



INFORMATION CIRCULAR
as at April 30, 2019

This Information Circular is furnished in connection with the solicitation of proxies by the management of CROPS Inc. (the "Company") for use at the Annual General Meeting of the holders of common shares ("**Common Shares**") of the Company to be held on Thursday, June 27, 2019 (the "**Meeting**") and any adjournment thereof, at the time and place and for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of the Meeting**").

In this Information Circular, references to:

- (a) "**Non-Registered Holders**" means shareholders who do not hold Common Shares in their own name and "Intermediaries" refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Holders.
- (b) "**Common Shares**" reflect the consolidation of the Company's Common Shares on the basis of one new share for every seven existing shares which was effective April 23, 2018.

PROXIES

Notice-and-Access Process

The Company has elected to use the notice-and-access provisions ("**Notice-and-Access**") of National Instrument 54-101 for distribution of this Information Circular, form of proxy ("**Proxy**") and other meeting materials (the "**Meeting Materials**") to registered shareholders and Non-Registered Holders of the Company.

Under Notice-and-Access, rather than the Company mailing paper copies of the Meeting Materials to shareholders, the Meeting Materials can be accessed online on the Company's SEDAR profile at www.sedar.com or on the Company's website at www.crop2o5.com/Agm. The Company has adopted this alternative means of delivery for the Meeting Materials in order to reduce paper use and the printing and mailing costs.

Shareholders will receive a "notice package" (the "**Notice-and-Access Notification**") by prepaid mail, with details regarding the Meeting date, location and purpose, and information on how to access the Meeting Materials online or request a paper copy.

Shareholders will not receive a paper copy of the Meeting Materials unless they contact the Company at the toll free number as set out in the Notice of the Meeting. Provided the request is made prior to the Meeting, the Company will mail the requested materials within three business days. **Requests for paper copies of the Meeting Materials should be made by Thursday, June 13, 2019 in order to receive the Meeting Materials in time to vote before the Meeting.**

Shareholders with questions about Notice-and-Access may contact the Company toll-free at 1-888-627-9378.

Solicitation and Deposit of Proxies

While it is expected that the solicitation will be primarily by Notice-and-Access and mail, Proxies may be solicited personally or by telephone by the directors and regular employees of the Company. All costs of solicitation will be borne by the Company. The Company has arranged for Intermediaries to forward the Notice-and-Access Notification to Non-

Registered Holders of Common Shares held as of record by those Intermediaries and the Company may reimburse the Intermediaries for their reasonable fees and disbursements in that regard.

The individuals named in the Proxy are directors or officers of the Company. **A shareholder wishing to appoint some other person (who need not be a shareholder) to represent the shareholder at the Meeting has the right to do so, either by inserting such person's name in the blank space provided in the Proxy and striking out the printed names or by completing another form of proxy.** The Proxy will not be valid unless the completed, dated and signed form of proxy is received by Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, ON M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof, or is delivered to the Chairman of the Meeting prior to commencement of the Meeting or any adjournment thereof.

Non-Registered Holders

Only registered holders of Common Shares or the persons they appoint as their proxyholders are permitted to vote at the Meeting. In many cases, however, Common Shares beneficially owned by a Non-Registered Holder are registered either:

- (a) in the name of an Intermediary that the Non-Registered Holder deals with in respect of the shares. Intermediaries include 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, of which the Intermediary is a participant.

In accordance with the requirements of NI 54-101, the Company will distribute the Notice-and-Access Notification to Intermediaries and clearing agencies for onward distribution to Non-Registered Holders. The Company does not intend to pay Intermediaries to forward the Notice-and-Access Notification if the Non-Registered Holders have provided instructions to their Intermediary that they object to the Intermediary disclosing ownership information about the Non-Registered Holders. In this case, such Non-Registered Holder will not receive the Meeting Materials if the Intermediary does not assume the cost of delivery.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive Meeting Materials. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will be sent a voting instruction form which must be completed, signed and returned by the Non-Registered Holder in accordance with the Intermediary's directions on the voting instruction form. In some cases, such Non-Registered Holders will instead be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature) which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. This form of proxy does not need to be signed by the Non-Registered Holder, but, to be used at the Meeting, needs to be properly completed and deposited with Computershare Trust Company as described under "*Solicitation and Deposit of Proxies*" above.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares that they beneficially own. Should a Non-Registered Holder wish to attend and vote at the Meeting in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the Proxy and insert the Non-Registered Holder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions on the form.

Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including instructions regarding when and where the voting instruction form or Proxy form is to be delivered.

Voting of Proxies

Common Shares represented by any properly executed Proxy will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given by the shareholder. **In the absence of such direction, such Common Shares will be voted in favour of the matters set forth herein.**

The Proxy, when properly completed and delivered and not revoked confers discretionary authority upon the person appointed proxy thereunder to vote with respect to amendments or variations of matters identified in the Notice of the

Meeting, and with respect to other matters which may properly come before the Meeting. In the event that amendments or variations to matters identified in the Notice of Meeting are properly brought before the Meeting or any further or other business is properly brought before the Meeting, it is the intention of the persons designated in the Proxy to vote in accordance with their best judgment on such matters or business. As at the date hereof, the management of the Company knows of no such amendment, variation or other matter that may be come before the Meeting.

Revocation of Proxies

A shareholder who has given a Proxy may revoke it by an instrument in writing executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered either to the records office of the Company, 200 Burrard Street, Suite 650, Vancouver, British Columbia, V6C 3L6, at any time up to and including the last business day preceding the day of the Meeting, or if adjourned, any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or, if adjourned, any reconvening thereof or in any other manner provided by law. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

As at the date hereof, the Company has issued and outstanding 69,890,620 fully paid and non-assessable common shares, each share carrying the right to one vote. **THE COMPANY HAS NO OTHER CLASSES OF VOTING SECURITIES.**

Holders of Common Shares as at the Record Date of May 13, 2019 who either personally attend the Meeting or who have completed and delivered a Proxy or VIF in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

To the knowledge of the directors and senior officers of the Company, the only person or company who beneficially owns, directly or indirectly, or exercises control or direction over shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company is:

| <u>Name</u> | <u>No. of Shares</u> | <u>Percentage</u> |
|----------------------------|----------------------|-------------------|
| Sprott Inc. ⁽¹⁾ | 7,088,926 | 10.1% |

Note:

(1) Institutional investor.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the board of directors of the Company (“**Board**”), the only matters to be brought before the Meeting are those matters set forth in the accompanying Notice of the Meeting, as more particularly described as follows:

Appointment and Remuneration of Auditors

Effective January 21, 2019, Smythe LLP, Chartered Professional Accountants, were appointed as auditors of the Company in the place of BDO Canada LLP. The change in auditor reporting package which was filed with the regulatory authorities via www.sedar.com on January 22, 2019 is attached to this Circular as Schedule “A”. The management of the Company will recommend to the Meeting to appoint Smythe LLP as auditors of the Company for the ensuing year, and to authorize the directors to fix their remuneration.

Election of Directors

The Board presently consists of six directors and it is intended to set the number of Directors at six and to elect six Directors at the Meeting. The persons named below will be presented for election at the Meeting as management’s nominees and the persons named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company, or with the provisions of the British Columbia *Business Corporations Act*.

The following table sets out the names of the nominees for election as directors, where each is ordinarily resident, all offices of the Company now held by them, their principal occupations, the period of time for which each has been a director of the Company, and the number of Common shares of the Company or any of its subsidiaries beneficially owned by each, directly or indirectly, or over which control or direction is exercised, as at the date hereof.

| Name, Position and Residency ⁽¹⁾ | Principal Occupation ⁽¹⁾ | Period as a Director | No. of Common Shares ⁽¹⁾ |
|---|--|---------------------------------|--|
| Simon Ridgway ⁽²⁾ Director, Chairman & CEO British Columbia, Canada | CEO of the Company and Radius Gold Inc. (mineral exploration); Chairman of Fortuna Silver Mines Inc. (mining). | November 5, 1996 to present | 5,437,812 |
| Gordon Tainton Director & President Switzerland | President of the Company. | January 25, 2017 to present | 1,058,333 |
| Mario Szotlender ^{(2) (3) (4)} Director Caracas, Venezuela | Independent Consultant; Director of public mining or mineral exploration companies. | May 30, 1995 to present | 4,177,428 |
| David Cass ⁽³⁾ Director British Columbia, Canada | Vice-President of Exploration of Bluestone Resources Inc. (mineral exploration). | December 17, 2008 to present | 499,508 |
| Ralph Rushton ⁽⁴⁾ Director British Columbia, Canada | Executive Vice-President, Business Development of Prospero Silver Corp. (mineral exploration). | December 18, 2013 to present | 234,425 |
| Tim Osler ^{(2) (3) (4)} Director British Columbia, Canada | Retired. | May 30, 1995 to present | 50,427 |

Notes:

- (1) The information as to residency, principal occupation, and shares beneficially owned is not within the knowledge of the management of the Company and has been furnished by the respective nominees.
- (2) Member of the Compensation Committee.
- (3) Member of the Audit Committee.
- (4) Member of the Corporate Governance and Nominating Committee.

Two of the proposed nominees for re-election as a director, Simon Ridgway and Mario Szotlender, were directors of a corporation that, in the past 10 years, was for a period of more than 30 days subject to a management cease trade order (“MCTO”) issued by the British Columbia Securities Commission and other Canadian provincial securities regulatory authorities. The MCTO was issued due to the corporation’s failure to file its annual and interim financial statements within the prescribed deadlines. Upon filing of the outstanding financial statements, the MCTO was revoked by the British Columbia Securities Commission.

Stock Option Plan

The TSX Venture Exchange (the “Exchange”) requires that the Company obtain shareholder approval to its stock option plan yearly at the annual general meeting. The material terms of the Option Plan are as follows:

1. the Option Plan reserves a rolling maximum of 10% of the issued capital of the Company at the time of granting of each option, with no vesting provisions other than the vesting restrictions required by the Exchange for options granted to investor relations consultants;
2. no more than 5% of the issued capital may be reserved for issuance to any one individual in any 12 month period;
3. no more than 2% of the issued capital may be reserved for issuance to any Consultant (as defined by the Exchange) or to an optionee providing investor relations services in any 12 month period;

4. the minimum exercise price of an option cannot be less than the Market Price (as defined by the Exchange) of the Company's shares;
5. options may be granted for a period of up to 10 years;
6. options are non-assignable and non-transferable;
7. unless otherwise determined by the Board, a vested option is exercisable for up to 90 days from the date the optionee ceases to be a director, officer, employee or service provider of the Company or of its subsidiaries, unless: (i) such optionee was terminated for cause, in which case the option shall be cancelled, or (ii) if an optionee dies, the legal representative of the optionee may exercise the option for up to one year from the date of death;
8. unless otherwise determined by the Board, if an optionee's employment or service with the Company is terminated by the Company without cause, by the optionee for "Good Reason" (as defined in the Option Plan) or due to disability or death, a portion of the unvested options held by such optionee shall immediately vest according to a set formula;
9. unless otherwise determined by the Board, where an optionee's employment is terminated by the Company within 12 months after a change of control of the Company, the optionee resigns for Good Reason within 12 months after a change of control, or if the optionee dies while performing his or her regular duties as a director, officer and/or employee of the Company or its subsidiaries, then all of his or her outstanding options shall immediately vest; and
10. there are provisions for adjustment in the number of shares issuable on exercise of options in the event of a share consolidation, split, reclassification or other relevant change in the Company's corporate structure or capitalization.

In order to approve the Option Plan for the ensuing year, the shareholders will be asked at the Meeting to approve an ordinary resolution as follows:

"RESOLVED that the Option Plan of the Company, with terms substantially as described in the information circular of the Company dated April 30, 2019, be and is hereby approved, and that the directors of the Company are hereby authorized to make any changes to the Plan which may be required in order to obtain acceptance for filing by the Exchange."

Other Matters

Management of the Company knows of no matters to come before the Meeting other than those referred to in the Notice of Meeting accompanying this Information Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the form of proxy accompanying this Information Circular to vote the same in accordance with their best judgment of such matters.

STATEMENT OF EXECUTIVE COMPENSATION

Effective in 2018, the Company changed its fiscal year end from November 30 to December 31, resulting in a 13-month fiscal year for 2018.

During the fiscal year ended December 31, 2018, three individuals were "named executive officers" of the Company within the meaning of the definition set out in National Instrument Form 51-102F6V, "Statement of Executive Compensation – Venture Issuers" ("Form 51-102F6V"). As required by Form 51-102F6V, the following includes disclosure of the compensation paid or payable by the Company to Simon Ridgway, its Chief Executive Officer ("CEO"), Gordon Tainton, its President, and Kevin Bales, its Chief Financial Officer ("CFO") (hereinafter collectively referred to as "NEOs"), and to the Company's directors.

Compensation Excluding Compensation Securities

The following summarizes compensation, excluding Compensation Securities (as defined below), paid or payable to NEOs and directors of the Company during the fiscal years ended December 31, 2018 and November 30, 2017:

| Name and Position | Year | Salary, Consulting Fee, Retainer or Commission (\$) | Bonus (\$) | Committee or Meeting Fees (\$) | Value of Perquisites (\$) | Value of All Other Compensation (\$) | Total Compensation (\$) |
|---|------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Simon Ridgway CEO & Director | 2018 | 45,500 ⁽¹⁾ | Nil | Nil | Nil | Nil | 45,500 |
| | 2017 | 42,000 ⁽¹⁾ | Nil | Nil | Nil | Nil | 42,000 |
| Gordon Tainton ⁽²⁾ President & Director | 2018 | 137,639 ⁽³⁾ | Nil | Nil | Nil | Nil | 137,639 |
| | 2017 | 156,528 ⁽³⁾ | Nil | Nil | Nil | Nil | 156,528 |
| David Cass ⁽⁴⁾ Director | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | 80,550 ⁽⁵⁾ | Nil | Nil | Nil | Nil | 80,550 |
| Kevin Bales CFO | 2018 | 25,071 ⁽⁶⁾ | Nil | Nil | Nil | Nil | 25,071 |
| | 2017 | 22,459 ⁽⁶⁾ | Nil | Nil | Nil | Nil | 22,459 |
| Ralph Rushton Director | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | Nil | Nil | Nil | Nil | Nil | Nil |
| Mario Szotlender Director | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | Nil | Nil | Nil | Nil | Nil | Nil |
| Tim Osler Director | 2018 | Nil | Nil | Nil | Nil | Nil | Nil |
| | 2017 | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

- (1) Paid or payable to Mill Street Services Ltd. (“**Mill Street**”) for the services of Simon Ridgway as CEO of the Company.
- (2) Mr. Tainton was appointed President and a Director on January 25, 2017.
- (3) During the fiscal year ended December 31, 2018, 229,166 Common Shares with a fair value of \$25,208 were issued to Mr. Tainton for services provided as President, of which \$7,639 is included in the 2018 fiscal year amount shown above, and \$17,569 is included in the 2017 fiscal year amount shown above. Also included in the 2017 fiscal year amount is \$38,959, being the fair value of 229,166 Common Shares issued during the 2017 fiscal year to Mr. Tainton for services provided as President.
- (4) Mr. Cass resigned as President on January 25, 2017.
- (5) During the fiscal year ended December 31, 2018, 87,500 Common Shares with a fair value of \$8,750 were issued to Mr. Cass for geological services provided; all of this amount is included in the 2017 fiscal year amount shown above. Also included in the 2017 fiscal year amount is \$16,800 being the fair value of 105,000 Common Shares issued during the 2017 fiscal year to Mr. Cass for geological services provided.
- (6) Paid or payable to Gold Group Management Inc. (“**Gold Group**”) for the services of Kevin Bales as CFO of the Company.

Compensation Securities

The Company did not grant or issue any stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units or restricted stock units (collectively “**Compensation Securities**”) to its NEOs and directors during the fiscal years ended December 31, 2018 and November 30, 2017.

The Company’s NEOs and directors did not exercise any Compensation Securities during the fiscal years ended December 31, 2018 and November 30, 2017.

Stock Option Plans and Other Incentive Plans

The Company has a stock option plan, the material terms of which are described under “*Particulars of Matters to be Acted Upon – Stock Option Plan*” herein.

Compensation Agreements or Arrangements

Mill Street is paid a monthly fee for the services of Simon Ridgway as CEO of the Company. Mill Street is controlled by Mr. Ridgway. There is no written agreement between the parties regarding these services.

Pursuant to an agreement dated April 20, 2017, the Company issued to Gordon Tainton for services provided as President during the 12-month period commencing February 1, 2017, 458,333 Common Shares of the Company.

Pursuant to an agreement dated April 18, 2017, the Company issued to David Cass for geological services provided during 2017, 192,500 Common Shares of the Company.

Pursuant to an agreement dated July 1, 2012, Gold Group is reimbursed by the Company on a monthly basis for certain shared costs and other business related expenses paid by Gold Group on behalf of the Company, including the services of the Company's Chief Financial Officer. The agreement may be terminated by either party on three months' notice. Gold Group is controlled by Simon Ridgway, the CEO of the Company.

Oversight and Description of Director and NEO Compensation

The Compensation Committee of the Board is responsible for ensuring that the Company has appropriate procedures for making recommendations to the Board with respect to the compensation of the Company's executive officers and directors. The Compensation Committee consists of Simon Ridgway, Mario Szotlender and Tim Osler, of whom Messrs. Szotlender and Osler are independent directors.

The general philosophy of the Company's compensation strategy is to: (a) encourage management to achieve a high level of performance and results with a view to increasing long-term shareholder value; (b) align management's interests with the long-term interest of shareholders; (c) provide a compensation package that is designed to attract and retain highly qualified executives and directors; and (d) ensure that total compensation paid takes into account the Company's overall financial position.

Compensation of the Company's NEOs is comprised of salaries and/or incentive stock options. Stock options were most recently granted to NEOs in 2013, and the Company may in the future grant incentive stock options to its NEOs. In establishing levels of cash compensation and the granting of stock options, the executive's performance, level of expertise, and responsibilities are considered.

Incentive stock options are granted pursuant to the Option Plan which is designed to encourage share ownership on the part of the Company's management, directors, employees and consultants. The Board believes that the Option Plan aligns the interests of the Company's personnel with shareholders by linking compensation to the longer term performance of the Company's shares. The granting of incentive stock options is an important component of executive compensation as it allows the Company to reward each executive officer's efforts to increase shareholder value without requiring the use of the Company's cash reserves.

Stock options are generally granted at the time of the executive's hiring or appointment and periodically thereafter. Previous grants of options are taken into account by the Compensation Committee and the Board when they consider the granting of new stock options.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is a stock option plan (the "Option Plan") which was previously approved by the shareholders on April 4, 2018. The Option 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 Option Plan provides that the number of common shares of the Company issuable under the Option Plan, together with all of the Company's other previously established or proposed share compensation arrangements, may not exceed 10% of the total number of issued and outstanding common shares. The material terms of the Option Plan are set out above under the heading "Particulars of Matters to be Acted Upon – Stock Option Plan".

The following table sets out information regarding compensation plans under which equity securities of the Company are authorized for issuance, as at December 31, 2018:

| EQUITY COMPENSATION PLAN | | | |
|--|---|--|---|
| Plan Category | (a) No. of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights | (b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights | (c) No. of Securities Remaining Available for Future Issuance under Equity Compensation Plans (excluding Securities Reflected in column (a)) |
| Equity Compensation Plan Approved by Shareholders | 962,500 | \$0.85 | 6,026,562 |
| Equity Compensation Plans Not Approved by Shareholders | N/A | N/A | N/A |
| Total: | 962,500 | \$0.85 | 6,026,562 |

AUDIT COMMITTEE

Pursuant to the provisions of National Instrument 52-110 (“**NI 52-110**”), the Company’s Audit Committee has adopted a written charter (the “**Charter**”) that sets out its mandate and responsibilities. The Charter is attached hereto as Schedule “B”. As the Company is a “venture issuer” (as defined in NI 52-110), it is relying on the exemption provided to it in Section 6.1 of NI 52-110 with respect to the composition of its Audit Committee and with respect to audit committee reporting obligations.

The Audit Committee of the Company consists of David Cass, Mario Szotlender and Tim Osler, of whom all are considered “financially literate” and Messrs. Szotlender and Osler are considered “independent”, within the meanings given to those terms in NI 52-110. The education and experience of each audit committee member that is relevant to the performance of his responsibilities as an audit committee member is as follows:

Audit Committee Member

Education and Experience

David Cass

Mr. Cass holds Bachelor of Science Degree in Geology and a Master of Science degree in Mineral Exploration and Mining Geology and is a geologist with over 25 years’ international experience in mineral exploration and mining for precious and base metals. Fifteen years of his career were spent with major mining company, Anglo American plc, where he held positions of increasing responsibility in jurisdictions such as Turkey, Iran, Eastern Europe and the America's, including 4 years as Senior Geologist in Peru, and 6 years as Exploration Manager for North America where he was responsible for Anglo’s exploration programs throughout Canada, Central America, Mexico, mainland USA and Alaska. Since 2006, Mr. Cass has worked for junior exploration companies exploring in Canada, Mexico, Central America and Peru. He is an audit committee member of two other publicly-traded resource companies.

Mario Szotlender

Mr. Szotlender holds a degree in international relations and has successfully directed Latin American affairs for numerous private and public companies over the past 25 years. He has been involved in various mineral exploration and development joint ventures (precious metals and diamonds) in Central and South America, including heading several mineral operations in Venezuela, including Las Cristinas in the 1980’s. Mr. Szotlender is a director and/or audit committee member of several other publicly-traded resource companies, and consults to several private exploration companies.

Tim Osler

Mr. Osler has owned and operated a mining consulting and retail mining equipment business, and has developed a gold mining placer property in the Yukon Territory.

The Committee has adopted specific policies and procedures for the engagement of non-audit services, all as more particularly described in the Audit Committee's Charter under the heading "Responsibilities and Authority". Fees billed to the Company during the past two fiscal years for services by the external auditors are as follows:

| | <u>2018</u> | <u>2017</u> |
|--------------------|-------------|-----------------|
| Audit Fees | \$90,000 | \$110,000 |
| Audit-Related Fees | Nil | Nil |
| Tax Fees | \$ 4,750 | \$ 4,000 |
| All Other Fees | <u>Nil</u> | <u>\$ 4,500</u> |
| | \$94,750 | \$118,500 |

"Audit Fees" are the aggregate fees billed for the audit of the Company's consolidated annual financial statements.

"Audit-Related Fees" are fees charged for assurance and related services 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".

"Tax Fees" are fees for tax return preparation.

"All Other Fees" are amounts not included in the categories above. The 2017 amount relates to assistance with the preparation of the Company's SEC annual report.

CORPORATE GOVERNANCE

The Board is of the view that the Company's corporate governance practices are appropriate and effective for the Company, given its relatively small size and limited operations. The Company's method of corporate governance allows for the Company to operate efficiently, with simple checks and balances that control and monitor management and corporate functions without excessive administrative burden.

Pursuant to National Instrument 58-101, *Disclosure of Corporate Governance Practices* ("NI 58-101"), the Company is required to and hereby discloses its corporate governance practices as follows:

Board of Directors

The Board considers Mario Szotlender and Tim Osler to be "independent" according to the definition set out in NI 58-101. Simon Ridgway, Gordon Tainton, David Cass and Ralph Rushton are not independent as they are current or former officers of the Company.

The independent Directors believe that their knowledge of the Company's business, and their independence are sufficient to facilitate the functioning of the Board independently of management. 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 they deem it appropriate, the independent directors may meet *in camera*.

Directorships

The directors of the Company are presently directors of one or more other reporting issuers, as follows:

| Director | Other Issuers |
|-----------------|--|
| Simon Ridgway | Fortuna Silver Mines Inc. Medgold Resources Corp. Rackla Metals Inc. Radius Gold Inc. Volcanic Gold Mines Inc. |
| Gordon Tainton | Northern Lights Resources Corp. |

Mario Szotlender

Atico Mining Corporation
Endeavour Silver Corp.
Fortuna Silver Mines Inc.
Radius Gold Inc.

David Cass

Centenera Mining Corporation
Rackla Metals Inc.

Ralph Rushton

Medgold Resources Corp.

Orientation and Continuing Education

Management will ensure that a new appointee to the Board receives the appropriate written materials to fully apprise him or her of the duties and responsibilities of a director pursuant to applicable law and policy. Each new director brings a different skill set and professional background, and with this information, the Board is able to determine what orientation to the nature and operations of the Company's business will be necessary and relevant to each new director.

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Accordingly, the Board has adopted a Code of Ethics which has been filed on SEDAR at www.sedar.com. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law, including relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

The Board has also adopted a policy establishing the procedure for Company personnel to report, with protection from reprisals and on a confidential or anonymous basis, any concerns regarding accounting, audit, internal controls, or financial reporting. Complaints are to be reported to the Chairman of the Company's Audit Committee.

Corporate Governance and Nominating Committee

The Corporate Governance and Nominating Committee of the Company consists of Mario Szotlender, Ralph Rushton and Tim Osler, the majority of whom are independent directors. While the Corporate Governance and Nominating Committee is not entirely independent, the Company believes that the independent members are sufficient to facilitate the functioning of the committee independently of management of the Company. Under the supervision of the Board, this Committee has overall responsibility for developing the Company's approach to corporate governance including recommending corporate governance issues for review, discussion or action, and such other initiatives as are necessary or desirable to provide effective corporate governance for the Company. This Committee is also responsible for identifying and recommending to the Board possible candidates for the Board as necessary, after considering the competencies and skills the directors as a group should possess, and considering the appropriate size of the Board.

Compensation Committee

The Compensation Committee of the Company consists of Simon Ridgway, Mario Szotlender and Tim Osler, the majority of whom are independent directors. While the Compensation Committee is not entirely independent, the Company believes that the independent members are sufficient to facilitate the functioning of the committee independently of management of the Company. The Compensation Committee has overall responsibility for recommending levels of executive compensation that are competitive and motivating in order to attract, hold and inspire executive officers and directors. It makes recommendations to the Board regarding executive officer and director compensation, bonus plans for management and key employees, and equity-based plans such as incentive stock options.

Assessments

The Company has not determined formal means or methods to regularly assess the Board, its committees or the individual directors with respect to their effectiveness and contributions. The Board periodically reviews its own performance and effectiveness as well as the charters of its committees. Effectiveness is subjectively measured by comparing actual corporate results with stated objectives. The contributions of an individual director are informally monitored by the other Board members, having in mind the business strengths of the individual and the purpose of originally nominating the individual to the Board.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

In order to raise funds to cover the purchase of a 70% interest in the Bayovar 12 phosphate project in Peru, the Company entered into a credit agreement in March 2015 whereby Resource Income Partners Limited Partnership and Sprott Resource Lending Partnership (the “**Lenders**”) lent US\$5,000,000 (the “**Loan**”) to the Company. The Loan had an interest rate of 12% per annum and a maturity date of September 30, 2016, which was subsequently extended to September 30, 2019.

During the fiscal year ended November 30, 2017, the Company repaid US\$500,000 of the Loan outstanding principal. During the fiscal year ended December 31, 2018, the Company restructured the Loan through the issuance of secured convertible debentures and share purchase warrants (the “**Private Placement**”) to the Lenders to repay in full the outstanding Loan balance of US\$3,114,019, including accrued interest.

The Lenders are controlled by Sprott Inc., of 200 Bay Street, Suite 2700, Toronto, ON M5J 2J1. Prior to the closing of the Loan, the extension of the Loan, and the Private Placement, Sprott Inc. was an insider of the Company by virtue of indirectly holding or controlling more than 10% of the issued capital of the Company.

Other than as disclosed in this Information Circular, no insider, proposed nominee for election as a director, or any associate or affiliate of the foregoing, had any material interest, direct or indirect, in any transaction or proposed transaction since December 1, 2017 which has materially affected or would materially affect the Company or its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Company is available for viewing at www.sedar.com. Financial information is provided in the Company’s financial statements and accompanying management’s discussion and analysis for the fiscal year ended December 31, 2018. Copies of financial statements and accompanying MD&A may be obtained by contacting the Company, attention Corporate Secretary, at 200 Burrard Street, Suite 650, Vancouver, BC V6C 3L6 (Tel: 604-688-5288; Fax: 604-682-1514).

BY ORDER OF THE BOARD

Simon Ridgway,
Chief Executive Officer



NOTICE OF CHANGE OF AUDITOR

PURSUANT TO NATIONAL INSTRUMENT 51-102, CROPS Inc. (the "**Company**") advises that effective January 21, 2019 (the "**Effective Date**"), Smythe LLP, Chartered Professional Accountants, of 475 Howe Street, Suite 1700, Vancouver, BC (the "**Successor Auditor**") has been appointed as the Company's auditor in the place of BDO Canada LLP, Chartered Professional Accountants, of 925 West Georgia Street, Suite 600, Vancouver, BC (the "**Former Auditor**") who has, at the Company's request, resigned as the auditor of the Company.

There have been no reportable events between the Company and the Former Auditor or the Successor Auditor. There have been no modified opinions expressed on the Former Auditor's reports in connection with the audits of the Company's financial statements for the two most recently completed fiscal years and any period subsequent to the most recently completed period for which an audit report on the Company's financial statements was issued and preceding the Effective Date.

The change in auditor has been approved by the Audit Committee and the Board of Directors of the Company.

DATED the 21st day of January, 2019.

CROPS INC.

Simon Ridgway,
Chief Executive Officer



Tel: 604 688 5421
Fax: 604 688 5132
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

January 21, 2019

British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

Dear Sirs:

Re: CROPS Inc
Notice of Change of Auditor dated January 21, 2019

Pursuant to National Instrument 51-102 (Section 4.11) we have read the above noted Notice of Change of Auditor of CROPS Inc. dated January 21, 2019 ("Notice"). We confirm our agreement with the statements made in Notice pertaining to our firm.

Yours very truly,

(signed) "BDO CANADA LLP"

Chartered Professional Accountants



January 21, 2019

British Columbia Securities Commission
Alberta Securities Commission
TSX Venture Exchange

Dear Sirs:

**Re: CROPS Inc. (the "Company")
Change of Auditor**

We are writing in accordance with Section 4.11(6)(a)(ii)(B) of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"). We wish to confirm that we have read the Notice of Change of Auditor of the Company dated January 21, 2019 and that based on our current knowledge we are in agreement with the information contained in such Notice.

Yours very truly,

A handwritten signature in dark ink that reads "Smythe LLP". The signature is written in a cursive, slightly slanted style.

Chartered Professional Accountants

CROPS INC.
(the “Company”)

AUDIT COMMITTEE CHARTER

Purpose

The primary function of the Audit Committee is to assist the Board of Directors of the Company (the “Board”) in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems established by management and the Company’s external audit process and monitoring compliance with the Company’s legal and regulatory requirements with respect to its financial statements.

Responsibilities and Authority

Subject to the powers and duties of the Board, the Board has delegated to the Audit Committee the following powers and duties to be performed by the Audit Committee on behalf of and for the Board. Nothing in this Charter is intended to or does confer on any member a higher standard of care or diligence than that which applies to the directors as a whole.

1. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to maintain an open communication between the Company’s external auditors and the Board.
2. The Audit Committee shall be responsible for making the following recommendations to the Board:
 - (a) the external auditor to be nominated for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Company; and
 - (b) the compensation of the external auditor.
3. The Audit Committee shall be directly responsible for overseeing the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting. This responsibility shall include:
 - (a) reviewing with management and the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimates and judgments of management that may be material to financial reporting;
 - (b) questioning management and the external auditor regarding significant financial reporting issues discussed during the fiscal period and the method of resolution;
 - (c) reviewing audited annual financial statements, in conjunction with the report of the external auditor;
 - (d) reviewing any problems experienced by the external auditor in performing the audit, including any restrictions imposed by management or significant accounting issues on which there was a disagreement with management; and
 - (e) reviewing the evaluation of internal controls by the external auditor, together with management’s response.
4. The Audit Committee shall review interim unaudited financial statements before release to the public.
5. The Audit Committee shall review all public disclosures of audited or unaudited financial information before release, including any prospectus, annual report, annual information form, and management’s discussion and analysis.
6. The Audit Committee shall review the appointments of the chief financial officer and any other key financial executives involved in the financial reporting process, as applicable.
7. Except as exempted by securities regulatory policies, the Audit Committee shall pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the external auditor.
8. The Audit Committee shall establish procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
9. The Audit Committee shall periodically review and approve the Company's hiring policies, if any, regarding partners, employees and former partners and employees of the present and former external auditor of the Company.
10. The Audit Committee shall have the authority to:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties;
 - (b) to set and pay the compensation for any advisors employed by the Audit Committee; and
 - (c) to communicate directly with the external auditors.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management and the external auditors.

Relationship with External Auditors

The external auditor is required to report directly to the Audit Committee. Opportunities shall be afforded periodically to the external auditor and to members of senior management to meet separately with the Audit Committee.

Composition

The Audit Committee is composed of a minimum of three Directors, a majority of whom are independent and all of whom have relevant skills and/or experience in the Audit Committee's areas of responsibility as required by the securities laws applicable to the Company, including those of any stock exchange on which the Company's securities are traded.

The members and Chair of the Audit Committee are appointed or confirmed by the Board annually and hold office at the pleasure of the Board. The Board fills any vacancy on, or any additional members to, the Audit Committee.

Structure and Operations

1. The Audit Committee shall meet in person or by conference call as frequently as necessary to carry out its responsibilities under this Charter, but in any event at least once per year.
2. With the assistance of the Corporate Secretary of the Company, the Audit Committee Chair shall be responsible for calling the meetings of the Audit Committee, establishing meeting agenda with input from management, and supervising the conduct of the meetings.
3. The minutes of all meetings shall be recorded by the Corporate Secretary of the Company or such other person as appointed by the Audit Committee Chair.
4. A majority of the independent members of the Audit Committee will constitute a quorum for conducting business at a meeting of the Audit Committee.
5. The Audit Committee may request any officer or other employee of the Company, or any representative of the Company's legal counsel or other advisors, to attend a meeting or to meet with any members or representatives of the Audit Committee.

Effective Date

This Charter was implemented by the Board on October 22, 2014.