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## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the 2018 Annual General and Special Meeting (the “**Meeting**”) of the Shareholders of FPX Nickel Corp. (the “**Company**” – formerly First Point Minerals Corp.) will be held at Suite 725 – 1155 West Pender Street, Vancouver, British Columbia, Canada, on Wednesday, May 23, 2018 at the hour of 2:00 p.m. (Vancouver time), for the following purposes:

1. To receive the Company’s comparative audited consolidated financial statements as at and for the year ended December 31, 2017 and the auditor’s report thereon;
2. To fix the number of directors at seven;
3. To elect directors;
4. To appoint the auditor of the Company and to authorize the directors to fix the auditor’s remuneration;
5. To approve an ordinary resolution providing the required annual approval of the Company’s Stock Option Plan as more particularly described in the Management Information Circular accompanying this Notice, and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting is the Company’s Management Information Circular, a form of Proxy or Voting Instruction Form, a Financial Statement Request Form and the President’s Letter. The accompanying Management Information Circular provides information relating to matters to be addressed at the Meeting and is incorporated into this Notice.

### ***Registered Shareholders***

Every registered holder of common shares (the “**Common Shares**”) at the close of business on April 18, 2018 is entitled to receive notice of, and to vote such Common Shares at the Meeting. Registered Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, sign and deliver the enclosed form of proxy c/o Computershare Investor Services Inc. (the “**Transfer Agent**”), of 100 University Avenue - 9<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1. In order to be valid and acted upon at the Meeting, forms of proxy must be returned to the aforesaid address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. Further instructions with respect to the voting by proxy are provided in the form of proxy and in the Management Information Circular accompanying this Notice.

### ***Non-Registered Shareholders***

Shareholders may beneficially own Common Shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (“**Non-Registered Shareholders**”). Without specific instructions, intermediaries are prohibited from voting shares for their clients. **If you are a Non-Registered Shareholder, it is vital that the voting instruction form provided to you by the Transfer Agent, your broker, intermediary or its agent is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.**

DATED at Vancouver, British Columbia, Canada as of the 18<sup>th</sup> day of April, 2018.

BY ORDER OF THE BOARD

*/s/ Martin Turenne*

President & Chief Executive Officer

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**FPX NICKEL CORP.**  
**(formerly FIRST POINT MINERALS CORP.)**

**MANAGEMENT INFORMATION CIRCULAR**

*(Containing information as at April 18, 2018, except as otherwise indicated)*

**Solicitation of Proxies**

This Management Information Circular (the “**Circular**”) is provided in connection with the solicitation, by or on behalf of the management of FPX Nickel Corp. (“**FPX Nickel**” or the “**Company**” – formerly First Point Minerals Corp.), of proxies to be used at the Company’s annual general and special meeting of the holders of its common shares (the “**Common Shares**”) to be held on May 23, 2018 (the “**Meeting**”) or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors or officers of the Company without special compensation, or by the Company’s transfer agent, Computershare Investor Services Inc., at nominal cost. The cost of solicitation will be borne by the Company.

**Appointment of Proxy Holder**

The individuals named (the “**Management’s Nominees**”) in the accompanying form of proxy (the “**Proxy**”) are officers and/or directors of the Company. **IF YOU ARE A SHAREHOLDER ENTITLED TO VOTE AT THE MEETING, YOU HAVE THE RIGHT TO APPOINT A PERSON OR COMPANY OTHER THAN THE MANAGEMENT’S NOMINEES DESIGNATED IN THE PROXY, WHO NEED NOT BE A SHAREHOLDER, TO ATTEND AND ACT FOR YOU AND ON YOUR BEHALF AT THE MEETING. YOU MAY DO SO EITHER BY STRIKING OUT THE NAMES OF THE MANAGEMENT’S NOMINEES AND INSERTING THE DESIRED PERSON’S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY OR BY COMPLETING AND DELIVERING ANOTHER SUITABLE FORM OF PROXY.** If your Common Shares are held in physical form (i.e. paper form) and are registered in your name, then you are a registered shareholder (a “**Registered Shareholder**”). However, if, like most shareholders, you keep your Common Shares in a brokerage account, then you are a beneficial shareholder. The manner for voting is different for Registered Shareholders and Beneficial Shareholders (as defined below). The instructions below should be read carefully by all shareholders.

**Revocation of Proxies**

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited with the Company’s registrar and transfer agent, **Computershare Investor Services Inc., 100 University Avenue - 9th floor, Toronto, Ontario, M5J 2Y1**, (the “**Transfer Agent**”) at any time up to and including the last business day preceding the Meeting, or any adjournment of it, at which the proxy is to be used, or to the Chairman of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

**REGISTERED SHAREHOLDERS**

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

- (a) completing, dating and signing the enclosed form of Proxy and returning it to the Transfer Agent;
- (b) using a touch-tone phone to transmit voting choices to the toll-free number indicated in the Proxy. Registered Shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the holder’s account number and the Proxy control number; or
- (c) using the internet through the website of the Company’s transfer agent at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders must follow the instructions that appear on the screen and refer to the enclosed proxy form for the holder’s account number and the Proxy control number;

in all cases ensuring that the Proxy is received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the Proxy is to be used.

## NON-REGISTERED SHAREHOLDERS

**Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but are instead registered in the names of a brokerage firm, bank or other intermediary or in the name of a clearing agency. Shareholders who do not hold their shares in their own name (referred to herein as “Beneficial Shareholders”) should note that only registered shareholders may vote at the Meeting.** If Common Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Common Shares will not be registered in such shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS Inc. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the brokers’ clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

In accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Circular and the Proxy to the clearing agencies and intermediaries for onward distribution to Beneficial Shareholders.

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its broker is substantially similar to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of Common Shares must be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted.**

This Circular and accompanying materials are being sent to both Registered Shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**Objecting Beneficial Owners**”, or “**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities they own (“**Non-Objecting Beneficial Owners**”, or “**NOBOs**”). Subject to the provision of NI 54-101 issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and use the NOBO list for distribution of proxy-related materials directly (not via Broadridge) to such NOBOs.

**If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the Common Shares on your behalf. The intermediaries (or their service companies) are responsible for forwarding this Circular and other Meeting materials to each OBO, unless the OBO has waived the right to receive them.**

**By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.**

The Company has not adopted the notice and access procedure described in NI 54-101 and National Instrument 51-102 - *Continuous Disclosure Obligations* to distribute its proxy related materials to the Registered Shareholders and Beneficial Shareholders. In addition, the Company has not agreed to pay to distribute the proxy-related materials to the OBOs.

Meeting materials sent to Beneficial Shareholders who have not waived their right to receive Meeting materials are accompanied by a request for voting instructions (a “**VIF**”). This form is provided instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Registered Shareholder how to vote on behalf of the Beneficial 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 a Beneficial Shareholder to direct the voting of the Common Shares which they beneficially own. If a Beneficial Shareholder who receives a VIF wishes to attend the Meeting or have someone else attend on his behalf, then the Beneficial Shareholder may write the applicable name in the space provided in the VIF, which will grant the Beneficial Shareholder or his nominee the right to attend and vote at the Meeting.

**IF YOU ARE A BENEFICIAL SHAREHOLDER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE REFER TO THE INSTRUCTIONS SET OUT ON THE “REQUEST FOR VOTING INSTRUCTIONS” (VIF) THAT ACCOMPANIES THIS CIRCULAR.**

All references to shareholders in this Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

### **VOTING OF PROXIES**

The shares represented by a properly executed proxy in favour of persons proposed by management as proxyholders in the accompanying form of proxy will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the proxyholder on any ballot that may be taken; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

**ON A POLL SUCH SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.**

The enclosed form of 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 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 enclosed form of proxy to vote in accordance with their best judgment on such matters or business. At the time of the printing of this Circular, the management of the Company knows of no such amendment, variation or other matter proposed to be presented to the Meeting

## **VOTING SECURITIES AND PRINCIPAL SHAREHOLDERS OF VOTING SECURITIES**

### **Voting Securities**

As at the date of the accompanying Notice of Meeting, the Company’s authorized capital consists of an unlimited number of common shares without par value of which 146,020,339 Common shares are issued and outstanding and an unlimited number of first and second preferred shares, none of which have been issued. All Common Shares in the capital of the Company carry the right to one vote.

Subject to the provisions of the *Business Corporations Act* (Alberta), a quorum for the transaction of business at any meeting of shareholders shall be two persons present in person, each being a shareholder entitled to vote at the Meeting or a duly appointed proxyholder for an absent shareholder so entitled and together holding or representing by proxy not less than 5% of the outstanding Common Shares entitled to vote at the Meeting. For an ordinary resolution that is submitted to a vote at the Meeting, a simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of such a resolution. For a special resolution, two-thirds or the votes cast at the Meeting are required for the resolution to be approved.

Only shareholders of record at the close of business on April 18, 2018, (the “**Record Date**”) who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above shall be entitled to vote or to have their shares voted at the Meeting.

On a show of hands, every individual who is present and is entitled to vote as a shareholder or as a representative of one or more corporate shareholders, or who is holding a proxy on behalf of a shareholder who is not present at the Meeting, will have one vote, and on a poll every shareholder present in person or represented by a proxy and every person who is a representative of one or more corporate shareholders, will have one vote for each Common Share registered in his name on the list of shareholders, which is available for inspection during normal business hours at the offices of the Transfer Agent and will be available at the Meeting.

### Principal Shareholders

To the knowledge of the directors and senior officers of the Company, as of the date of this Circular, the following persons 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.

Name	Number of Shares <sup>(1)</sup>	Percentage of Issued Capital
Peter M.D. Bradshaw	18,858,763	12.92%
117902 Canada Inc., et al <sup>(2)</sup>	16,462,500	11.27%

- (1) As of April 18, 2018, the aggregate number of Common Shares owned or controlled by the management and directors of the Company and their associates or affiliates as reported by such persons on the SEDI website was 27,569,300 Common Shares, representing 18.9% of the total issued and outstanding Common Shares.
- (2) These shares are beneficially owned by 117902 Canada Inc. (8,000,000 shares, 5.48%); Kitson Vincent (5,000,000 shares, 3.42%) and Smith Vincent & Co. Ltd. (3,462,500 shares, 2.37%), representing, collectively, 11.27% of the total issued and outstanding Common Shares.

### Notice to United States Shareholders

The solicitation of proxies by the Company is not subject to the requirements of Section 14(a) of the United States Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" as defined in Rule 3b-4 promulgated under the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Shareholders in the United States should be aware that such requirements are different than those of the United States applicable to proxy statements under the U.S. Exchange Act.

## MATTERS TO BE ACTED UPON AT THE MEETING

The Meeting will address the following matters:

1. To receive the Company's comparative audited consolidated financial statements as at and for the year ended December 31, 2017 and the auditor's report thereon;
2. To fix the number of directors at seven;
3. To elect seven directors to hold office until the close of the next annual general meeting of shareholders;
4. To appoint DeVisser Gray LLP as the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor;
5. To approve the Company's Stock Option Plan, as required annually by the policies of the TSX Venture Exchange, and
6. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

### Determination of the Number of Directors

Mr. John Gammon, who joined the Board in January 2008, is not standing for re-election at the Meeting. The Board and management wish to express their heartfelt thanks to Mr. Gammon for his service to the Company.

As Mr. Gammon is a director at the date of this Circular, all disclosure regarding the current Board, including the section on director compensation, includes Mr. Gammon.

The authority to determine the number of directors of the Company rests with the shareholders. The Company's By-Laws provide that the number of directors, excluding additional directors, may be fixed or changed from time to

time by ordinary resolution, but the Company's Articles of Incorporation stipulate the Board shall consist of a minimum of three directors and a maximum of ten directors. The number of directors on the Board is currently set at eight. In light of Mr. Gammon's decision not to stand for re-election, Management proposes to reduce the Board size to seven members and shareholders will be asked at the Meeting to pass with or without variation an ordinary resolution to set the number of directors for the ensuing year at seven.

**The Board recommends that shareholders vote FOR the ordinary resolution to fix the Board size at seven members. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the ordinary resolution to fix the Board size at seven members.**

#### **Election of Directors**

Under the By-laws of the Company, directors of the Company are elected annually. Each director will hold office until the next annual meeting of the shareholders of the Company or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the By-laws.

On June 26, 2013, the Board adopted By-law No. 2, an Advance Notice policy for the nomination of directors in certain circumstances. The Advance Notice policy was confirmed by the shareholders in accordance with the *Business Corporations Act* (Alberta) at the Company's annual general meeting held on July 25, 2013. A copy of By-law No. 2 is attached as Schedule "D" to the Circular of the Company dated June 26, 2013, which was filed under the Company's Profile on the SEDAR website.

On March 27, 2014, the Board adopted a Majority Voting policy that requires that any nominee for director who receives a greater number of votes "*withheld*" than votes "*for*" his or her election as a director shall submit his or her resignation to the Corporate Governance and Nominating Committee of the Board (for the purposes of this section, the "**Committee**") for consideration promptly following the meeting of shareholders. This policy applies only to uncontested elections, meaning elections where the number of nominees for directors is equal to the number of directors to be elected. The Committee shall consider the resignation and shall provide a recommendation to the Board. The Board will consider the recommendation of the Committee and determine whether to accept the resignation within 30 days of the applicable meeting of shareholders and a news release will be issued by the Company announcing the Board's determination. A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation shall be accepted.

Shareholders should note that, as a result of the Majority Voting policy, a "*withhold*" vote is effectively the same as a vote against a director nominee in an uncontested election.

Following the Committee's recommendation, the Board has determined to nominate each of the seven persons listed below for election as a director of the Company at the Meeting (each, a "**Nominee**", and collectively, the "**Nominees**"). All of the Nominees are current members of the Board and have been directors of the Company since the date indicated in the table below opposite the Nominees' names.

**The Board recommends that shareholders vote FOR the election as directors of the Company of each of the seven Nominees set out below. Unless authority to do so with respect to one or more directors is withheld, the persons named in the accompanying form of proxy intend to vote FOR the election of each such Nominee.**

The Nominees are: Peter M.D. Bradshaw, James S. Gilbert, Peter J. Marshall, John A. McDonald, William H. Myckatyn, Robert B. Pease and Martin Turenne.

Management does not contemplate that any of the proposed Nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such Nominee(s) may be voted by the persons designated by management of the Company in the enclosed form of proxy, in their discretion, in favour of another nominee.

As of the date of this Circular, the Company has not received notice of, and management is not aware of, any proposed nominee in addition to the Nominees.

IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE PERSON NAMED IN THE PROXY TO VOTE THE SHARES REPRESENTED BY THE PROXY ON A POLL FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS OR FOR ANY OTHER MATTER THAT MAY ARISE AT THE MEETING.

The following table sets out the names, province or state and country of residence of the Nominees for election as directors, the offices they hold within the Company, their principal occupations, business or employment within the five preceding years, the period or periods during which each director has served as a director of the Company, and the number of shares of the Company, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular. The information given in the following table as to principal occupations and shares owned was furnished by each Nominee.

<b>Nominee</b>	<b>Principal occupation or employment and, if not a previously elected director, occupation during the preceding five years</b>	<b>Served as director continuously since</b>	<b>Other position or office with the Issuer</b>	<b>Number of shares directly or indirectly owned or controlled as of the date hereof</b>
<b>Peter M.D. Bradshaw</b> <sup>(3)</sup> British Columbia, Canada	Non-executive Chairman, FPX Nickel Corp., since Feb. 13, 2012.	July 11, 1996	President and CEO prior to Feb. 13, 2012.	18,858,763
<b>James S. Gilbert</b> <sup>(1,2,3)</sup> Virginia, United States	Chairman & CEO, Orvana Minerals Corp. until Jan. 31, 2018; prior thereto: President & CEO, FPX Nickel Corp., Feb. 13, 2012 to Dec. 1, 2015; prior thereto: President & CEO, Minera S.A.	February 13, 2012	None	651,352
<b>Peter J. Marshall</b> <sup>(2,3)</sup> British Columbia, Canada	President, P. J. Marshall Consulting; prior thereto: Vice President – Project Development, New Gold Inc., Oct. 2011 to Feb. 2017.	September 6, 2017	None	360,000
<b>John A. McDonald</b> <sup>(1,2,3)</sup> British Columbia, Canada	Geologist and Mining Executive.	June 25, 2009	None	430,000
<b>William H. Myckatyn</b> <sup>(2,3)</sup> British Columbia, Canada	Corporate Director.	February 16, 1999	None	613,556
<b>Robert B. Pease</b> <sup>(3)</sup> British Columbia, Canada	Chairman & director, Trek Mining Inc., Mar. 31, 2017 to Dec. 22, 2017; director, Red Eagle Mining Corporation since June 2011; director, Liberty Gold Corp. since April 2011; director, Pure Gold Mining Inc. since March 2014; director, Endurance Gold Corporation since April 2011.	November 21, 2017	None	825,000
<b>Martin Turenne</b> British Columbia, Canada	President, & Chief Executive Officer, FPX Nickel Corp., since Dec. 1, 2015.	July 14, 2017	None	2,850,519

- (1) Denotes member of the Audit Committee. Chair: James Gilbert  
(2) Member of the Compensation Committee. Chair: William Myckatyn  
(3) Member of the Corporate Governance & Nominating Committee. Chair: Robert Pease

The Company does not have an executive committee of its Board. Pursuant to National Instrument 52-110 - *Audit Committees* (“NI 52-110”), the Company is required to have an Audit Committee of its Board of Directors. The current members of the Audit Committee are James Gilbert, John Gammon and John McDonald. NI 52-110 also requires companies to provide disclosure with respect to their audit committee including the text of the audit committee’s charter and the fees paid to the external auditor. This information is set out in the Company’s Annual Information Form (“AIF”) dated February 28, 2018 under the heading “Information on Audit Committee”. The AIF was filed under the Company’s Profile on the System for Electronic Document Analysis and Retrieval (SEDAR) website, [www.sedar.com](http://www.sedar.com) on February 28, 2018.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Company acting solely in such capacity.



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

As at the date of the Circular, or within 10 years before the date of the Circular, none of the directors or executive officers of the Company is or was a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to an order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or
  - (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer,
- except as set out below:

Mr. Gammon was a director of Copper Mesa Mining Corporation, which became the subject of a cease trade order issued by the British Columbia Securities Commission on April 9, 2009 for failure to file its audited financial statements, the related Management's Discussion and Analysis and its Annual Information Form. The cease trade order was rescinded on June 3, 2009. Mr. Gammon did not stand for re-election as a Director of Copper Mesa Mining Corporation at its annual meeting of shareholders held on November 6, 2009.

For the purposes of the foregoing, "order" means

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days.

No director or executive officer of the Company, nor any shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- (a) is, as at the date of the Circular, or has been within the 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the 10 years before the date of the Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

No director or executive officer of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, is or has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## **The 2017 Financials**

The 2017 Financials are being mailed to those shareholders of the Company who requested such financial statements. The 2017 Financials and the companion Management's Discussion & Analysis were filed under the Company's Profile on the SEDAR website at [www.sedar.com](http://www.sedar.com) on February 28, 2018 and are also available on the Company's website at [www.fpxnickel.com](http://www.fpxnickel.com). Copies of these documents will be available for inspection at the Meeting and shareholders and proxyholders will have the opportunity to discuss the results of the 2017 Financials with management at that time.

## **Appointment and Remuneration of the Auditor**

The management of the Company will recommend to the Meeting the reappointment of the Company's auditor, DeVisser Gray LLP, Chartered Professional Accountants, of 905 W. Pender Street, Suite 401, Vancouver, British Columbia V6C 1L6, 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, based upon the recommendation of the Audit Committee.

DeVisser Gray LLP (“DVG”) has been acting as the Company's auditor since August, 1996.

The Board recommends that you vote FOR the re-appointment of DVG as independent auditor for the Company until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the auditor's remuneration.

**Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of DVG as the auditor of the Company until the close of the next annual meeting of the shareholders of the Company, or until its successor is appointed, and the authorization of the Board, upon recommendation of the Audit Committee, to fix the auditor's remuneration.**

Information regarding the compensation of DVG is contained in the Company's AIF dated February 28, 2018 under the heading “Information on Audit Committee”. The AIF is filed under the Company's Profile on the SEDAR website.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Named Executive Officers**

“NEO” or “named executive officer” means each of the following individuals:

- (a) a chief executive officer (“CEO”) of the Company;
- (b) a chief financial officer (“CFO”) of the Company;
- (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 – *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

During the financial year ending December 31, 2017, the Company had two NEOs, namely:

- (a) Martin Turenne, who has served as the Company's President and Chief Executive Officer since December 1, 2015; and
- (b) J. Christopher Mitchell, who was re-appointed as the Company's Chief Financial Officer on December 1, 2015, having previously served in that position from July 2003 through August 31, 2012. Mr. Mitchell also serves as the Company's Corporate Secretary, a position he has held since July 2003.

### **Compensation Discussion and Analysis**

The Company's compensation objectives are to provide executives with compensation that is in accordance with existing market standards generally and competitive within the mineral exploration and development sector. The process of determining executive and director compensation relies primarily on discussion amongst the Compensation Committee members, supplemented from time to time with surveys of the NEO compensation disclosure in the management information circulars of other companies in the sector having market capitalizations and scale of operations similar to those of the Company.

The Company compensates its executives through the Company's stock option plan (as more particularly described below). The stock option plan is an important part of the Company's long-term incentive strategy for its officers, permitting them to participate in any appreciation of the market value of the Company's common shares over a stated period of time. The stock option plan is intended to reinforce commitment to long-term growth in profitability and shareholder value. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such officer's long-term contribution to the Company will be key to its long-term success.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

The Company has a professional services agreement with Martin Turenne Consulting Ltd. (the “**Consultant**”), a management company owned by Mr. Turenne that provides the services of Mr. Turenne to serve as the Company’s President & Chief Executive Officer (the “**Turenne PSA**”). The Turenne PSA contains termination and change of control benefits clauses as follows:

The Company may terminate the Turenne PSA at any time for cause and all fees due to the Consultant shall cease accruing on the termination date.

The Company may terminate the Turenne PSA at any time without cause for any reason. At any time within sixty (60) days following an event that constitutes a constructive dismissal, the Consultant may terminate the Turenne PSA upon thirty (30) days written notice. In either event, the Consultant shall be paid a termination benefit as described in subparagraph (a) below.

In addition, if a change of control of the Company results in: (i) the Company terminating the Turenne PSA, other than for cause, within thirty (30) days prior to or within twelve (12) months after the effective date of a change of control; or (ii) a constructive dismissal within twelve (12) months after the effective date, and the Consultant elects to terminate the Turenne PSA; the Consultant shall be paid a termination benefit as described in subparagraph (b) below.

The termination benefit shall be calculated as follows:

- (a) If termination is without cause; or is a constructive dismissal:
  - (i) the amount of any unpaid monthly retainer, prorated on the number of calendar days in the month from the beginning of the month through the date of termination;
  - (ii) the portion (if any) of a Bonus that has been earned but not yet fully paid;
  - (iii) all outstanding expense reimbursements; and
  - (iv) \$100,000.
- (b) If termination is because of a change of control of the Company:
  - (i) the amounts set out in (a)(i), (a)(ii) and (a)(iii) above; and
  - (ii) an amount equivalent to thirty-six months remuneration, calculated at the highest monthly rate in effect during the twelve month period immediately preceding the termination date.

Any amounts payable pursuant to (a)(ii) and (a)(iv) or (b)(ii) above, as applicable, shall at the Company’s option be paid as a lump sum or in equal monthly payments over a period of 12 months *provided that*, at the Company’s sole election, as a cash preservation measure, any amounts due the Consultant pursuant to (a)(iv) above shall be paid in the Company’s common shares at a price equal to the market price as defined in the TSX Company Manual in effect on the date of termination.

Other than as noted above, the Company has no compensatory plan, contract or arrangement where a Named Executive Officer is entitled to receive more than \$100,000 from the Company or its subsidiaries, including periodic payments or instalments, in the event of: (i) the resignation, retirement or any other termination of the Named Executive Officer’s employment with the Company and its subsidiaries; (ii) a change of control of the Company or any of its subsidiaries; or (iii) a change in the Named Executive Officer’s responsibilities following a change of control.

## Summary Compensation Table

The following table is a summary of the compensation paid for each of the Company's three most recently-completed financial years to those individuals who served as the Company's Named Executive Officers in its most recently completed financial year ended December 31, 2017:

Name and principal position	Year	Salary (\$) <sup>(1)</sup>	Share-based awards (\$)	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation		Pension value (\$)	Compensation	
					Annual incentive plans (\$)	Long-term incentive plans (\$)		All other (\$) <sup>(3)</sup>	Total (\$)
<b>Martin Turenne</b> <sup>(4)</sup>	2017	Nil	N/A	49,550	Nil	N/A	N/A	137,500	187,050
President & CEO	2016	Nil	N/A	28,900	Nil	N/A	N/A	60,000	88,900
	2015	Nil	Nil	Nil	Nil	Nil	Nil	102,915	102,915
<b>J. Christopher Mitchell</b>	2017	Nil	Nil	29,730	Nil	Nil	Nil	41,890	71,620
CFO & Corp. Sec.	2016	Nil	Nil	17,340	Nil	Nil	Nil	53,350	70,690
	2015	Nil	Nil	Nil	Nil	Nil	Nil	96,650	96,650

(1) January 1 to December 31.

(2) These values were calculated using the Black Scholes option pricing model and **do not** represent actual amounts received by the NEOs as the gain, if any, will depend on the market value of the shares on the date the option is exercised.

(3) Compensation paid to private companies controlled by Messrs. Turenne and Mitchell pursuant to the Services Agreements described under "Management Contracts".

(4) The amount paid to Martin Turenne Consulting Ltd. for providing the services of Mr. Turenne was increased from \$5,000 per month to \$10,000 per month effective January 1, 2017, and was further increased to \$12,500 per month effective June 1, 2017.

## Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's Stock Option Plan, the purpose of which is to motivate management's commitment to the growth of the Company and the enhancement of shareholders' equity through, for example, additions and upgrades to its resource base and a rising share price.

Stock options are granted to executives taking into account a number of factors, including an assessment of the recipient's contribution to the Company's success in achieving its corporate objectives, the amount and term of options previously granted, the other components of the recipient's compensation package and competitive factors.

The significant terms of the Company's stock option plan are set out below under the heading "Particulars of Matters to be Acted Upon – Annual Approval of Stock Option Plan". No options were granted to Named Executive Officers under the Company's stock option plan during the most recently completed financial year end.

No option-based awards were exercised during the most recently completed financial year end by each Named Executive Officer.

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

The following table sets out all share-based awards and option-based awards outstanding as at December 31, 2017, for each Named Executive Officer:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$) <sup>(1)</sup>	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Martin Turenne President & CEO	500,000	0.15	30-Mar-22	Nil	N/A	N/A
	500,000	0.10	12-May-21	Nil	N/A	N/A
	100,000	0.15	5-Sep-19	Nil	N/A	N/A
	50,000	0.50	8-Feb-18	Nil	N/A	N/A
J. Christopher Mitchell CFO & Corp. Secretary	300,000	0.15	30-Mar-22	Nil	N/A	N/A
	300,000	0.10	12-May-21	Nil	N/A	N/A
	75,000	0.15	5-Sep-19	Nil	N/A	N/A
	50,000	0.50	8-Feb-18	Nil	N/A	N/A

- (1) The aggregate fair value of the options listed in the above table as determined by the Black-Scholes option pricing model was \$180,064, all of which had been expensed through December 31, 2017. The weighted average fair value of the options was \$0.096 per option. The key assumptions used in the option pricing model are set forth in the share capital note in the audited financial statements for the year in which the options were granted.
- (2) “*In-the-money*” means the excess of the market value of the common shares of the Company on December 31, 2017 over the exercise price of the options. The market value of the Company’s common shares on December 29, 2017, being the last day the shares traded in 2017, was \$0.095.

### 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 December 31, 2017, for each Named Executive Officer:

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 (\$)
Martin Turenne	Nil	N/A	N/A
J. Christopher Mitchell	Nil	N/A	N/A

- (1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.
- (2) This amount is the dollar value realized calculated by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

### **Perquisites and Other Personal Benefits**

The Company’s NEOs currently are not provided with significant perquisites or other personal benefits.

### **PENSION PLAN BENEFITS**

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

## DIRECTOR COMPENSATION

During the 2017 financial year, no compensation was paid to the directors of the Company 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, except as set forth below and as otherwise herein disclosed.

The compensation provided to the directors who are not Named Executive Officers, for the Company's most recently completed financial year of December 31, 2017 was:

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 (\$)
Peter M.D. Bradshaw	Nil	N/A	29,730	N/A	N/A	Nil	Nil
John B. Gammon	Nil	N/A	24,775	N/A	N/A	Nil	Nil
James S. Gilbert	Nil	N/A	24,775	N/A	N/A	Nil	Nil
Peter J. Marshall	Nil	N/A	26,150	N/A	N/A	Nil	Nil
John A. McDonald	Nil	N/A	24,775	N/A	N/A	Nil	Nil
William H. Myckatyn	Nil	N/A	24,775	N/A	N/A	Nil	Nil
Robert B. Pease	Nil	N/A	17,525	N/A	N/A	Nil	Nil

- (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) These amounts were calculated using the Black-Scholes fair value method for stock-based compensation and **do not** represent actual amounts received by the Directors as the gain, if any, will depend on the market value of the shares on the date that the option is exercised.
- (3) Includes all compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly.

The following table sets out all option-based awards and share-based awards outstanding as at December 31, 2017, for each director who is not a Named Executive Officer of the Company:

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price <sup>(1)</sup> (\$)	Option expiration date	Value of unexercised in-the-money options <sup>(2)</sup> (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Peter M.D. Bradshaw	300,000	0.15	30-Mar-22	Nil	N/A	N/A
	300,000	0.10	12-May-21	Nil	N/A	N/A
	100,000	0.15	5-Sep-19	Nil	N/A	N/A
John B. Gammon	250,000	0.15	30-Mar-22	Nil	N/A	N/A
	250,000	0.10	12-May-21	Nil	N/A	N/A
	100,000	0.15	5-Sep-19	Nil	N/A	N/A
James S. Gilbert	250,000	0.15	30-Mar-22	Nil	N/A	N/A
	250,000	0.10	12-May-21	Nil	N/A	N/A
	150,000	0.15	5-Sep-19	Nil	N/A	N/A
	200,000	0.50	8-Feb-18			
Peter J. Marshall	250,000	0.15	6-Sep-22	Nil	N/A	N/A
John McDonald	250,000	0.15	30-Mar-22	Nil	N/A	N/A
	250,000	0.10	12-May-21	Nil	N/A	N/A
	100,000	0.15	5-Sep-19	Nil	N/A	N/A
William H. Myckatyn	250,000	0.15	30-Mar-22	Nil	N/A	N/A
	250,000	0.10	12-May-21	Nil	N/A	N/A
	100,000	0.15	5-Sep-19	Nil	N/A	N/A
Robert B. Pease	250,000	0.10	21-Nov-22	Nil	N/A	N/A

- (1) The aggregate fair value of the options awarded to the six directors listed above, as determined by the Black-Scholes option pricing model, was \$374,673, all of which was expensed as at December 31, 2017. The weighted average fair value of the options was \$0.097 per option. The key assumptions used in the option pricing model are set forth in the share capital note in the audited financial statements for the year in which the options were granted.

- (2) *“In-the-money” means the excess of the market value of the common shares of the Company on December 31, 2017 over the exercise price of the options. The market value of the Company’s common shares on December 29, 2017, being the last day the shares traded in 2017, was \$0.095.*

The following table sets out all incentive plans (value vested or earned) during the year ended December 31, 2017, for each director who is not a Named Executive Officer 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 (\$)
Peter M.D. Bradshaw	Nil	N/A	N/A
John Gammon	Nil	N/A	N/A
James S. Gilbert	Nil	N/A	N/A
Peter J. Marshall	Nil	N/A	N/A
John A. McDonald	Nil	N/A	N/A
William H. Myckatyn	Nil	N/A	N/A
Robert B. Pease	Nil	N/A	N/A

(1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.

(2) This amount is the dollar value realized calculated by multiplying the number of shares or units by the market value of the underlying shares on the vesting date.

Directors are reimbursed for out-of-pocket expenses incurred in the course of discharging their duties as directors.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As at December 31, 2017, the Company had equity securities authorized for issuance as shown in the following table:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	8,450,000	\$0.167	4,927,034
Equity compensation plans not approved by security holders	Nil	Nil	Nil
<b>Total</b>	<b>8,450,000</b>	<b>\$0.167</b>	<b>4,927,034</b>

As at the date of this Circular, options on a total of 11,425,000 common shares at a weighted average price of \$0.137 have been granted to the Company’s directors, officers and consultants. (See "Statement of Executive Compensation" and "Statement of Director Compensation"). All outstanding stock options are subject to the terms and conditions of the Stock Option Plan.

### INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, former directors, executive officers and employees of the Company or any of its subsidiaries, proposed nominees for election, or any associates of the foregoing persons is as at the date hereof or has been indebted to the Company (other than routine indebtedness) since the beginning of the most recently completed financial year of the Company. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

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

No director or executive officer of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors or the appointment of the auditor.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Company's last completed financial year, other than as disclosed elsewhere in this Circular and in the next paragraph below, no informed person of the Company, any proposed nominee for election as a director 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, in either case, 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.

In January 2017, the Company completed a non-brokered private placement financing of 3,900,000 common shares at a price of \$0.10 per share for gross proceeds of \$390,000. Two insiders of the Company subscribed for an aggregate of 3,200,000 shares for gross proceeds of \$320,000.

In May 2017, the Company completed a non-brokered private placement financing of 11,466,000 common shares at a price of \$0.10 per share for gross proceeds of \$1,146,600. One insider of the Company subscribed for an aggregate of 3,750,000 shares for gross proceeds of \$375,000.

In March 2018, the Company completed a non-brokered private placement financing of 12,250,000 common shares at a price of \$0.12 per share for gross proceeds of \$1,470,000. Five insiders of the Company subscribed for an aggregate of 2,535,667 shares for gross proceeds of \$304,280.

## MANAGEMENT CONTRACTS

Other than as disclosed herein, no management functions of the Company or any of its subsidiaries are to any substantial degree performed by a person other than a director or executive officer of the Company or any of its subsidiaries.

### *Professional Services Agreement – Martin Turenne Consulting Ltd. (the "Turenne PSA")*

The Turenne PSA was executed effective December 1, 2015, during a period when the Board had implemented a number of measures to minimize expenditures. Martin Turenne Consulting Ltd. (the "**Consultant**") agreed to provide the services of Mr. Turenne to act as President and Chief Executive Officer of the Company for a fee of \$5,000 per month, an amount that was substantially less than the remuneration paid to individuals serving in the capacity of President & CEO of comparable companies under more normal circumstances. In recognition of this, the Turenne PSA contains a provision that the Consultant will receive a bonus of \$100,000 if the Company succeeds in raising at least \$1,500,000 for use in advancing the Decar project during the term of the Turenne PSA. This objective may be reached later this year or in early 2019, triggering the obligation to pay the bonus. A detailed description of the Decar project is set out in the Company's AIF dated February 28, 2018, a copy of which is filed under the Company's Profile on the SEDAR website.



*Consulting Services Agreement – Adera Company Management Inc. (the “Mitchell CSA”)*

Effective July 1, 2010, the Company entered into a consulting services agreement with Adera Company Management Inc. (“Adera”) pursuant to which Adera agreed to provide the services of Mr. Mitchell to act as Chief Financial Officer and Corporate Secretary of the Company for a fee of \$125.00 per hour. The hourly fee was most recently adjusted effective June 1, 2017, when it was increased to \$140.00 per hour. The Mitchell CSA contains a provision that in the event the agreement is terminated without cause, Adera will receive a termination benefit in the form of a payment in an amount equal to the greater of \$50,000 or an amount calculated using a years-of-service formula. If termination had occurred at December 31, 2017, the termination benefit would have been \$50,000.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the “Guidelines”) adopted in National Policy 58-201 – *Corporate Governance Guidelines*. These Guidelines are not prescriptive, but have been used by the Company in formulating its corporate governance policies. The Company’s approach to corporate governance is set out in Schedule “A” to this Circular.

The Board is constantly engaged in an ongoing review of the Company’s corporate governance practices. The Board considers good corporate governance to be central to the effective and efficient operations of the Company.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **Annual Approval of the 2016 “Rolling 10%” Stock Option Plan**

On November 14, 2016, the Board adopted the 2016 “Rolling 10%” Stock Option Plan (the “Plan”) which was approved by the shareholders at the Company’s annual general and special meeting held on May 25, 2017.

The Plan is a “rolling 10%” stock option plan pursuant to which up to 10% of the Company’s issued and outstanding Common Shares from time to time may be reserved for issuance pursuant to stock options granted or subject to the Plan. In accordance with the policies of the TSX-V, rolling stock option plans must receive shareholder approval annually. Accordingly, at the Meeting, shareholders will be asked to re-approve the Plan.

The Plan incorporates the following terms and conditions:

- (a) The aggregate number of Common Shares which may be issued pursuant to options granted under the Plan to directors, senior officers, Employees, Management Company Employees and Consultants of the Company and its subsidiaries (collectively, the “Eligible Persons”), unless otherwise approved by the shareholders, may not exceed that number which is equal to 10% of the Common Shares issued and outstanding as of the Grant Date.
- (b) The number of Common Shares subject to each option will be determined by the Board, provided that the aggregate number of Common Shares reserved for issuance pursuant to options granted to:
  - (i) any one individual during any 12-month period may not exceed 5% of the issued and outstanding Common Shares unless the Company is listed on Tier 1 of the TSX-V and has obtained Disinterested Shareholder Approval;
  - (ii) Insiders as a group may not exceed 10% of the issued and outstanding Common Shares unless the Company has obtained Disinterested Shareholder Approval;
  - (iii) any one Consultant shall not exceed 2% of the issued and outstanding Common Shares, and
  - (iv) all Eligible Persons who undertake Investor Relations Activities (as a group) may not exceed 2% of the issued and outstanding Common Shares during any 12 month periodin each case calculated as at the Grant Date, including all other Common Shares under option to such person at that time.
- (c) The Board, subject to the policies of the TSX-V, may determine and impose terms upon which each Option shall become Vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set forth above, all Options granted under the Plan shall vest and become exercisable in full upon grant, except for Options granted to Persons retained to provide Investor Relations Activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period.

- (d) Under the Plan, Options are required to have an exercise price no less than the Market Price of the Company's shares less a discount of up to 25%, the amount of the discount varying with Market Price in accordance with the policies of the TSX-V, *provided that* in any event no Options shall be issued at an exercise price that is less than \$0.05 per Share.
- (e) In accordance with good corporate governance practices and as recommended by National Policy 51-201 *Disclosure Standards*, the Company imposes blackout periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by Management and the Board. In order to ensure that Optionees are not prejudiced by the imposition of such blackout periods, the Plan includes a provision (the "**Blackout Provision**") to the effect that any outstanding options with an expiry date that falls during a Management imposed blackout period or within nine trading days thereafter will be automatically extended to a date that is ten trading days following the end of the blackout period.
- (f) The Plan provides that if a Change of Control occurs, all Option Shares subject to each outstanding Option will become Vested, whereupon such Option may be exercised in whole or in part by the Optionee, *provided that* any accelerated vesting or elimination of the vesting schedule of Options granted shall be subject to the prior written approval of the TSX-V, if necessary. The Board may also accelerate the Expiry Date for the exercise of all unexercised Options granted under the Plan, such that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to a *bona fide* take-over offer.
- (g) The Plan contains adjustment provisions with respect to outstanding Options in cases of Share Reorganizations, Special Distributions and Corporation Reorganizations.
- (h) The Plan provides that, on the death or disability of an Optionee, all Vested Options will expire at the earlier of one year after the date of death or disability and the Expiry Date of such Options. Where an Optionee is terminated for cause, any outstanding Option held by such Optionee on the date of such termination whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date. If an Optionee retires or voluntarily resigns or is otherwise terminated by the Company other than for cause, then all vested options held by such Optionee will expire at the earlier of (i) the Expiry Date of such options and (ii) the date which is 90 days (30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee ceases to be an Eligible Person, *provided that* the Board may, in its sole discretion, if it determines such is in the best interest of the Company, extend the 90 day or 30 day period, as applicable, to a later date within a reasonable period not exceeding one year.
- (i) The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than a maximum of ten (10) years after the Grant Date, *provided however*, if the Expiry Date of any Option granted under the Plan falls within a blackout period formally imposed by the Board that prevents the Optionee from exercising such Option (the "**Blackout Period**") or within nine trading days following the expiration of a Blackout Period, the Expiry Date of such Option shall be automatically extended, without requirement for any further act or formality, to that date which is the tenth trading day after the end of the applicable Blackout Period .
- (j) Options under the Plan cannot be assigned.

The foregoing is only a summary of the salient features of the Plan. A copy of the Plan may be inspected at the offices of the Company at Suite 725 – 1155 West Pender Street, Vancouver, BC V6E 2P4 during normal business hours up to **May 23, 2018** being the date of the Meeting and at the Meeting. In addition, a copy of the Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Company. Any such requests should be mailed to the Company, at its head office, to the attention of the Corporate Secretary.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form, to re-approve the Plan:

**“RESOLVED**, as an ordinary resolution, that:

1. the stock option plan (the "**Plan**") as described in the Circular dated April 18, 2018 be and is hereby approved, subject to the acceptance for filing thereof by the TSX Venture Exchange and the grant of options thereunder in accordance therewith, be approved;

2. the number of Common Shares reserved for issuance under the Plan shall be no more than 10% of the Company's issued and outstanding share capital at the time of any stock option grant;
3. the Board of the Company be authorized to make any changes to the Plan as may be required or permitted by the TSX Venture Exchange;
4. any director or officer of the Company is hereby authorized and directed for and in the name of and on behalf of the Company to execute or cause to be executed, whether under corporate seal of the Company or otherwise, and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as in the opinion of such director or officer may be necessary or desirable in connection with the foregoing; and
5. notwithstanding that this resolution has been duly passed by the shareholders of the Company, the Plan is conditional upon receipt of final approval from the TSX Venture Exchange and the directors of the Company are hereby authorized and empowered to revoke this resolution, without any further approval of the shareholders of the Company, at any time if such revocation is considered necessary or desirable by the directors."

**The Board recommends that shareholders vote FOR the ordinary resolution to approve the Plan. Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the ordinary resolution to approve the Plan.**

### **ADDITIONAL INFORMATION**

Additional information concerning the Company is available under the Company's Profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company's comparative annual financial statements for the year ended December 31, 2017, a copy of which, together with the Management's Discussion and Analysis thereon can be found under the Company's Profile on the SEDAR website.

Shareholders wishing to obtain a copy of the Company's audited consolidated financial statements and MD&A may contact the Company as follows:

FPX Nickel Corp.  
Suite 725 - 1155 West Pender Street  
Vancouver, British Columbia V6E 2P4

Disclosure in respect of the Company's Audit Committee is set out in the AIF dated February 28, 2018, a copy of which has been filed under the Company's Profile on the SEDAR website.

### **BOARD APPROVAL**

The contents of this Circular including the schedules attached hereto, and the sending thereof to shareholders entitled to receive notice of the Meeting, to each director, to the auditor 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 April 18, 2018.

DATED at Vancouver, British Columbia the 18<sup>th</sup> day of April, 2018.

*/s/ Martin Turenne*

President & Chief Executive Officer

**Schedule “A” to the Circular of  
FPX NICKEL CORP.  
STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

The following disclosure sets out the Company’s approach to corporate governance in relation to the requirements of National Policy 58 – 201 - *Corporate Governance Guidelines*. (Terms not otherwise defined herein are defined in the Circular):

**Board of Directors**

**Responsibilities of the Board:** The business and affairs of the Company are managed by or under the supervision of the Board in accordance with applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators. The Board’s responsibility is to provide direction and oversight. The Board approves the strategic direction of the Company and oversees the performance of the Company’s business and senior management. The Company’s senior management is responsible for presenting strategic plans to the Board for review and approval and for implementing the Company’s strategic direction.

In performing their duties, the primary responsibility of the directors is to exercise their business judgment in what they reasonably believe to be the best interests of the Company. In discharging that obligation, directors rely on the honesty and the integrity of the Company’s senior management and outside advisors and auditors. In fulfilling its statutory mandate and discharging its duty of stewardship of the Company, the Board assumes responsibility for those matters set forth in the Board’s mandate, a copy of which is attached as Appendix 1 hereto.

**Size of the Board:** The current Board consists of eight members. In view of the fact that Mr. Gammon has advised that he will not be standing for re-election, the Board is recommending that the shareholders fix the number of directors to be elected at the Meeting at seven and is recommending the seven nominees set out in the Circular for election by shareholders as directors of the Company at the Meeting.

**Composition of the Board:** National Instrument 58-101 – *Disclosure of Good Corporate Practices* (“NI 58-101”) defines an “independent director” as a director who has no direct or indirect material relationship with the Company. A “material relationship” is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member’s independent judgement. In determining whether a particular director is an “independent director” or a “non-independent director”, the Board considers the factual circumstances of each director in the context of the Corporate Governance Guidelines.

The following sets out all of the individuals who were directors of the Company during fiscal 2017 and whether each of them was or is “independent” within the meaning of NI 58-101 during the time each of them served as a director of the Company: (i) Peter M.D. Bradshaw (independent). Mr. Bradshaw is the Company’s Non-executive Chairman; (ii) John B. Gammon (independent); (iii) James S. Gilbert (non-independent). Mr. Gilbert served as the Company’s President & CEO from February 13, 2012 to December 1, 2015; (iv) Peter J. Marshall (independent); (v) John A. McDonald (independent); (vi) William H. Myckatyn (independent); (vii) Robert B. Pease (independent), and (viii) Martin Turenne (non-independent). Mr. Turenne is the Company’s President & CEO.

The Guidelines adopted in National Policy 58-201 – *Disclosure of Corporate Governance Practices* are not prescriptive, but have been used by the Company in developing its corporate governance policies. The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as “independent”. At all times during fiscal 2017, a majority of the members of the Board were “independent directors” within the meaning of NI 58-101.

The following current directors of the Company who are proposed as nominees for election at the Meeting are presently directors of other issuers that are reporting issuers (or the equivalent) in any jurisdiction, including foreign jurisdictions:

<b>Nominee for Director</b>	<b>Other Reporting Issuers</b>
Peter M. D. Bradshaw	Aquila Resources Inc.
John A. McDonald	Canterra Minerals Corporation Hudson Resources Inc. Independence Gold Corp.
William H. Myckatyn	Oceanagold Corporation San Marco Resources Inc.
Robert B. Pease	Red Eagle Mining Corporation Liberty Gold Corp. Pure Gold Mining Inc. Endurance Gold Corporation

***Selection of Directors, Director Term Limits and Gender Diversity:***

In late 2014, the securities regulators in Canada (other than Alberta and British Columbia) adopted an amendment to NI 58-101 requiring companies to include disclosure in their management information circulars or annual information forms, as applicable, in respect of director term limits and requiring new disclosure regarding the representation of women on boards and in executive officer positions. Presently, none of the Company’s directors (0%) are women and none (0%) of its senior officers are women. The Company does not have written policies in respect of the selection of individuals as nominees for election as directors, director term limits and gender diversity.

The Corporate Governance and Nominating Committee (the “CG&NC”) is responsible for identifying and recommending to the Board potential candidates to become directors of the Company. While there are no specific written criteria for Board membership, the Company does seek to attract and retain directors with an understanding of the Company’s business and a particular knowledge of mineral exploration and development or other relevant areas (such as accounting, finance and legal matters) which provide knowledge which would assist in guiding management of the Company. The CG&NC also considers the composition of the Board at the time of such review with a view to ensuring that the backgrounds, experiences and knowledge-base of the members of the Board are diverse and complementary. The Board, taking into consideration the CG&NC’s recommendations, is responsible for selecting the nominees for election to the Board, for recommending individuals for appointment as directors to fill vacancies, and determining whether a nominee or appointee is independent.

FPX Nickel does not impose term limits on its directors, believing that this arbitrary mechanism for removing directors can result in valuable, experienced directors being forced to leave the Board. The Company believes that the best means to achieving Board renewal is for it to happen organically, and in tandem with the nomination process managed by the CG&NC that takes into consideration a number of factors including identifying and selecting individuals who possess the skills, competencies, knowledge and have the business acumen, time available and independence to effectively discharge their responsibilities and best serve the Company.

FPX Nickel does not support the adoption of quotas or targets regarding gender representation on the Board or in executive officer positions. All Board appointments are made on merit, in the context of the skills, experience, independence, knowledge and other qualities which the Board as a whole requires to be effective, with due regard for the benefits of diversity, including the level of representation of women on the Board.

With respect to appointments to executive officer positions, FPX Nickel recruits and promotes on the basis of an individual’s competence, qualification, experience and performance, regardless of gender, age, or other aspects of diversity.

***Election of Directors:*** The Board had adopted a majority voting policy, pursuant to which each director should be elected by the vote of a majority of the Common Shares represented in person or proxy at any meeting for the election of directors. If any nominee for election as director receives, from the Common Shares voted at the meeting in person or by proxy, a greater number of votes “withheld” than votes “for” his or her election, the director will be expected to tender his or her resignation to the Chairman of the Board following the meeting, to take effect upon acceptance by the Board. The Corporate Governance and Nominating Committee will expeditiously consider the director’s offer to resign and make a recommendation to the Board whether to accept such offer. Within 90 days of the meeting of shareholders, the Board will make a final decision concerning the acceptance of the director’s resignation. This process applies only in circumstances involving an “uncontested” election of directors - where the

number of director nominees does not exceed the number of directors to be elected and where no proxy materials are circulated in support of one or more nominees who are not part of the slate supported by the Board for election at the meeting. Subject to any corporate law restrictions, where the Board accepts the offer of resignation of a director and that director resigns, the Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual meeting of shareholders, fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or call a special meeting of shareholders to elect a new nominee to fill the vacant position.

***Non-executive Chairman of the Board:*** The Non-executive Chairman is an independent director. The role of the Non-executive Chairman is to assume the leadership of the Board and, with the committees of the Board, to foster and preserve the independence of the Board. The Non-executive Chairman's responsibilities include chairing all meetings of directors, providing leadership to the Board, managing the Board, acting as a liaison between the Board and management of the Company and representing the Company.

### **Board Committees**

The Board has established three committees of the Board: the Audit Committee; the Corporate Governance and Nominating Committee, and the Compensation Committee. Each such committee will be composed of no fewer than three members. Members of committees will be appointed by the Board and each committee (or the Board) generally will designate one member of the committee as chair of that committee.

***Audit Committee:*** The Audit Committee currently is comprised of three directors: James S. Gilbert (Chair); John B. Gammon and John A. McDonald. All members of the Committee are financially literate for the purposes of National Instrument 52-110 - *Audit Committees* ("NI 52-110"). For the purposes of NI 52-110, Mr. Gilbert is non-independent, while Messrs Gammon and McDonald are independent. The responsibilities and operation of the Audit Committee are described in the copy of the Audit Committee Mandate attached as Appendix A to the Company's Annual Information Form ("AIF") dated February 28, 2018. A copy of the AIF is available under the Company's Profile on the SEDAR website and on the Company's website at [www.firstpointminerals.com](http://www.firstpointminerals.com).

***Corporate Governance and Nominating Committee:*** The Corporate Governance and Nominating Committee is currently comprised of all members of the Board, all of whom are independent, with the exception of Messrs. Gilbert and Turenne, who are non-independent. The purpose of the committee is to assist the Board in developing the Company's approach to governance. In general terms, the committee's responsibilities include: (i) periodically reviewing the Company's corporate governance practices; (ii) evaluating each director against the independence criteria established by NI 58-101 on at least an annual basis; (iii) reviewing, in conjunction with management and prior to publication, the corporate governance disclosure in the Company's AIF and management proxy circular; (iv) reviewing and, if advisable, approving and recommending for approval by the Board any proposed material changes to the Company's organizational structure; (v) monitoring conflicts of interest of both the Board and management in accordance with the Company's code of business conduct and ethics; (vi) evaluating the performance of the Board, committees of the Board and individual directors and (vii) identifying potential candidates to become Board members. The committee operates pursuant to a written Mandate that was adopted during 2013.

***Compensation Committee:*** The Compensation Committee is currently comprised of William H. Myckatyn (Chair), Peter J. Marshall and John. A. McDonald, all of whom are independent. The duties of the committee include: (i) reviewing the compensation and performance of the President & CEO and (ii) determining compensation of directors and other senior officers, and (iii) reviewing, prior to publication, the executive compensation disclosure in the Company's AIF and Circular.

### **Position Descriptions**

The Board has developed written position descriptions and corporate objectives for the Chairman of the Board and the President and CEO in order to delineate their respective roles and responsibilities. The Board has not to date developed formal position descriptions for the Chair of each of the committees of the Board.

### **Orientation and Continuing Education**

While the Company currently has no formal program to orient new directors to the role of the Board, its committees and its directors and the nature and operation of the Company's business, it has been the Company's practice for new directors to be thoroughly briefed by management of the Company and to be provided the opportunity to discuss with management, both formally and informally, the Company's activities. New directors are provided with copies of relevant policies and similar materials to ensure that they are familiarized with the Company and its business as well as the procedures of the Board.

The Corporate Governance and Nominating Committee has responsibility for overseeing development of any orientation programs for new directors. Although the Company does not have a formal program for the continuing education of directors, the Board ensures that its directors maintain the skills and knowledge necessary to meet their obligations as directors of the Company by scheduling presentations to the Board from time to time to educate directors and keep them informed of developments within the Company and of disclosure and governance requirements and standards.

### **Disclosure Policy**

The Board has adopted a written disclosure policy (the “**Disclosure Policy**”) to provide a framework for the Company’s approach to disclosure. The Disclosure Policy is reviewed periodically by the Corporate Governance and Nominating Committee and the Board. The policy extends to all employees, consultants, officers, the Board and those authorized to speak on its behalf. The Disclosure Policy addresses disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, press releases, letters to shareholders, presentations by senior management and information contained on the Company’s website and other electronic communications. It also extends to oral statements made in meetings and telephone conversations with members of the investment community, interviews with the media, as well as speeches and conference calls and dealings with the public generally.

Annual reports to shareholders, AIFs, Circulars prepared in connection with meetings of the shareholders, registration statements and securities filings must be submitted to the Board for review prior to the planned publication or filing date.

In addition, financial results contained in disclosure documents will require the prior approval of the Audit Committee.

All press releases require the prior approval of the CEO, and the CFO and Corporate Secretary. If technical information is being disclosed, the press release will also be reviewed by the Chairman.

### **Ethical Business Conduct**

The Board has adopted a written code of business conduct and ethics for the Company’s directors, officers and employees that sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the Company (the “**Code**”). A copy of the Code is available on the Company’s website at [www.fpxnickel.com](http://www.fpxnickel.com). The Board has also finalized an Anti-Corruption Policy to ensure that the Company complies with the *Corruption of Foreign Public Officials Act* (Canada). In addition, the Board has established anonymous and confidential reporting procedures pursuant to the Company’s Whistleblower Policy in order to encourage employees, directors and officers to raise concerns regarding various matters, including matters addressed by the Code, on a confidential basis free from discrimination, retaliation or harassment. Persons who violate the Code may face disciplinary actions, including dismissal.

Subject to certain exceptions prescribed under the *Business Corporations Act* (Alberta) (the “**ABCA**”), a director who is a party to a material contract or proposed material contract with the Company or who is a director or officer of a party to such a contract or otherwise has a material interest in a party to such a contract must disclose the nature and extent of the director’s interest to the Company and any material change in that interest. The Code and the ABCA also provide that, subject to certain exceptions prescribed under the ABCA, the interested director shall not attend any part of a meeting of directors during which the matter in which the director has a material interest is discussed and shall not vote on any resolution to approve such matter.

### **Compensation**

The Compensation Committee is responsible for, among other things, periodically reviewing and recommending for approval by the Board the appropriate levels of compensation for directors and senior management of the Company. The process by which executive compensation is established is described above under the heading “Statement of Executive Compensation - Compensation Discussion and Analysis” on page 9 of the Circular. In addition, the committee reviews the disclosure in the Company’s continuous disclosure documents relating to executive compensation prior to that information being disseminated.

**Assessments**

The responsibilities of the Corporate Governance and Nominating Committee include assessing, on a periodic basis, the contributions of the Board as a whole and each of the committees of the Board and each of the individual directors, in order to determine their effectiveness and contribution to the Company. The assessment process includes the completion of evaluation questionnaires by each member of the Board and committees and discussion of the responses thereto.