareholder approval to replace the Company's Initial Plan with a new stock option plan (the "2012 Plan") in order to become fully compliant with the policies of the TSX.

The TSX requires all unallocated options, rights or other entitlements under a security-based compensation arrangement which does not have a fixed maximum aggregate of securities issuable to be approved by shareholders every 3 years and therefore the 2012 Plan was placed before the shareholders for ratification and approval at its 2015 Annual General Meeting of the Company (the "2015 Plan"). This was updated and replaced by a new "2018 Plan", which generally maintains all the basic terms and conditions of the previous Plan, including a rolling 10% of all issued and outstanding stock plan, and was adopted in March 2018 to be fully compliant with the policies of the Toronto Stock Exchange. The "2018 Plan" is valid for three years until the date of the Company's Annual General Meeting to be held in or around March 2021.

The purpose of the Company's Initial Plan and the amended Plans thereafter, including the 2018 Plan were to attract, retain and motivate directors, officers, employees and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. The 2018 Plan is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).

The Company's compensation policies and programs are designed to be competitive with similar mineral property exploration companies and to recognize and reward executive performance consistent with the success of the Company's business. As of January 30, 2020, the total number of issued and outstanding stock options is 11,450,000.

The compensation program is designed to reward performance of the NEO of the duties and responsibilities of the particular position and the attainment of the goals set for the NEO in conjunction with the strategic plan of the issuer. The Compensation Committee approved ranges for base salaries for executives of the Company. Compensation comparables were determined on the position of the executive and using experience levels commensurate with the biographies of the current executive and management team. Compensation information, including potential bonuses as a percentage of salary, was extracted from 9 mid-tier and 9 junior mining companies (whose names were not disclosed) classified as either "Development/Exploration, Surface projects < 100 employees", or "Operating mines, Surface projects < 1,000,000 tonnes per year, <100 employees". These categories are relevant to the Company's business and industry size.

Performance goals or similar conditions for the Company upon which bonuses are based include subjective and objective measurements tied to the overall development of the Company. As the Company has no earnings and is in the construction stage of its mineral project, performance goals are not directly based on its financial statements, apart from capital raised for the Company by management through equity or debt offerings.

The significant elements of compensation awarded to the NEOs are cash salary, stock options and/or annual bonuses.

#### **Cash Salary:**

The NEOs are paid a salary in order to ensure that the compensation package offered by the Company is in line with that offered by other companies in the industry, and as an immediate means of rewarding the NEOs for efforts expended on behalf of the Company. The salary to be paid to a particular NEO is determined by available information from the industry. Payment of a cash salary fits within the objective of the compensation program since it rewards the NEO for performance of his or her duties and responsibilities. The payment of such salary may impact on other elements of the compensation package to a particular NEO.

The Compensation Committee reviews the compensation of senior officers and management, and provides recommendations to the Board for discussions and approvals with respect to compensation entitlement to incentive compensation (if any), in light of the senior officers' annual performance and in light of criteria proposed by the Committee and adopted by the Board.

#### **Annual Bonus, Stock Options, etc:**

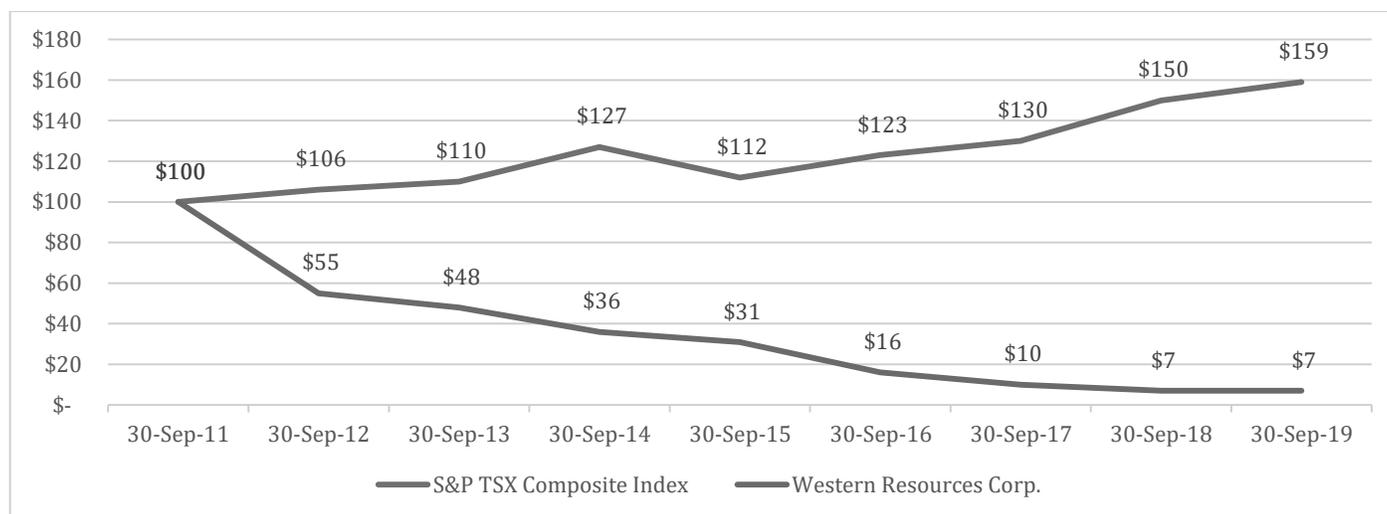
The Compensation Committee reviews any bonuses and stock option grants with the Board and proposes to the Board criteria for assessing the performance of senior management, on an annual basis, in accordance with an evaluation process established by the Board. The performance evaluation of the CEO, CFO and other senior management are then submitted to the Board for review and approval. Annual bonuses, if any, and stock options are not based on formal measures, such as share price and E/P ratios.

Following the year ended September 30, 2019 the Company did not take any action or make any decisions or policies that could affect a reasonable person's understanding of any NEO's compensation for the most recently completed financial year, other than as otherwise disclosed herein and in the public records of the Company.

#### **Performance Graph**

The graph below compares the yearly percentage change in the cumulative total shareholder return on the Company's common shares against the cumulative total shareholder return of the Toronto Stock Exchange 300 Total Return Index for the period commencing September 30, 2011 and ending September 30, 2019, which was in contrast to the general performance of the S&P/TSX Composite over the same period of time, but was indeed in line with the general trend of the overall global potash industry performance.

**Chart 1** Comparison of Total Shareholder Return on Common Shares of the Company and the S&P/TSX Composite - Total Return Index Value (based on Canadian Funds)



The graphs assume that the initial value of the investment on the stock exchange in the Company's common shares and in the indexes was \$100 on the initial date. The Company was initially listed on the TSX Venture Exchange on May 6, 2008. It has been listed on the TSX since July 12, 2011. On April 5, 2017, Western Potash Corp., through a Plan of Arrangement (the "Arrangement") with Western Resources Corp, was delisted from the Toronto Stock Exchange, and all of its issued and outstanding shares were simultaneously replaced by Western Resources Corp on the basis of one Western Potash share being exchanged for 0.2 of a Western Resources share. As a result, Western Resources Shares commenced trading at the TSX on April 5, 2017 under the symbol of WRX.

It is noted that the trend shown by this graph does not reflect the trend in the Company's compensation to executive officers over this period. During this period, the Company was experiencing significant growth while the shareholder return was declining due to disruptions in the financial, junior resource and potash markets.

### Option Based Awards

As stated elsewhere herein, the Company has in place an incentive stock option plan (the "2018 Plan"). The 2018 Plan was established to provide incentive to qualified parties to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The 2018 Plan is administered by the Board. The 2018 Plan provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants of the Company. All options expire on a date not later than ten/10 years after the issuance of such options. Subject to the requirements of the policies of the TSX and the prior receipt of any necessary shareholder and regulatory approvals, the Board may, in its absolute discretion, amend or modify the 2018 Plan or any outstanding options granted under the 2018 Plan, as to the provisions set out in the 2018.

The process by which the Board grants option-based awards to executive officers is:

- Options are generally granted to corporate executives and employees in key positions as well as major consultants as part of the annual compensation review. Options are also granted at other times of the year to individuals commencing employment with the Company or as circumstances warrant, including the closing of significant financings. The exercise price for the options is established at the time each option is granted, and such price, in all cases shall be not less than the market price of the securities at the time the option is granted; or a reasonable pre-determined formula, based on a weighted average trading price or average daily high and low board lot trading prices for a short period of time prior to the time of the grant.
- The Board often approves base salaries, annual cash incentives and stock options at the same time to facilitate consideration of target direct compensation to executive officers. Options are granted at other times of the year to individuals commencing employment with the Company.

**SUMMARY COMPENSATION TABLE**

The compensation paid to the NEOs during the Company's last three fiscal years as of September 30, 2019 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary <sup>(1)</sup> (\$)	Share-based awards (\$)	Option-based awards <sup>(2)</sup> (\$)	Non-equity incentive plan compensation <sup>(3)</sup> (\$)		Pension value (\$)	All other compensation <sup>(4)</sup> (\$)	Total Compensation (\$)
					Annual incentive plans <sup>(3)</sup>	Long-term incentive plans			
Bill Xue CEO & President	2019	\$240,000	N/A	\$116,600	\$25,000	N/A	N/A	Nil	\$381,600
	2018	\$240,000	N/A	N/A	N/A	N/A	N/A	Nil	\$240,000
	2017	\$240,000	N/A	N/A	N/A	N/A	N/A	Nil	\$240,000
Fritz Venter CEO & President of Western Potash <sup>(5)</sup>	2019	\$40,000	N/A	\$279,600	\$36,000	N/A	N/A	\$100,000	\$455,600
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
George Gao, SVP	2019	\$130,000	N/A	\$23,320	\$30,000	N/A	N/A	Nil	\$183,320
	2018	\$180,000	N/A	N/A	N/A	N/A	N/A	Nil	\$180,000
	2017	\$180,000	N/A	N/A	N/A	N/A	N/A	Nil	\$180,000
Matthew Wood, VP	2019	\$180,000	N/A	\$46,640	\$20,000	N/A	N/A	Nil	\$246,640
	2018	\$210,000	N/A	N/A	N/A	N/A	N/A	Nil	\$210,000
	2017	\$210,000	N/A	N/A	N/A	N/A	N/A	\$55,000	\$265,000
Alnesh Mohan, CFO	2019	\$25,000	N/A	\$5,830	N/A	N/A	N/A	Nil	\$30,830
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lowell Berg, VP, Western Potash	2019	\$137,500	N/A	\$46,640	\$20,000	N/A	N/A	Nil	\$204,140
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
David Thornley-Hall, VP <sup>(6)</sup>	2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2018	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2017	\$115,500	N/A	N/A	N/A	N/A	N/A	\$120,000	\$235,500

**Notes:**

- (1) Includes the dollar value of cash and non-cash base salary earned during a financial year covered.
- (2) The amount represents the fair value, on the date of grant, of awards made under the Company's stock option plan. Deemed fair value of options granted during the fiscal year, based on the Black-Scholes option pricing model. The Company used the Black-Scholes option pricing model as the methodology to calculate the grant date fair value, and relied on the following key assumptions and estimates for the 2019 calculations:
  - May 2019 grant date: risk-free interest rate of 1.49%; expected life of 5 years; forfeiture rate of 0%; expected volatility of 65% and a dividend rate of 0%.
  - June 2019 grant date: risk-free interest rate of 1.49%; expected life of 5 years; forfeiture rate of 0%; expected volatility of 69%, and a dividend rate of 0%.
 The Black-Scholes option pricing model is used because it provides a fair value widely accepted by the business community and is regarded as one of the best ways of determining fair prices of options.
- (3) These amounts, if any, include annual non-equity incentive plan compensation, such as bonuses, including signing bonus and discretionary amounts for the year ended September 30, 2019.
- (4) These amounts cover all compensation other than amounts already set out in the table for the year ended September 30, 2019 and include directors' fees, as applicable, and annual bonuses for prior year's performance, new employee signing bonus, and, if any, amounts paid upon resignation, retirement or other termination of employment or change in control and insurance premiums with respect to term life insurance. Director fees for sitting on the Board and for Board meetings are set at \$5,000 per quarter for each of the last four quarters, payable to non-executive directors only. Committee Chairmen are paid \$7,500 per quarter including director fees effective April 1, 2018.
- (5) Fritz Venter joined Western Potash as CEO & President effective August 1, 2019.
- (6) David Thornley-Hall reached a settlement with the Company in May 2017.

## INCENTIVE PLAN AWARDS

### *Outstanding Share-based Awards and Option-based Awards*

The purpose of the Company's Initial Plan and the following Stock Option Plan was to attract, retain and motivate directors, officers, employees and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Company and to benefit from its growth. Directors, officers, employees and consultants of the Company are eligible for stock options at the sole discretion of the Board of Directors. Please refer to the most updated Stock Option Plan in Appendix B of the Information Circular relating to the 2018 shareholder meeting titled "Western Resources Corp. 2018 Employee Incentive Stock Option Plan", available also for viewing on SEDAR at [www.sedar.com](http://www.sedar.com).

As of September 30, 2019, there was a total of 11,850,000 stock options that was outstanding for any of the Company's directors, executives or consultants, and there was no exercise of any of the issued stock options by any recipients including NEOs during the fiscal year ended September 30, 2019.

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

The following table sets out all incentive plans (value vested or earned) during the year ended September 30, 2019, for each NEO:

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Bill Xue	\$0	n/a	n/a
Fritz Venter	\$0	n/a	n/a
George Gao	\$0	n/a	n/a
Matthew Wood	\$0	n/a	n/a
Alnesh Mohan	\$0	n/a	n/a
Lowell Berg	\$0	n/a	n/a

#### Notes:

- (1) In accordance with the terms of the Company's current stock option plan, all stock options awarded are exercisable for a period of up to ten years and are vested only upon the granting conditions are met which will be determined by the board of directors after the commissioning of the Phase 1 Plant is completed, subject to any hold or legending requirements imposed by the securities regulatory authorities and further, subject to the right of the Committee of the board of directors to impose such shorter exercise period, additional vesting, hold period or legending requirements as it may determine.

## PENSION PLAN BENEFITS

The Company has no pension plans for its directors, officers or employees.

## TERMINATION OF EMPLOYMENT, CHANGE IN RESPONSIBILITIES AND EMPLOYMENT CONTRACTS

Effective January 9, 2016, the Company entered into a one-year employment agreement with Geoffrey Chang, who held the positions of Chairman of both the Board and the Executive Committee at an annual salary of \$300,000. The compensation was revised to an annual amount of \$150,000 effective October 1, 2017, which was further revised to \$90,000 annually effective April 1, 2018. Effective July 1, 2019, Mr. Chang was paid for \$5,000 per quarter for director fees only. Mr. Chang held the positions of the Company's CEO and Chairman until April 5, 2017. Mr. Chang held the position of Chairman of the Executive Committee of the Company until April 25, 2019.

Effective April 18, 2017, the Company entered into a one-year Consulting Agreement with Hon. James Moore, who agrees to provide professional consulting services to the Company through Dentons Canada LLP for a total annual compensation of \$60,000 plus applicable taxes. The Company and Mr. Moore agreed not to renew the consulting agreement when the Agreement expired on March 31, 2018.

Effective May 30, 2016, the Company entered into an Executive Consulting Agreement with George Gao, who agrees to provide services to the Company and its subsidiaries through Rock Point Capital Inc., for a total annual compensation of \$180,000 plus applicable taxes.

Effective May 1st, 2019, the Company and Mr. Gao amended the Consulting Contract to a one-year term focusing on services in marketing and financing, with an annual compensation of \$60,000.

Effective August 1, 2019, the Company entered into an Employment Contract with Fritz Venter, who holds the positions of CEO and President of the Company's wholly-owned subsidiary Western Potash Corp., with an annual salary of \$240,000, plus a signing bonus of \$100,000.

There are no other major employment contracts between the Company or any of its subsidiaries and a Named Executive Officer during the past financial year. There is no compensatory plan or arrangement, including payments to be received from the Company or any of its subsidiaries, with respect to the Named Executive Officers.

## DIRECTOR COMPENSATION

### *Director Compensation Table*

During the most recently completed fiscal year, the directors who are not Named Executive Officers of the Company received compensation from the Company in aggregate of \$100,000. This amount includes a value assigned to option-based awards based on the Black Scholes Option Pricing Model, but there is no assurance that actual value of the options awarded, which are priced above the current trading price of the Company's shares as of the date of this Information Circular, will ever be equal to the amount stated.

The fees provided to the directors for the Company's most recently completed financial year of September 30, 2019 is:

Name	Fees earned (\$) <sup>(1)</sup>	Share-based Awards (\$)	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation <sup>(3)</sup> (\$)	Total (\$)
James Moore	\$82,500	Nil	\$23,320	n/a	Nil	Nil	\$105,820
Geoffrey Chang <sup>(4)</sup>	n/a	Nil	\$23,320	n/a	Nil	Nil	\$23,320
Bill Xue <sup>(5)</sup>	n/a	Nil	\$116,600	n/a	Nil	Nil	\$116,600
Fritz Venter <sup>(5)</sup>	n/a	Nil	\$279,600	n/a	Nil	Nil	\$279,600
Qinglong Xia <sup>(7)</sup>	\$20,000	Nil	\$23,320	n/a	Nil	Nil	\$43,320
Yinping Wang <sup>(8)</sup>	\$30,000	Nil	\$23,320	n/a	Nil	Nil	\$53,320
Jennifer Fang <sup>(9)</sup>	\$30,000	Nil	\$23,320	n/a	Nil	Nil	\$53,320

#### Notes:

- (1) Includes all fees awarded, earned, paid or payable in cash for services as a director, including annual retainer fees, committee, chair and meeting fees.
- (2) The amount, if any, represents the fair value, on the date of grant, of awards made under the Company's stock option plan. For fiscal 2019 the grant date fair value has been calculated using the Black Scholes Option Pricing Model in accordance with International Financial Reporting Standards.
- (3) Includes all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly and directors' fees, as applicable, and annual bonuses for the prior year's performance. The directors receive \$5,000 per quarter for each of the last four quarters, and independent directors receive \$7,500 per quarter (including director fees) effective April 1, 2018.
- (4) Effective January 9, 2016, the Company, entered into a one-year employment agreement with Geoffrey Chang, Chair of the Executive Committee. He was considered a NEO of the Company.
- (5) Bill (Wenye) Xue resigned from the Board on April 6, 2016 and was subsequently re-appointed on September 29, 2016.
- (6) Fritz Venter joined the board of the Company in June 2019. He was appointed as CEO and President of the Company's wholly owned subsidiary Western Potash Corp. effective August 1, 2019, and is thus considered a NEO of the Company.
- (7) Mr. Qinglong Xia replaced the directorship of Mr. Wang Hui on July 29, 2016;.
- (8) Yinping Wang resigned from the Board on October 5, 2016. He was re-appointed as director on April 5, 2017.
- (9) Ms. Jennifer Fang was appointed as Director on April 5, 2017, who resigned in November 2019.

During the fiscal year ended September 30, 2019, there was a total of 12,250,000 stock options that were granted by the Company to management, directors and key staffs and consultants, of which 11,850,000 was outstanding as of the end of the last fiscal year. Following are the particulars of incentive stock option grants to directors who are not Named Executive Officers during the fiscal year, if any, and for each such director, all share-based awards and option-based awards outstanding as at September 30, 2019:

Name	Option-based Awards			Share-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$) <sup>(2)</sup>	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not been vested (\$) <sup>(2)</sup>	Market or payout value of share-based awards that have not vested (\$) <sup>(2)</sup>	Market or payout value of vested share-based awards not paid out or distributed
James Moore	400,000	\$0.12	May 28, 2024	\$60,000	n/a	n/a	n/a
Geoffrey Chang	400,000	\$0.12		\$60,000	n/a	n/a	n/a
Bill Xue	n/a	n/a		n/a	n/a	n/a	n/a
Fritz Venter	n/a	n/a		n/a	n/a	n/a	n/a
Qinglong Xia	400,000	\$0.12		\$60,000	n/a	n/a	n/a
Yinping Wang	400,000	\$0.12		\$60,000	n/a	n/a	n/a
Jennifer Fang	400,000	\$0.12		\$60,000	n/a	n/a	n/a

**Notes:**

- (1) Calculated based on the difference between the closing market price of the common shares on the last trading day of the most recently completed financial year and the exercise price of the option.
- (2) In accordance with the policies of the TSX, the exercise price per share was based on the last closing price of the Company's shares on the trading day immediately preceding the date of the stock option grant/date on which the directors publicly announced the stock option grant, less, if applied by the Company, the applicable discount, and would not otherwise be less than \$0.10 per share.

The following table sets out all incentive stock options (value vested or earned during the year ended September 30, 2019) for each director of the Company:

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year <sup>(2)</sup> (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
James Moore	Nil	Nil	Nil
Geoffrey Chang	Nil	Nil	Nil
Bill Xue	Nil	Nil	Nil
Fritz Venter	Nil	Nil	Nil
Qinglong Xia	Nil	Nil	Nil
Yinping Wang	Nil	Nil	Nil
Jennifer Fang	Nil	Nil	Nil

**Notes:**

- (1) There was no issuance of any incentive stock options by the Company during the past fiscal year, including to all directors. There are certain conditions that were set for the vesting of this round of stock options and it is the board of directors who will determine if those conditions are met only after the commissioning of the Phase 1 Plant is completed in or around mid of 2020.

**Compensation of Directors**

The Company currently pays non-executive directors a quarterly retainer of \$5,000. The Compensation Committee and Audit Committee Chairmen receive a quarterly retainer of \$7,500 (including director fees) each while the Board Chairman is paid a quarterly fee of \$22,500. Directors are entitled to receive stock options under the Company's incentive stock option plan. See "Incentive Stock Options" elsewhere herein for additional particulars.

During the fiscal year ended September 30, 2019, other than as set out above and in the table under the heading "Executive Compensation" for compensation paid to the Named Executive Officers, no other compensation was paid or is payable by the Company to the other directors of the Company or the Company's subsidiaries, (the "Other Directors"), if any, for their services:

- in their capacity as directors, including any amounts payable for committee participation or special assignments pursuant to any standard or other arrangements; or
- as consultants or experts.

During the most recently completed financial year, October 1, 2018 to September 30, 2019, the Company granted incentive stock options to its Other Directors and Named Executive Officers, as disclosed above in the “Summary Compensation Table” and “Option-Based Awards” / “Share-Based Awards” tables.

Please refer to the section captioned "Election of Directors" for further details with respect to the present positions of the directors of the Company and number of Shares held in the Company.

The Other Directors, as a group, did not exercise any incentive stock options to purchase Shares of the Company during the financial year ended September 30, 2019.

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

On March 4, 2008 the Company’s Board of Directors (for all events prior to the Plan of Arrangement completed on March 31, 2017, the Board of Directors refer to that of Western Potash Corp.) approved the Company’s Initial Plan. Pursuant to the terms of the Initial Plan, up to 10% of the total number of common shares issued and outstanding from time to time were reserved for issuance as stock options. Shareholder approval to the Initial Plan, as amended, was obtained at the Company’s Annual General Meetings held March 26, 2009, March 24, 2010, and March 30, 2011. On July 12, 2011 the Company’s listing was transferred from the TSX Venture Exchange to the TSX. At the Company’s Annual and Special General Meeting held on March 26, 2012, management of the Company sought and obtained shareholder approval to replace the Company’s Initial Plan a 2012 Plan in order to become fully compliant with the policies of the TSX. The TSX requires all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum aggregate of securities issuable to be approved by shareholders every 3 years and therefore the 2012 Plan was placed before the shareholders for ratification and approval at the February 26, 2015 Annual General Meeting of the Company (the 2012 Plan as ratified by shareholders is referred to as the “2015 Plan”). As required by the TSX rules, the Company tabled its 2018 Employee Incentive Stock Option Plan to the Annual General Meeting of Shareholders held on March 9, 2018 and got it approved to have replaced the "2015 Plan". The 2018 SOP was also ratified by the TSX and was provided to the shareholders in the Information Circular under the title “Western Resources Corp. 2018 Employee Incentive Stock Option Plan” viewable on [www.sedar.com](http://www.sedar.com).

As of January 30, 2020, the Company has a total of 11,450,000 outstanding stock options, which are to be determined by the board in or around mid 2020 if they meet the conditions for vesting. The Company currently has a total issued and outstanding common shares of 186,874,220.00. Based on the rolling 10% of the 2018 Incentive Stock Options Plan, the Company has a total of 18,687,422 shares issuable during anytime in the three years since March 9, 2018. The Company has already listed and reserved those shares with the TSX that can be issued anytime within the three years that the 2018 Plan covers, and all issued and currently still outstanding stock options fall into the scope.

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

None of the directors, executive officers, employees, former executive officers, directors and employees of the Company or any of its subsidiaries, proposed nominees for election or associates of such persons is or has been indebted to the Company (other than routine indebtedness) in excess of \$50,000 at any time for any reason whatsoever, including the purchase of securities of the Company or any of its subsidiaries.

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

Since the commencement of the Company's last completed financial year, other than as disclosed below and elsewhere herein, no informed person of the Company, any proposed director of the Company or any associate or affiliate of any informed person or proposed director has any material interest, direct or indirect, in any transaction or in any proposed transaction which has materially affected or would materially affect the Company. The term “informed person” as defined in National Instrument 51-102 Continuous Disclosure Obligations, means

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

During the fiscal year ended September 30, 2019, the Company had no material transactions in which “informed persons” had an interest,

other than the Rights Offering which was executed on March 12, 2019 and completed on April 9, 2019. For details of the “informed persons” who had an interest in the related Rights Offering, please refer to the fully disclosed information on SEDAR under the Company’ profile and also through news releases on the Company’s website published on March 6 and April 10, respectively.

### MANAGEMENT CONTRACTS

Other than entities controlled by executive officers of the Company, as disclosed elsewhere in this Information Circular, there are no management functions of the Company which are to any substantial degree performed by a person other than a director or executive officer of the Company.

### PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

It is not known that any other matters will come before the Meeting other than as set forth in the Notice of Meeting accompanying this Information Circular, but if such should occur the persons named in the accompanying Form of Proxy intend to vote on them in accordance with their best judgment, exercising discretionary authority with respect to amendments or variations of matters identified in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment thereof.

### STATEMENT OF CORPORATE GOVERNANCE PRACTICES

#### *Board of Directors*

The Company’s Board of Directors is currently comprised of six directors, James Moore, Geoffrey Chang, Bill Xue, Fritz Venter, Qinglong Xia and Yinping Wang, with James Moore, Qinglong Xia and Yinping Wang being independent directors as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) and National Instrument 52-110 – *Audit Committees* (“NI 52-110”). Geoffrey Chang and Bill Xue are not independent by virtue of their being in executive roles as defined in NI 52-110.

#### *Directorships*

The following director(s) of the Company are presently directors of other issuers that are reporting issuers (or the equivalent) in any jurisdiction including foreign jurisdictions.

Director	Other Reporting Issuers
Yinping Wang	China Risun Group Ltd. (Hong Kong Stock Exchange 1907:HK) Yida China Holdings Ltd. (Hong Kong Stock Exchange 3639:HK)

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, during the course of a directors’ meeting, if a matter is more effectively dealt with the presence of members of management, the independent directors ask members of management to leave the meeting, and the independent directors then meet *in camera*.

Since October 1, 2018 up till the end of the fiscal year, the Company has held four board meetings. All board members attended all four board meetings, of which Geoffrey Chang attended two of the meetings through written instructions.

#### *Board Mandate*

At its first board meeting on April 5, 2017, immediately after the completion of the Plan of Arrangement with Western Potash Corp., the Board of Directors of Western Resources Corp. approved a written mandate named “Rules of Procedure for the Board of Directors” which regulates the rules of discussion and the decision-making procedure of the Board of Directors, and clarifies the obligations and authority of the Board of Directors and the professional committees, formulated in accordance with the *Business Corporations Act* (British Columbia), the *Interpretation Act* (British Columbia), and the *Articles of the Company and relevant regulations*. Through this mandate, the Board of Directors is responsible for supervising management in carrying out the businesses and affairs of the Company. Directors are required to act and exercise their powers with reasonable prudence in the best interests of the Company. The Board agrees with and confirms its responsibility for overseeing management’s performance in the following particular areas:

- the strategic planning process of the Company;
- identification and management of the principal risks associated with the business of the Company;
- planning for succession of management;

- the Company's policies regarding communications with its shareholders and others; and
- the integrity of the internal controls and management information systems of the Company.

In carrying out its mandate, the Board relies primarily on management to provide it with regular detailed reports as well as through the quarterly internal newsletters on the operations of the Company and its financial position. The Board reviews and assesses these reports and other information provided to it at meetings of the full Board and of its committees. The President and CEO is a member of the Board, which also gives the Board direct access to information in his areas of responsibility. Other management personnel regularly attend Board meetings to provide information and answer questions. Directors also consult from time to time with management and have, on occasion, visited the properties of the Company. The reports and information provided to the Board include details concerning the monitoring and management of the risks associated with the Company's activities, such as compliance with safety standards and legal requirements, environmental issues and the financial position and liquidity of the Company. At least annually, the Board reviews management's report on its business and strategic plan and any changes with respect to risk management and succession planning.

### ***Position Descriptions***

The Board adopted The Rules of Procedure for the Board of Directors (the "Rules") on its first Board Meeting on April 5, 2017 following the completion of the Plan of Arrangement on April 5, 2017. The Rules have included a detailed position description for the Chairman, the chairman of any Board committees, but not the CEO, the President or the CFO (other than has been summarized in the management contracts of the CEO and CFO). The Board is of the view that given the size of the Company, the relatively frequent discussions between Board members, the CEO and the CFO and the experience of the individual members of the Board, the responsibilities of such individuals are known and understood without position descriptions being reduced to writing. The Board will evaluate this position from time to time, and if written position descriptions appear to be justified, they will be prepared.

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

The Company does not have a formal orientation and continuing education program. However, the Company ensures that new board members are properly trained and oriented as part of the Board of Directors' overall stewardship responsibility. The Board of Directors is responsible for supervising management in carrying on the business and affairs of the Company. Directors are required to act and exercise their powers with reasonable prudence in the best interests of the Company. The Board discharges the following responsibilities as part of its overall stewardship responsibility:

- the strategic planning process of the Company;
- identification and management of the principal risks associates with the business of the Company;
- planning for succession of management;
- the Company's policies regarding communications with its shareholders and others; and
- the integrity of the internal controls and management information systems of the Company.

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

The directors of the Company encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility.

### ***Audit Committee Charter***

The Audit Committee of the Board of Directors of the Company operates under a written charter that sets out its responsibilities and composition requirements. The text of the Audit Committee charter is attached as Schedule "A" to the Company's Annual Information Form for the financial year ended September 30, 2018 and is available for viewing on SEDAR at [www.sedar.com](http://www.sedar.com). The mandate of the Audit Committee includes direct responsibility for overseeing the Company's accounting and financial reporting process and audits of financial statements, and direct responsibility for the appointment, compensation, and oversight of the work of any registered external auditor employed by the Company (including resolution of disagreements between management and the external auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The Company has adopted a new whistleblower policy in December 2017, which will be updated from time to time depending on the Company's overall status and needs.

### ***Composition of the Audit Committee***

As of the date of hereof, the members of the Audit Committee are James Moore as Acting Chair, Qinglong Xia, and Yinping Wang, all of whom are "financially literate and "independent", within the meanings set out in NI 52-110.

### ***Relevant Education and Experience***

Hon. James Moore is Chairman of Western Resources Corp. He now serves as interim Acting Chair of the Audit Committee since Ms. Jennifer Fang's resignation from the board in November 2019 due to personal reasons. Mr. Moore is a Senior Business Advisor at the

multinational law firm Dentons and a Public Policy Advisor at the global firm Edelman. He is also a member of the NAFTA Advisory Council and board member of both the Business Council of B.C. and Canada China Business Council. Previously, he served as Canada's Minister of Industry, Minister of Canadian Heritage & Official Languages, and Secretary of State for the Asia Pacific Gateway and Minister for the 2010 Olympics. He was Chair of the Cabinet Committee on Economic Prosperity and Vice Chair of the Operations and Social Affairs Cabinet Committees and served as the Senior Regional Minister for the province of British Columbia.

Mr. Qinglong Xia is Chairman of CNOOC International Ltd. Mr. Xia was Chairman of ChinaBlue Chemical Ltd. till December 2019. He was Chief geologist of CNOOC China Limited Tianjin Branch from November 2005 to April 2013; Chief Geologist and Deputy General Manager of CNOOC China Limited Tianjin Branch and Deputy Director of CNOOC Bohai Petroleum Administrative bureau from April 2013 to August 2013; Deputy General Manager of CNOOC China Limited Tianjin Branch and Deputy Director of CNOOC Bohai Petroleum Administrative bureau from August 2013 to November 2015; Executive Deputy General Manager of CNOOC China Limited Tianjin Branch and executive Deputy Director of CNOOC Bohai Petroleum Administrative Bureau from November 2015 to May 2016.

Mr. Yinping Wang has served as member of the Board of Directors of Western Resources Corp. since April 2017. Currently, Mr. Wang is also sitting in the Boards of China Risun Group Ltd. (since March 15, 2019) and Yida China Holdings Ltd., both of which are listed in the HK Stock Exchange. He was board member of China Pioneer Pharma Holdings Limited till January 1, 2020, at which he was for a period Chief Executive Officer and Chairman of the Board. Prior to that, Mr. Wang served as Vice President at Sinochem Corporation since November 1998. Mr. Wang is very experienced in corporate management. He joined Sinochem Import and Export Corporation (now known as China Sinochem Group Corporation (Sinochem Group) in 1987. Mr. Wang served as Director of Sinochem Corporation, in charge of Engineering Management Department, China Foreign Economy and Trade Trust & Investment Company, Sinochem International Information Co. and Fund Management Company. Mr. Wang holds bachelor's degree in law in 1985 from the Department of Law of China Renmin University and later received an EMBA from China Europe International Business School in 2004.

#### ***Executive Committee***

The Company has established an Executive Committee. As of the date hereof, the members of the Executive Committee are Bill Xue, Fritz Venter, George Gao (SVP) and Jerry Zhang (Corporate Secretary), with Bill Xue as Chair. The Executive Committee has been established to make recommendations to the board on business strategy, planning, policy, investment and risk decisions.

#### ***Compensation Committee***

The Company has established a Compensation Committee. As of the date hereof, the members of the Compensation Committee are Yinping Wang and Qinglong Xia, with Yinping Wang as the Chair. The directors receive compensation as detailed previously. The Compensation Committee has been established and will review the compensation of the CEO, CFO and other officers of the Company. The review is conducted in the context of the services of the Officers and in the context of market rates for persons of similar qualifications performing similar services.

#### ***Corporate Disclosure Policy Committee***

The Company has established a Corporate Disclosure Policy Committee. As of the date hereof, the members of the Corporate Disclosure Policy Committee are James Moore, Fritz Venter (COO), and Jerry Zhang (Corporate Secretary), with James Moore as Chair. The Corporate Disclosure Policy Committee has been established to make recommendations to the board on required corporate disclosure and to carry out its functions, guided by the Corporate Disclosure Policy as adopted by the Company. The Corporate Disclosure Policy also deals with and establishes guidelines relating to ethical business conduct in certain instances.

#### ***Other Board Committees***

The Board of Directors has no other Special Committees in place at this time, except for the above-listed four Committees of Executive Committee, Audit Committee, Compensation Committee, and Corporate Disclosure Policy Committee, the size of which is believed to be in alignment with the current workload of the Company.

However, as the scale of the Company's operations and its employee and management base increase, the Board expects that its size may increase modestly and the formality of its corporate governance processes may also be reviewed. The Board of Directors of the Company as a whole is cognizant of further developing the Company's approach to corporate governance. Board and management meet and discuss Company business frequently.

#### ***Assessments***

The Board of Directors of the Company does not conduct any formal evaluation of the performance and effectiveness of the members of the Board, the Board as a whole or any committee of the Board. Each director has extensive reporting company experience and is familiar with what is required of him. Frequency of attendance at Board and committee meetings and the quality of participation in such meetings are two of the criteria by which the performance of a director will be assessed.

### **Reliance on Certain Exemptions to Sections of NI 52-110**

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the following exemptions of NI 52-110:

- (a) the exemption in section 2.4. *De Minimis Non-audit Services*;
- (b) the exemption in section 3.2 *Initial Public Offerings*;
- (c) the exemption in section 3.4 *Events Outside Control of Member*;
- (d) the exemption in section 3.5 *Death, Disability or Resignation of Audit Committee Member*; or
- (e) an exemption from NI 52-110, in whole or part granted under Section 8, *Exemptions*

### **Reliance on the Exemption in Subsection 3.3(2) or Section 3.6 of NI 52-110**

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in subsection 3.3(2), *Controlled Companies*, or section 3.6, *Temporary Exemption for Limited and Exceptional Circumstances*.

### **Reliance on Section 3.8 of NI 52-110**

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in section 3.8, *Acquisition of Financial Literacy*.

### **Audit Committee Oversight**

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

### **Pre-Approval Policies and Procedures**

Subject to the requirements of NI 52-110, The Audit Committee has the sole authority to review in advance, and grant any appropriate pre-approvals, of all non-audit services to be provided by the independent auditors and, in connection therewith, to approve all fees and other terms of engagement. The Audit Committee will also review and approve disclosures required to be included in periodic reports filed with securities regulators with respect to non-audit services performed by external auditors.

In recognition of the fact that the independent auditors are ultimately accountable to the Committee, the Committee shall have the authority and responsibility to nominate for shareholder approval, evaluate, and where appropriate, replace the independent auditors and shall approve all audit engagement fees and terms and all non-audit engagements with the independent auditors. The Committee shall consult with management but shall not delegate these responsibilities.

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

Set forth below are details of certain service fees paid to the Company's external auditor in each of the last two fiscal years for audit services:

<b>Financial Year End</b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees <sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
September 30, 2019	\$114,066	Nil	Nil	\$12,508
September 30, 2018	\$75,210	Nil	Nil	Nil

#### **Notes:**

- (1) The aggregate fees billed by the Company's external auditor.
- (2) The aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees".
- (3) The aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) The aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than the services reported under clauses (1), (2) and (3) above.

**ADDITIONAL INFORMATION**

Additional information concerning the Company is available on SEDAR at (<http://www.sedar.com>) and at the Company's web site at (<http://www.westernresources.com>). Financial information concerning the Company is provided in the Company's comparative audited financial statements and Management's Discussion and Analysis for the fiscal year ended September 30, 2019.

**BOARD APPROVAL**

The contents of this Information Circular, including the schedules thereto, and the sending thereof to shareholders entitled to receive notice of the Meeting, to each director, to the auditors of the Company and to the appropriate governmental agencies, have been approved in substance by the directors of the Company pursuant to resolutions passed as of January 30, 2019.

**CERTIFICATE**

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

BY ORDER OF THE BOARD

**Western Resources Corp.**

A handwritten signature in black ink, appearing to read "James Moore", written in a cursive style.

"James Moore"

Hon. James Moore, Chairman

## APPENDIX A

### GLOSSARY OF TERMS

In this Circular, unless the subject matter or context is inconsistent therewith, the following terms have the meanings set forth below and grammatical variations thereof shall have the corresponding meanings. Words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

- (a) "**1933 Act**" means the *Securities Act of 1933* of the United States of America;
- (b) "**2012 Plan**" means the stock option plan adopted at the Company's annual and special general meeting held on March 26, 2012, which replaced the Initial Plan;
- (c) "**2015 Plan**" and "**2018 Plan**" means the incentive stock option plans adopted at the Company's annual general meeting held on February 26, 2015 and March 9, 2018, respectively;
- (d) "**Applicable Securities Laws**" means the Securities Act, all other applicable Canadian provincial and territorial securities Laws, the 1933 Act, the 1934 Act, all other applicable federal and state securities Laws, any rules, regulations and published policies under each of the foregoing, and the applicable rules, regulations and published policies of the TSX;
- (e) "**Arrangement**" means an arrangement under the provisions of Section 288 of the BCBCA on the terms and conditions set forth in the Plan of Arrangement, subject to any amendment or supplement thereto made in accordance therewith, herewith or made at the direction of the Court in the Final Order with the consent of the Parties, each acting reasonably;
- (f) "**Arrangement Agreement**" means the arrangement agreement dated as of February 1, 2017 between the Company and Western Resources, together with the schedules attached thereto, as amended, amended and restated, or supplemented from time to time;
- (g) "**BCBCA**" means the *Business Company Act* (British Columbia), S.B.C. 2002, c.57, as amended;
- (h) "**Board**" or "**Western Resources Board**" means the board of directors of Western Resources;
- (i) "**Business Day**" means any day, other than a Saturday, a Sunday or a statutory holiday in Vancouver, British Columbia;
- (j) "**Canada-US Tax Treaty**" means the *Canada–United States Tax Convention (1980)*, as amended;
- (k) "**Canadian Securities Administrators**" means, collectively, the provincial or territorial securities commission or similar regulatory authority of each of the provinces and territories of Canada;
- (l) "**CDS**" means the Canadian Depository for Securities Limited;
- (m) "**Chief Executive Officer**" or "**CEO**" means each individual who served as chief executive officer of the Company or acted in a similar capacity during the most recently completed financial year;
- (n) "**Chief Financial Officer**" or "**CFO**" means each individual who served as chief financial officer of the Company or acted in a similar capacity during the most recently completed financial year;
- (o) "**Circular**" or "**Information Circular**" means the notice of the Western Resources Meeting and accompanying management information circular, including all schedules thereto and documents incorporated by reference therein, to be sent to Western Resources Shareholders in connection with the Western Resources Meeting, as amended, supplemented or otherwise modified from time to time;

- (p) "**Financial Statements**" means consolidated financial statements of the Company for the year ended September 30, 2019;
- (q) "**FSE**" means the Frankfurt Stock Exchange;
- (r) "**Governmental Entity**" means:
- (i) any supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing;
  - (ii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, government, including any court, arbitrator or stock exchange, including the TSX; and
  - (iii) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any
- (s) "**Initial Plan**" means the Company's first incentive stock option plan adopted at the Company's annual general meeting held on March 26, 2009;
- (t) "**Intermediary**" means an intermediary with which a Non-Registered Holder may deal with, including banks, trust companies, securities dealers or brokers and trustees or administrators of self-directed trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans;
- (u) "**Laws**" means any laws, including supranational, national, provincial, state, municipal and local civil, commercial, banking, Tax, personal and real property, security, mining, environmental, water, energy, investment, property ownership, land use and zoning, sanitary, occupational health and safety laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, protocols, codes, guidelines, policies, notices, directions or other requirements of any Governmental Entity, and "**Law**" means any of them;
- (v) "**Management Proxyholders**" means officers or directors of the Company whose names are printed in the Form of Proxy;
- (w) "**Meeting**" or "**Western Resources Meeting**" means the annual and special meeting;
- (x) "**Meeting Materials**", means the meeting materials sent to each Registered Western Resources Shareholder, as at the Record Date, including, but not limited to, a copy of (i) the Notice of Meeting and the Circular, (ii) the form of proxy, (iii) Western Resources Corp. 2018 Incentive Stock Option Plan, (iii) any other necessary or desirable communications by Western Resources;
- (y) "**Named Executive Officers**" or "**NEOs**" means the following individuals:
- (i) CEO;
  - (ii) CFO;
  - (iii) each of the Company's three most highly compensated executive officers, other than the CEO and CFO, who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000; and
  - (iv) each individual who would be a 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, as at September 30, 2019.

- (z) "**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*;
- (aa) "**NI 52-110**" means National Instrument 52-110 – *Audit Committees*;
- (bb) "**NI 58-101**" means National Instrument 58-101 – *Disclosure of Corporate Governance Practices*;
- (cc) "**NOBOs**" means Non-Registered Western Resources Shareholders, who do not object to their name being made known to the issuer of securities;
- (dd) "**Non-Registered Holder**" or "**Non-Registered Shareholder**" means a Western Resources Shareholder who is not a Registered Shareholder;
- (ee) "**Non-Resident Holder**" means a Holder who at all relevant times, for purposes of the Tax Act:
  - (i) is not resident in Canada or is deemed not to be resident in Canada;
  - (ii) does not use or hold and is not deemed to use or hold its Western Potash Shares (and any Western Resources Shares) in, or in the course of carrying on, a business in Canada;
  - (iii) is not a person who carries on an insurance business in Canada and elsewhere; and
  - (iv) is not an "authorized foreign bank" (as defined in the Tax Act); and
  - (v) is not a "foreign affiliate" (as defined in the Tax Act) of a person resident in Canada at the end of the Holder's taxation year in which the Effective Time occurs;
- (ff) "**Notice of Meeting**" means the notice of annual meeting of Western Resources Shareholders accompanying this Circular;
- (gg) "**OBOs**" means Non-Registered Western Resources Shareholders, who object to their name being made known to the issuer of securities;
- (hh) "**Parties**" means, collectively, Western Resources and Western Potash, and "**Party**" means either of them;
- (ii) "**Person**" means an individual, partnership, association, body corporate, joint venture, business organization, trustee, executor, administrative legal representative, Governmental Entity or any other entity, whether or not having legal status;
- (jj) "**Proposed Amendments**" means all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular;
- (kk) "**Proxy**" means the form of proxy accompanying this Circular;
- (ll) "**Record Date**" means January 25, 2019, set as record date by the board of directors of the Company;
- (mm) "**Registered Shareholders**" or "**Registered Western Resources Shareholders**" means the Western Resources shareholders who own the Western Resources Shares in their own names, as opposed to Non-Registered Shareholders or Non-Registered Holder;
- (nn) "**Resident Holder**" means a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada;
- (oo) "**RRIF**" means a registered retirement income fund;
- (pp) "**RRSP**" means a registered retirement savings plan;

- (qq) "**Section 3(a) (10) Exemption**" means the exemption from registration requirements of the 1933 Act provided pursuant to Section 3(a)(10) thereof;
- (rr) "**SEDAR**" means the System for Electronic Analysis and Retrieval of the Canadian Securities Administrators;
- (ss) "**Tax Act**" means the *Income Tax Act* (Canada) and the regulations promulgated thereunder, as amended;
- (tt) "**TFSA**" means a tax-free savings account;
- (uu) "**TSX**" means the Toronto Stock Exchange;
- (vv) "**VIF**" means a request for voting instructions;
- (ww) "**Western Resources**" means Western Resources Corp., a corporation existing under the BCBCA;
- (xx) "**Western Resources Board**" or "**Board**" means the board of directors of Western Resources;
- (yy) "**Western Resources Meeting**" or "**Meeting**" means the annual general meeting, including any adjournments or postponements thereof, of the Western Potash Shareholders to be held, among other things, to consider and, if deemed advisable, to approve the Arrangement Resolution;
- (zz) "**Western Resources Option In-The-Money Amount**" means, in respect of any Western Resources Option, the amount, if any, by which the total fair market value (determined immediately prior to the Effective Time) of the Western Potash Shares that a holder is entitled to acquire on exercise of such Western Resources Option immediately prior to the Effective Time exceeds the total amount payable to acquire such Western Resources Shares;
- (aaa) "**Western Resources Options**" means all options to purchase Western Resources Shares outstanding immediately prior to the Effective Time and issued pursuant to the Western Resources Stock Option Plan;
- (bbb) "**Western Resources Shareholders**" means, at any time, the holders of Western Resources Shares;
- (ccc) "**Western Resources Shares**" or "**Shares**" means common shares in the capital of Western Resources;
- (ddd) "**Western Resources Stock Option Plan**" means the stock option plan of Western Resources, as amended, and as approved and adopted previously by the Shareholders in 2015 and most recently adopted by the Shareholders in 2018.

Any reference in this Circular to a statute includes all regulations and rules made thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

