



## INFORMATION CIRCULAR

(Containing information as at January 11, 2019 unless indicated otherwise)

This Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Meadow Bay Gold Corporation (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of its shareholders to be held on Friday, February 15, 2019 at the time and place and for the purposes set forth in the accompanying notice of the Meeting.

In this Circular, references to “the Company”, “we” and “our”, refer to Meadow Bay Gold Corporation. “**Common Shares**” means common shares without par value in the capital of the Company. “**Beneficial Shareholders**” 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 Beneficial Shareholders.

## GENERAL PROXY INFORMATION

### Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. The Company has arranged for intermediaries to forward the meeting materials to beneficial owners 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.

### Appointment of Proxyholders

The individuals named 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 EITHER OF THE PERSONS 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 MANAGEMENT’S NOMINEES AND INSERTING THE NAME OF THAT OTHER PERSON 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 (“**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. The instructions below should be read carefully by all shareholders.

### Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Common Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. The Proxy confers discretionary authority on persons named therein with respect to:

- (a) each matter or group of matters identified therein for which a choice is not specified, other than the appointment of an auditor and the election of directors,
- (b) any amendment to or variation of any matter identified therein, and
- (c) any other matter that properly comes before the Meeting.

**In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter.**

### **Notice and Access**

The Company is not sending this Circular to registered or beneficial shareholders using "notice-and-access" as defined under National Instrument 54-101 ("**NI 54-101**").

### **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 Company's transfer agent, Computershare Investor Services Inc. ("**Computershare**"), by mail or by hand to the 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a toll-free number. 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, Registered Shareholders should ensure 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.

Should you wish to contact Computershare, please refer to the following:

#### **General Shareholder Inquiries:**

By phone: 1-800-564-6253  
By fax: 1-866-249-7775  
By email: [service@computershare.com](mailto:service@computershare.com)  
By regular mail: Computershare Investor Services Inc.  
100 University Avenue, 8<sup>th</sup> Floor  
Toronto, Ontario, M5J 2Y1

### **Beneficial Shareholders**

The following information is of significant importance to shareholders who do not hold Common Shares in their own name. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Common Shares).

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 the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the names of the shareholder's broker or an agent of that broker. In the United States, the vast majority of such Common Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many U.S. brokerage firms and custodian banks), and in Canada, under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms).

There are two kinds of beneficial owners - those who object to their name being made known to the issuers of securities which they own (called "**OBOs**" for "**Objecting Beneficial Owners**") and those who do not object to

the issuers of the securities they own knowing who they are (called “**NOBOs**” for “**Non-Objecting Beneficial Owners**”).

Management of the Company does not intend to pay for intermediaries to forward to OBOs under National Instrument 54-101 the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and, in the case of an OBO, the OBO will not receive the materials unless the OBO’s intermediary assumes the cost of delivery.

Every intermediary that mails proxy-related materials to Beneficial Shareholders has its own mailing procedures and provides its own return instructions to clients. Beneficial Shareholders should follow the instructions of their intermediary carefully to ensure that their Common Shares are voted at the Meeting.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge mails a voting instruction form (the “**Broadridge VIF**”) which will be similar to the Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. The Broadridge VIF will appoint the same persons as the Company’s Proxy to represent you at the Meeting. You have the right to appoint a person (who need not be a shareholder of the Company), other than the persons designated in the Broadridge VIF, to represent you at the Meeting. To exercise this right, you should insert the name of the desired representative in the blank space provided in the Broadridge VIF. The completed Broadridge VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge’s instructions. 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. **If you receive a Broadridge VIF, you cannot use it to vote Common Shares directly at the Meeting – the Broadridge VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have the Common Shares voted.**

Although as a Beneficial Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your broker, you, or a person designated by you, may attend at the Meeting as proxyholder for your broker and vote your Common Shares in that capacity. **If you wish to attend at the Meeting and indirectly vote your Common Shares as proxyholder for your broker, or have a person designated by you do so, you should enter your own name, or the name of the person you wish to designate, in the blank space on the voting instruction form provided to you and return the same to your broker in accordance with the instructions provided by such broker, well in advance of the Meeting.**

Alternatively, you can request in writing that your broker send you a legal Proxy which would enable you, or a person designated by you, to attend at the Meeting and vote your Common Shares.

### **Revocation of Proxies**

In addition to revocation in any other manner permitted by law, a Registered Shareholder who has given a Proxy may revoke it by:

- (a) executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the Registered Shareholder or the Registered Shareholder’s authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the Proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 2300, Bentall 5, 550 Burrard Street, Box 30, Vancouver, British Columbia, V6C 2B5, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last business day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or
- (b) personally attending the Meeting and voting the Registered Shareholder’s Common Shares.

A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

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

No director or executive officer of the Company, or any person who has held such a position since the beginning of the last completed financial year end of the Company, nor any nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting other than the election of directors, the appointment of the auditor and as may be set out herein.

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The board of directors (the “**Board**”) of the Company has fixed January 11, 2019 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of Proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Common Shares voted at the Meeting.

The Common Shares were consolidated on the basis of one post-consolidated Common Share for every four pre-consolidated Common Shares effective September 18, 2017, and began trading on a post-consolidated basis on September 20, 2017 (the “**Consolidation**”). As at the Record Date, there were 50,056,229 Common Shares issued and outstanding (post-Consolidation), each carrying the right to one vote.

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 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 that shareholder’s name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at Computershare and will be available at the Meeting.

To the knowledge of the directors and executive officers of the Company, no persons or corporations beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying 10% or more of the voting rights attached to all outstanding Common Shares as at the Record Date.

## Votes Necessary to Pass Resolutions

A simple majority of affirmative votes cast at the Meeting is required to pass the resolutions described herein. If there are more nominees for election as directors or appointment of the Company’s auditor than there are vacancies to fill, those nominees receiving the greatest number of votes will be elected or appointed, as the case may be, until all such vacancies have been filled. If the number of nominees for election or appointment is equal to the number of vacancies to be filled, all such nominees will be declared elected or appointed by acclamation.

## SETTING NUMBER OF DIRECTORS

The Board proposes that the number of directors be fixed at six (6). Shareholders will therefore be asked to approve an ordinary resolution that determines the number of directors to be elected be fixed at six (6).

## ELECTION OF DIRECTORS

The term of office of each of the current directors expires at the conclusion of the Meeting. Unless the director’s office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia), each director elected will hold office until the conclusion of the next annual general meeting of the Company, or if no director is then elected, until a successor is elected.

The following table sets out the names of management’s nominees for election as a director (a “**proposed director**”), the province and country in which he is ordinarily resident, all major offices and positions with the Company and any of its significant affiliates each now holds, each nominee’s principal occupation, business or employment for the five preceding years for new director nominees, the period of time during which each has been a director of the Company and the number of Common Shares beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date.

Name of Nominee, Province and Country of Ordinary Residence and Positions Held with the Company	Principal Occupation, Business or Employment <sup>(1)</sup>	Director of the Company Since	Common Shares Beneficially Owned or Controlled, or Directed, Directly or Indirectly <sup>(1)</sup>
<b>Robert Dinning</b> British Columbia, Canada  <i>President, CEO, Chairman and Director</i>	President and CEO since December 29, 2017; Chairman of the Company since January 14, 2011; Previously CEO from January 2011 to October 8, 2012; President and CEO from January 14, 2013 to May 6, 2015; self-employed management consultant and Chartered Accountant with over 40 years' experience in junior mining and resource industry. Chairman of Paramount Gold and Silver Corp., a mineral exploration company, from 2008 until April 2015; President and director of Simba Essel Energy Inc., an oil and gas exploration company; CFO and director of Sonora Gold & Silver Corp., a mineral exploration company.	January 14, 2011	1,129,050
<b>Adrian Robertson</b> <sup>(2)</sup> British Columbia, Canada  <i>Director</i>	Mining engineer; corporate pilot since July 2010; consulting and operating experience at Golder Associates, Vale Inco (formerly Inco Ltd.), Teck Cominco and TVX Inc; formerly CEO of Urostar Gold Corp. (which was acquired by Agnico Eagle Mines Limited).	September 16, 2010	62,500
<b>Charles William (Bill) Reed</b> <sup>(2)</sup> Arizona, USA  <i>Director</i>	Professional geologist; formerly VP, Exploration, and co-founder of Paramount Gold and Silver Corp.; Chief Geologist (Mexico) for Minera Hecla S.A. de C.V., a subsidiary of Hecla Mining; Regional Geologist for Echo Bay; holds a Bachelor of Science degree from the University of Utah and is a Registered Professional Geologist in the State of Utah.	February 24, 2011	134,091 <sup>(3)</sup>
<b>Jordan Estra</b> <sup>(2)</sup> Florida, USA  <i>Director</i>	Managing Director, Private Equity, of Sutter Securities Incorporated; director of Searchlight Minerals Corp., a mineral exploration company, since March 2010; former President, CEO and director of Ensure Inc.; research analyst and global metals/mining team leader for major investment banks, including SG Warburg (now UBS), Merrill Lynch, BT Alex Brown (now Deutsche Bank) and Oppenheimer; finance, marketing and strategic business development experience at AMAX Inc.	March 11, 2011	62,500

Notes:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled, or directed, directly or indirectly is not within the knowledge of the management of the Company and has been furnished by the respective nominees. The number of Common Shares disclosed under this column are presented on a post-Consolidation basis.
- (2) Denotes member of Audit Committee.
- (3) Of the 134,091 Common Shares held by Mr. Reed, 62,500 Common Shares are held directly and 71,591 Common Shares are held indirectly through Julianne Reed, wife of Mr. Reed.

None of the proposed directors of the Company is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and officers of the Company acting solely in such capacity.

Except as disclosed below, to the best of the Company's knowledge, as at the date of this Circular, and within the last 10 years before the date of this Circular, no proposed director (or any of their personal holding companies) of the Company was a director, CEO or CFO of any company (including the Company) that:

- (a) was subject to a cease trade or similar order (“**CTO**”) or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, CEO or CFO in the company and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO.

Robert Dinning was a director of Apolo Gold & Energy Inc. On December 15, 2009, the British Columbia Securities Commission (“**BCSC**”) issued Mr. Dinning a CTO as a result of failure to file an insider report in accordance with the *Securities Act* (British Columbia). Mr. Dinning subsequently filed the required insider report and the BCSC issued an order on January 12, 2011 to revoke this CTO. This company closed its operations in 2008 and has been inactive since that time. Mr. Dinning resigned as a director on November 15, 2013.

Mr. Dinning was a director of Industrial Minerals Inc. (“**Industrial Minerals**”), a Delaware company exploring for graphite, quoted on the OTC. On August 18, 2009, the BCSC issued a CTO in respect of Industrial Minerals regarding deficiencies in a technical report. The BCSC issued an order on March 10, 2011 to revoke this CTO. Mr. Dinning resigned as a director on May 10, 2010.

Mr. Dinning was a director of Samena Resources Corp., which was subject to CTOs issued by: (i) the BCSC on February 4, 2010; (ii) the Alberta Securities Commission on February 2, 2010; and (iii) the Manitoba Securities Commission on March 2, 2010, as a result of its failure to file its annual financial statements and annual MD&A for the year ended September 30, 2009. Mr. Dinning resigned as a director on September 25, 2011. Mr. Dinning advises that this company has been dormant since 2009 and is no longer in business.

Mr. Dinning was a director of Metron Capital Corp. (“**Metron**”). On October 10, 2013, the BCSC issued a CTO against Metron as a result of the failure to file financial statements. Mr. Dinning resigned as a director on April 6, 2016.

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:

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

None of the proposed directors (or any of their personal holding companies) has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or a regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

## APPOINTMENT OF AUDITOR

MNP LLP, Chartered Accountants, of 2200, MNP Tower, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3, will be nominated at the Meeting for reappointment as auditor of the Company at a remuneration to be fixed by the Board.

## CORPORATE GOVERNANCE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* requires management of an issuer (other than a venture issuer) that solicits a proxy from a securityholder of the issuer for the purpose of electing directors to the its board of directors to include in its management information circular the disclosure required by Form 58-101F2 - *Corporate Governance Disclosure*. The following disclosure describes the Company's approach to corporate governance.

### Board of Directors

#### *Independent Directors*

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

The Company's Board facilitates its exercise of independent judgement in carrying out its responsibilities by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Company's Board requires management to provide complete and accurate information with respect to the Company's activities and to provide relevant information concerning the industry in which the Company operates in order to identify and manage risks. The Company's Board is responsible for monitoring the Company's officers, who in turn are responsible for the maintenance of internal controls and management information systems.

The majority of the Board is independent, and one director is an officer of the Company. The independent directors are Adrian Robertson, Charles William (Bill) Reed and Jordan Estra. The non-independent director is Robert Dinning (Chairman, President and CEO).

#### *Directorships in Other Reporting Issuers*

The following directors of the Company are directors of other reporting issuers:

<b>Director</b>	<b>Other Reporting Issuer Directorships</b>
Robert Dinning	Simba Essel Energy Inc. Sonora Gold & Silver Corp.
Jordan Estra	Starcore International Mines Ltd.
Charles William (Bill) Reed	Otis Gold Corp. Zonte Metals Inc. Empire Capital Corp.

#### *Independent Director Meetings*

The independent directors of the Company do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. The Board encourages independent Board members to discuss all matters with both other independent directors and non-independent directors and management in order that they are fully informed and apprised of all matters necessary to make objective decisions as directors.

The Chairman of the Board is non-independent. The independent directors have not appointed a lead director of its independent directors. The Board currently consists of four directors in total and there is consistent and frequent communication among the four directors on all matters affecting the operation of the Company.

### **Orientation and Continuing Education**

The Board has not developed a formal orientation policy for new directors. When new directors are appointed, they receive an orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors.

In order to ensure that directors maintain the skill and knowledge necessary to meet their obligations as directors, the Company encourages its directors to take director education and training courses offered by post-secondary institutions. Directors are reimbursed for the expense of these training courses.

### **Ethical Business Conduct**

The Board has not adopted a written code for directors, officers and employees. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual directors' participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Further, the Company's auditor has full and unrestricted access to the Audit Committee at all times to discuss the audit of the Company's financial statements and any related findings as to the integrity of the financial reporting process.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience.

The Board does not have a nominating committee, and the identification of new candidates for Board nomination is currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation**

The Board as a whole determines compensation for the directors and the CEO.

### **Other Board Committees**

The Board has no other committees other than the Audit Committee.

### **Assessments**

The Board, the Audit Committee and individual directors are not regularly assessed with respect to their effectiveness and contribution. The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and the Audit Committee.

## **AUDIT COMMITTEE**

### **The Audit Committee's Charter**

The text of the Company's Audit Committee's charter is set out on Schedule "A" attached to this Circular.

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

The members of the audit committee are Jordan Estra, Bill Reed and Adrian Robertson. Jordan Estra, Bill Reed and Adrian Robertson are not executive officers of the Company and, therefore, independent members of the Audit Committee. All members are considered to be financially literate.

A member of the Audit Committee is independent if the member has no direct or indirect material relationship with the Company. A material relationship means a relationship which could, in the view of the Company's Board, reasonably interfere with the exercise of a member's independent judgment.

A member of the Audit Committee is considered financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company.

### **Relevant Education and Experience**

**Jordan Estra** has been a director of the Company since March 15, 2011. Since July 2010, Mr. Estra has been the President, CEO and a director of Ensurge, Inc. (OTCBB: ESGI), a Salt Lake City, Utah-based mining company focused on development of gold mining opportunities in Brazil and Guyana. Since May 2009, he has been the Managing Director in the Private Equity group at Sutter Securities Incorporated. From April 2007 to April 2009, he was Managing Director at Jesup & Lamont Securities, Inc. From September 2006 to March 2007, he was Senior Vice President for Dawson James Securities, Inc. and Managing Director at Stanford Financial Group from June 2003 to September 2006. He has focused on raising capital for emerging natural resource companies. Mr. Estra has been a leading research analyst and global metals/mining team leader for a number of major investment banks, including SG Warburg (now UBS), Merrill Lynch and BT Alex Brown (now Deutsche Bank). He began his career in the resources industry, at AMAX Inc., a global natural resources leader with interests in precious metals, copper, lead, zinc, coal, oil & gas, molybdenum, tungsten and iron ore. Mr. Estra is also a director of Searchlight Minerals Corp. (OTCBB: SRCH) and a director and non-executive chairman of Starcore International Mines Ltd. (TSX: SAM). Mr. Estra held a number of positions in finance, marketing and strategic business development.

Mr. Estra graduated with high distinction from Babson College with a degree in International Economics and with honors from Columbia University's Graduate School of Business. Mr. Estra served in the United States Army and has been a member of the American Institute of Mining, Metallurgical and Petroleum Engineers, the Foreign Policy Association, the New York Society of Security Analysts and the Stock & Bond Club of South Florida.

**Adrian Robertson** has been a director of the Company since September 16, 2010. Since July 2010, he has been a self-employed engineering and administrative consultant and corporate pilot. He worked for a major operator in the Sudbury basin gaining experience in technical services, geology, mine planning and design, and supervision, before moving into a role with a global ground engineering consulting firm in Vancouver, B.C. From June 2006 to June 2010, Mr. Robertson entered flight school at Pacific Professional Flight Centre of Delta, B.C. and became a flight instructor. After stepping away from mining to develop a career in aviation, Mr. Robertson re-entered the mining business as a consultant and corporate pilot working with several Vancouver based junior mining companies, such as Golder Associates, Vale Inco (formerly Inco Ltd.), Teck Cominco Metals Ltd. and TVX Inc. Mr. Robertson was formerly a director of Urastar Gold Corp. (formerly Urastar Energy Inc.) (TSX-V: URS), until June 2013 when the Company was acquired by Agnico Eagle. He obtained his Mining Engineering degree from Queen's University in 2002.

**William (Bill) Reed** has been a director of the Company since February 24 2011. He is a professional geologist and was previously Vice President Exploration and a cofounder of Paramount Gold & Silver. Prior to that he was Chief Geologist (Mexico) for Hecla Mining Company and prior to that was a Regional Geologist for Echo Bay Mining Co. Mr. Reed holds a Bachelor of Science degree from the University of Utah where is a registered geologist.

Each member of the Audit Committee has adequate education and experience that would provide the member with:

- (a) an understanding of the accounting principles used by the Company to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

### Reliance on Certain Exemptions

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

### Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year has the audit committee made any recommendations to the Board to nominate or compensate its auditor which were not adopted by the Board.

### Pre-Approval Policies and Procedures

All services to be performed by the independent auditor of the Company must be approved in advance by the audit committee. The audit committee has considered whether the provisions of services other than audit services is compatible with maintaining the auditor's independence and has adopted a policy governing the provision of these services. This policy requires that pre-approval by the audit committee of all audit and non-audit services provide by any external auditor, other than any de minimus non-audit services allowed by applicable law or regulation.

### External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees <sup>(2)</sup>	Tax Fees <sup>(3)</sup>	All Other Fees <sup>(4)</sup>
2018	\$28,088	Nil	Nil	Nil
2017	\$30,000	Nil	Nil	Nil

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Company's financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.
- (4) "All Other Fees" include all other non-audit services.

### **Exemption**

The Company is relying upon the exemption provided by section 6.1 of NI 52-110 which exempts venture issuers (as defined therein) from the requirement of Part 3, (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of that instrument.

### **STATEMENT OF EXECUTIVE COMPENSATION**

The following information of the Company is provided in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers*:

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

**"Named Executive Officer"** or **"NEO"** means each of the following individuals:

- (a) each individual who, during any part of the Company's financial year ended March 31, 2018, served as the chief executive officer ("**CEO**") of the Company, including an individual performing functions similar to a CEO;
- (b) each individual who, during any part of the Company's financial year ended March 31, 2018, served as chief financial officer ("**CFO**") of the Company, including an individual performing functions similar to a CFO;
- (c) in respect of the Company and its subsidiaries, the most highly compensated executive officers other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year ended March 31, 2018 whose total compensation was more than \$150,000, as determined in accordance with subsection 1.2(5) of Form 51-102F6V, for the financial year ended March 31, 2018; and
- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, as at March 31, 2018.

Based on the foregoing definition, the Company has three Named Executive Officers: Robert Dinning, the current Chairman, Chief Executive Officer and President, Keith Margetson, the current Chief Financial Officer, and Chris Crupi, the former President and Chief Executive Officer.

### **Director and Named Executive Officer Compensation**

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly to the Company's Named Executive Officers and directors for each of the Company's two (2) most recent completed financial years:

Table of Compensation Excluding Compensation Securities							
Name and position	Year Ended March 31	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
<b>Robert Dinning</b> <sup>(1)</sup> Chairman, CEO and President	2018	Nil	Nil	Nil	Nil	\$30,000	\$30,000
	2017	Nil	Nil	Nil	Nil	\$30,000	\$30,000
<b>Keith Margetson</b> <sup>(2)</sup> CFO	2018	Nil	Nil	Nil	Nil	\$22,500	\$22,500
	2017	Nil	Nil	Nil	Nil	\$30,000	\$30,000
<b>Christopher Crupi</b> <sup>(3)</sup> Former President and CEO	2018	Nil	Nil	Nil	Nil	\$15,000	\$15,000
	2017	Nil	Nil	Nil	Nil	\$30,000	\$30,000
<b>Adrian Robertson</b> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
<b>Charles William (Bill) Reed</b> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
<b>Jordan Estra</b> Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Robert Dinning has served as Chairman since January 14, 2011. He served as CEO from January 14, 2011 to October 8, 2012 and as President and CEO from January 14, 2013 to May 6, 2015 and since December 29, 2017.
- (2) Keith Margetson has served as CFO since March 15, 2011.
- (3) Christopher Crupi served as President and CEO from May 6, 2015 to December 29, 2017.

**External Management Companies**

Neither Robert Dinning nor Keith Margetson, the NEOs of the Company, are employees of the Company. See "Employment, Consulting and Management Agreements" for further information about consulting agreements in respect of the NEOs.

**Stock Options and Other Compensation Securities**

The following table sets out all compensation securities granted or issued to all NEOs and directors by the Company during the most recently completed financial fiscal year ended March 31, 2018 for services provided or to be provided, directly or indirectly, to the Company:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security on date of grant (\$)	Closing Price of Security on date at year end (\$)	Expiry Date

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of issue or grant</b>	<b>Issue, conversion or exercise price (\$)</b>	<b>Closing price of security on date of grant (\$)</b>	<b>Closing Price of Security on date at year end (\$)</b>	<b>Expiry Date</b>
<b>Robert Dinning</b> Chairman, CEO and President	Options	500,000 500,000 12.54%	Dec. 7, 2017	\$0.20	\$0.225	\$0.195	Dec. 7, 2022
<b>Keith Margetson</b> CFO	Options	262,500 262,500 6.58%	Dec. 7, 2017	\$0.20	\$0.225	\$0.195	Dec. 7, 2022
<b>Christopher Crupi</b> Former Director, President and CEO	N/A	Nil	N/A	N/A	N/A	N/A	N/A
<b>Adrian Robertson</b> Director	Options	262,500 262,500 6.58%	Dec. 7, 2017	\$0.20	\$0.225	\$0.195	Dec. 7, 2022
<b>Charles William (Bill) Reed</b> Director	Options	262,500 262,500 6.58%	Dec. 7, 2017	\$0.20	\$0.225	\$0.195	Dec. 7, 2022
<b>Jordan Estra</b> Director	Options	262,500 262,500 6.58%	Dec. 7, 2017	\$0.20	\$0.225	\$0.195	Dec. 7, 2022

### Exercise of Compensation Securities by Directors and NEOs

The following table sets out all exercise of Compensation Securities by directors and NEOs of the Company during the most recently completed financial fiscal year ended March 31, 2018.

<b>Exercise of Compensation Securities by Directors and NEO's</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of underlying securities exercised</b>	<b>Exercise price per security (\$)</b>	<b>Date of exercise</b>	<b>Closing price of security on date of exercise (\$)</b>	<b>Difference between exercise price and closing price on date of exercise (\$)</b>	<b>Total value on exercise date (\$)</b>
<b>Robert Dinning</b> Chairman, CEO and President	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Keith Margetson</b> CFO	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Christopher Crupi</b> Former President and CEO	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Exercise of Compensation Securities by Directors and NEO's							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price of security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Adrian Robertson Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Charles William (Bill) Reed Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Jordan Estra Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

### Employment, Consulting and Management Agreements

Pursuant to a consulting agreement (the “**Carlton Agreement**”) made as of January 1, 2012 between the Company and Carlton Energy Inc. (“**Carlton**”), a company controlled by Robert Dinning, the Chairman and President and CEO of the Company, the Company agreed to pay Carlton a monthly fee of \$15,000, plus HST, exclusive of bonuses, benefits and other compensation, for the first year of the term of the Carlton Agreement for services rendered by Carlton to the Company. The yearly fee payable to Carlton for subsequent years is to be increased by a figure equal to any increase in the Consumer Price Index. The Carlton Agreement had an initial term of two years, automatically extendable in one-year increments unless the Company gave written notice that it did not wish to further extend the Carlton Agreement. In the event of termination by the Company other than for just cause, disability or death or termination by Carlton for “good reason”, the Company shall pay Carlton within 45 days after the date of termination the amount of the balance of the current year’s obligation plus one additional year of compensation, and all outstanding and accrued regular and special vacation pay to the date of termination. If the Company does not renew the Carlton Agreement, the Company will pay Carlton an amount equal to the sum of one year’s annual salary and the average annual bonus paid to Carlton in the previous two years. Carlton has agreed to suspend the accrual of fees as at October 1, 2016 except as follows: For the fiscal years’ March 31, 2017 and 2018, Carlton accepted fees of \$30,000 per year. Carlton has agreed to adjust its fees going forward based on working capital availability.

Good reason" is defined in the Carlton Agreement as the occurrence of any of the following without Carlton's written consent: (i) a change (other than those that are clearly consistent with a promotion) in Carlton's position or duties (including any position or duties as a director of the Company), responsibilities (including, without limitation, to whom Carlton reports and who reports to the Company), title or office in effect immediately prior to a “control change”, which includes any removal of Carlton from or any failure to re-elect or reappoint Carlton to any such positions or offices; (ii) a reduction by the Company of Carlton's fee, benefits or any other form of remuneration or any change in the basis upon which Carlton's fees, benefits or any other form of remuneration payable by the Company is determined or any failure by the Company to increase Carlton's fees, benefits or any other forms of remuneration payable by the Company in a manner consistent (both as to frequency and percentage increase) with practices in effect immediately prior to the “control change” or with practices implemented subsequent to the “control change” with respect to the senior employees of the Company, whichever is more favorable to the Company; (iii) any failure by the Company to continue in effect any benefit, bonus, profit, sharing, incentive, remuneration or compensation plan, stock ownership or purchase plan, pension plan or retirement plan in which Carlton is participating or entitled to participate immediately prior to the “control change”, or the Company taking any action of failing to take any action that would adversely affect Carlton's participation in or reduce his rights or benefits under or pursuant to any such plan, or the Company failing to increase or improve the rights or benefits on a basis consistent with practices implemented subsequent to the “control change” or with practices implemented subsequent to the “control change” or with the senior employees of the Company, whichever is more favorable to Carlton; (iv) the Company relocating Carlton to any place other

than the location for work reported at on a regular basis immediately prior to the "control change" or a place within 50 kilometers of that location; (v) any failure by the Company to provide Carlton with the number of paid vacation days to which Carlton was entitled immediately prior to the "control change" of the Company failing to increase such paid vacation on a basis or with practice implemented subsequent to the "control change" with the respect to the senior employees of the Company, whichever is more favorable to the Company; or (vi) the Company taking action to deprive Carlton of any material fringe benefit not mentioned before in the Carlton Agreement and enjoyed by Carlton immediately prior to the "control change", or the Company failing to increase or improve such material fringe benefits on a basis consistent with practices implemented subsequent to the "control change" or with practices implemented subsequent on the "control change" with respect to their senior employees of the Company, whichever is more favorable to the Company; or (vii) any breach by the Company of any provision of the Agreement; or (viii) the good faith determination by Carlton that, as a result of the "control change" or any action or event thereafter, Carlton's status or responsibility in the Company have been diminished or Carlton is being effectively prevented from carrying out his duties and responsibilities as they existed immediately prior to the "control change"; or (ix) the failure by the Company to obtain, in a form satisfactory to Carlton, an effective assumption of its obligations under the Carlton Agreement by any successor to the Company, including a successor to a material portion of its business.

"Control change" is defined in the Carlton Agreement as the occurrence of any of the following events: (i) the actual acquisition or continuing ownership of, securities ("**Convertible Securities**") convertible into, exchangeable for or representing the right to acquire shares of the Company as a result of which a person, group of persons or persons acting jointly or in concert, or which associated or affiliated within the meaning of the *Business Corporations Act* (Ontario) with any such person, group of persons or any of such persons acting jointly or in concert (collectively, "**Acquirors**"), may or do beneficially own shares of the Company and/or Convertible Securities such that, assuming only the conversion, exchange or exercise of Convertible Securities beneficially owned by the Acquirors, the Acquirors would beneficially own shares that would entitle the holders thereof to cast more than 20% of the votes attaching to all the shares in the capital of the Company that may be cast to elect directors of the Company; or (ii) the exercise of the voting power for all of any such shares so as to cause or result in the election of a number of directors greater than 50% of the total number of directors of the Company who were not incumbent directors; or (iii) the shareholders of the Company approving a resolution authorizing the Company to enter into a transaction involving, directly or indirectly, (a) the merger, amalgamation or other combination of the Company or its principal business with one or more other entities; or (b) the sale of all or substantially all of the assets of the Company; or (iv) any transactions or series of transactions, the effect of which would cause Carlton and/or the directors of the Company, or any company, partnership, limited partnership, or any other legal entity of which they exercise control, to own less than ten percent of the issued and outstanding voting shares of the Company; or (v) any change in directors at an annual or special meeting of shareholders in which the identity of a majority of directors is different than that preceding such meeting.

Pursuant to a consulting agreement (the "**Margetson Agreement**") made as of May 1, 2011 between the Company and Keith Margetson for services rendered by Mr. Margetson to the Company as CFO based on 30 hours per month, with additional hours billed at \$100 per hour. The Margetson Agreement may be extended on the mutual agreement of the parties. The Company may terminate the Margetson Agreement at any time without just cause by paying Mr. Margetson a lump sum equal to three months' compensation and any unpaid reimbursable business expenses incurred through to the last day of engagement. On a "change of control" of the Company, specified in the Margetson Agreement as a takeover bid, private purchase, merger, amalgamation, corporate reorganization or any other form of business combination, acquisition of more than 50% of the Company or control by a third party of more than 50% of the Board, Mr. Margetson, at his option may, within a 12 month period from the "change of control" receive a lump sum payment equal to 12 months' compensation and any unpaid, allowable, reimbursable business expenses incurred through to the last day of engagement with the Company. In 2017 and 2018 Mr. Margetson voluntarily agreed to temporarily reduce the fee based on working capital availability.

If a severance payment triggering event had occurred on March 31, 2018, the severance payments that would be payable to each of the NEOs are approximately as follows:

NEO Name	Termination by the Company for any reason other than cause and unrelated to “Change of Control” of the Company (estimated) (\$)	Termination by the Company without cause after a “Change of Control” of the Company (estimated) (\$)
Robert Dinning	90,000	90,000
Keith Margetson	9,000	36,000

### Compensation, Philosophy and Objectives

The Company does not have a formal compensation program. The Board meets to discuss and determine management compensation, without reference to formal objectives, criteria or analysis. The general objectives of the Company’s compensation strategy are to (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (b) align management’s interests with the long-term interests of shareholders; (c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company to attract and retain talent; and (d) ensure that the total compensation package is designed in a manner that takes into account the constraints that the Company is under by virtue of the fact that it is a junior mineral exploration company without a history of earnings.

The Board, as a whole, ensures that total compensation paid to all NEOs is fair and reasonable. The Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels.

### Analysis of Elements

Base salary is used to provide the NEOs a set amount of money during the year with the expectation that each NEO will perform his responsibilities to the best of his ability and in the best interests of the Company.

The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each NEO’s efforts to increase value for shareholders without requiring the Company to use cash from its treasury. Stock options are generally awarded to executive officers at the commencement of employment and periodically thereafter. The terms and conditions of the Company’s stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company’s existing stock option plan (the “**Plan**”).

### **Description of Stock Option Plan**

The Plan is a “rolling” stock option plan, pursuant to which a maximum of 10% of the issued and outstanding Common Shares at the time an option is granted may be reserved for issuance pursuant to the exercise of incentive stock options. The Plan was approved by the Board on October 20, 2017 and was ratified and approved by shareholders at the Company’s annual general meeting held on November 17, 2017. The Plan was adopted by the Company in connection with the transfer of the listing of the Common Shares from the Toronto Stock Exchange to the TSX Venture Exchange (“**TSXV**”) on September 27, 2017 in order to comply with the policies of the TSXV. The Plan replaced the Company’s previous stock option plan adopted in 2012 (the “**Previous Plan**”) wherein all outstanding stock options under the Previous Plan were rolled into and deemed granted under the Plan. The listing of the Common Shares was transferred from the TSXV to the Canadian Securities Exchange (the “**CSE Listing**”) on March 2, 2018 and the Company intends make corrections to the Plan in order to reflect the CSE Listing.

The purpose of the Plan is to provide incentives to qualified persons to increase their proprietary interest in the Company and thereby encourage their continuing association with the Company. The Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact and/or contribution to the longer-term operating performance of the Company.

### Administration

The Plan is administered by the Board or by a committee of two or more directors who may be designated from time to time to serve as the committee for the Plan. Subject to the limitations of the Plan, the Board has full power to grant options, to determine the terms, limitations, restrictions and conditions respecting such options and to settle, execute and deliver option agreements and bind the Company accordingly, to interpret the Plan and to adopt such rules, regulations and guidelines for carrying out the Plan as it may deem necessary or proper, all of which powers shall be exercised in the best interests of the Company and in keeping with the objectives of the Plan.

### Total Number of Securities Issuable and Securities Issued under the Plan

The maximum aggregate number of Common Shares reserved for issuance pursuant to the exercise of options granted under the Plan is 10% of the outstanding Common Shares as at the date of a stock option grant. If any option is exercised, in whole or in part, then the maximum number of Common Shares for which options may be granted hereunder shall be proportionately increased by the number of Common Shares issued on such exercise. If any option subject to the Plan is forfeited, expires, is terminated or is cancelled for any reason other than by reason of exercise, then the maximum number of Common Shares for which options may be granted must be increased by the number of Common Shares which were the subject of such forfeited, expired, terminated or cancelled option. The maximum number of Common Shares must be appropriately adjusted in the event of a subdivision or consolidation of the Common Shares.

### Option Exercise Price

The exercise price per Common Share under an option must be determined by the administrator, in its discretion, at the time such option is granted, but such price shall not be less than the Discounted Market Price (as this term is defined under the Plan). Subject to regulatory approval, the exercise price per optioned share under an option may be reduced at the discretion of the administrator if (i) prior regulatory approval is obtained and at least six months has elapsed since the later of the date such option was granted and the date the exercise price for such option was last amended; and (ii) disinterested shareholder approval is obtained for any reduction in the exercise price under an option held by an insider of the Company at the time of the proposed reduction; provided that if the exercise price is reduced to less than the Market Price (as this term is defined under the Plan), a hold period will apply from the date of the amendment and further provided that no such conditions will apply in the case of an adjustment made in the event of any subdivision or consolidation of the Common Shares.

### Tax Withholding

The Plan establishes that the Company shall have the right to withhold from any amount payable to an optionee such amount as may be necessary to enable the Company to comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to awards under the Plan. The Company shall also have the right in its discretion to satisfy any liability for any withholding obligations by selling, or causing a broker to sell, on behalf of any participant such number of Common Shares issued to the participant pursuant to an exercise of options under the Plan as is sufficient to fund the withholding obligations (after deducting commissions payable to the broker), or retaining any amount or consideration which would otherwise be paid, delivered or provided to the participant under the Plan. The Company may require a participant, as a condition to exercise of an option, to make such arrangements as the Company may require so that the Company can satisfy applicable withholding obligations, including, without limitation: (i) requiring the participant to remit the amount of any such withholding obligations to the Company in advance; (ii) requiring the participant to reimburse the Company for any such withholding obligations; or (iii) causing a broker who sells such shares on behalf of the participant to withhold from the proceeds realized from such sale the amount required to satisfy any such withholding obligations, and remitting such amount directly to the Company.

### Eligible Participants under the Plan

Options may be granted to:

- (a) a director of the Company;
- (b) a senior officer of the Company;

- (c) an employee of the Company, which is an individual who (i) is considered an employee of the Company or its subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and Canada Pension Plan deductions must be made at source); (ii) works full-time for the Company or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source; or (iii) works for the Company or its subsidiary on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company over the details and methods of work as an employee of the Company, but for whom income tax deductions are not made at source;
- (d) a management company employee, which is an individual employed by a person providing management services to the Company which are required for the ongoing successful operation of the business enterprise of the Company, but excluding a person engaged in investor relations activities;
- (e) a consultant to the Company and its affiliates, which is an individual (or a corporation or partnership of which the individual is an employee, shareholder or partner), other than an employee, senior officer, management company employee or director of the Company that (i) is engaged to provide on an ongoing bona fide basis, consulting, technical management or other services to the Company or its affiliate other than services provided in relation to a distribution of securities; (ii) provides the services under a written contract between the Company or its affiliate and the individual or the consultant company; (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or its affiliate; and (iv) has a relationship with the Company or its affiliate that enables the individual to be knowledgeable about the business and affairs of the Company;
- (f) except in relation to consultant companies, a company that is wholly-owned by individuals eligible for an option grant,

who are in the opinion of the administrator in a position to contribute to the success of the Company or any of its subsidiaries or who, by virtue of their service to the Company or any of its subsidiaries, are in the opinion of the administrator, worthy of special recognition.

Maximum Insiders are Entitled to Receive

Unless the Company obtains “disinterested shareholder approval”:

- (a) the maximum aggregate number of Common Shares that may be reserved for issuance to insiders of the Company under the Plan; and
- (b) the maximum aggregate number of options granted to insiders of the Company under the Plan within a 12-month period,

may not exceed 10% of outstanding Common Shares at the time of grant.

Maximum Any One Individual is Entitled to Receive

Unless the Company obtains “disinterested shareholder approval”, the maximum aggregate number of Common Shares that may be reserved under the Plan for issuance to any one person (and any companies wholly-owned by that person), in any 12-month period must not exceed 5% of the outstanding Common Shares at the time of grant.

Maximum Any One Consultant is Entitled to Receive

The maximum aggregate number of Common Shares that may be reserved under the Plan for issuance to any one consultant during any 12-month period must not exceed 2% of the outstanding Common Shares at the time of grant.

Maximum Persons Retained to Provide Investor Relations Activities are Entitled to Receive

The maximum aggregate number of Common Shares that may be reserved during any 12-month period under the Plan for issuance to all persons retained to provide investor relations activities must not exceed 2% of the outstanding Common Shares at the time of grant.

Vesting of Options

Options issued to persons retained to provide investor relations activities will be subject to a vesting schedule of at least 12 months whereby no more than 25% of the options granted may be vested in any 3 month period. Options issued to optionees other than persons retained to provide investor relations activities may, at the discretion of the administrators, be subject to vesting conditions, such vesting conditions to be provided for in the option agreement to be entered into between the Company and the optionee. If there is a takeover bid made for all or any of the issued and outstanding Common Shares, then all outstanding options, whether fully vested and exercisable or remaining subject to vesting provisions or other limitations on exercise, shall be exercisable in full to enable the optioned Common Shares subject to such options to be issued and tendered to such bid. The vested portions of options will be exercisable, in whole or in part, at any time after vesting. If an option is exercised for fewer than all of the optioned Common Shares for which the option has then vested, the option shall remain in force and exercisable for the remaining optioned Common Shares for which the option has then vested, according to the terms of such option.

Terms of Options

The option period for an option shall be determined by the administrator at the time the option is granted and may be up to 10 years from the date the option is granted. At the time an option is granted, the administrator may determine that, with respect to that option, upon the occurrence of an optionee ceasing to be a director, senior officer, employee, management company employee, or consultant of the Company for any reason excluding termination for cause or death or on account of disability, there shall come into force a time limit for exercise of such option which is different than the option period, and in the event of such a determination, the option agreement for such option shall contain provisions which specify the events and time limits related to that determination. Subject to the applicable maximum option period provided for under the Plan and subject to applicable regulatory requirements and approvals, the administrator may extend the option period of an outstanding option beyond its original expiration date (whether or not such option is held by an insider), provided such option has been outstanding for at least one year prior to such extension. If such expiry of the option period falls within a blackout period, the expiry of the option shall automatically be extended to the date which is 10 business days after the expiry of the blackout period, provided that the optionee or the Company is not subject to a cease trading order, or similar order under securities laws, in respect of the Company's securities.

Causes of Cessation of Entitlement

In the event that the optionee shall cease to be a director, senior officer, employee, management company employee or consultant of the Company by reasons of such optionee's termination for cause, the option shall terminate and shall cease to be exercisable upon such termination for cause. In the event that the optionee shall cease to be a director, senior officer, employee, management company employee or consultant of the Company by reason of such optionee's disability, any options held by such optionee that could have been exercised immediately prior to such cessation shall be exercisable by such optionee, or by his or her guardian, for a period of 30 days following the date of such cessation (if such optionee dies within that 30 day period, any option held by such optionee that could have been exercised immediately prior to his or her death shall pass to the qualified successor of such optionee, and shall be exercisable by the qualified successor until the earlier of 30 days following the death of such optionee and the expiry of the option period). In the event that the optionee shall cease to be a director, senior officer, employee, management company employee or consultant of the Company by reason of such optionee's death, any options held by such optionee shall pass to the qualified successor of the optionee and shall be exercisable by such qualified successor until the earlier of one year following the date of such death and the original expiry date of such option.

Assignability of Options

Neither the options nor the benefits and rights of any optionee under any option or under the Plan shall be assignable or otherwise transferable, except as specifically provided under the Plan in the event of the death or disability of an optionee. During the lifetime of the optionee, all options may only be exercised by the optionee.

Amendment or Termination of the Plan

The Board reserves the right to amend or terminate the Plan at any time if and when it is deemed advisable in the absolute discretion of the Board; provided, however, that no such amendment or termination shall adversely affect any outstanding options granted under the Plan without the consent of the optionee. Any amendment to the Plan may also be subject to acceptance of such amendment or amended plan for filing by regulatory authorities and, if required, the approval of the shareholders.

Adjustments

Following the date an option is granted, the exercise price for and the number of Common Shares which are subject to an option will be adjusted, with respect to the then unexercised portion thereof, in the events and in accordance with the provisions and rules set out under the Plan, with the intent that the rights of optionees under their options are, to the extent possible, preserved and maintained notwithstanding the occurrence of such events. If the outstanding Common Shares are changed into or exchanged for a different number of Common Shares or into or for other securities of the Company or securities of another company or entity, whether through an arrangement, amalgamation or other similar procedure or otherwise, or a share recapitalization, subdivision or consolidation, then on each exercise of the option which occurs following such events, for each optioned share for which the option is exercised, the optionee shall instead receive the number and kind of shares or other securities of the Company or other company into which such Common Share would have been changed or for which such Common Share would have been exchanged if it had been outstanding on the date of such event and the exercise price will be similarly adjusted so that the aggregate price to exercise the option is preserved.

As at January 11, 2019, 3,862,500 options are outstanding, representing 7.71% of the outstanding Common Shares of the Company.

The following table sets out equity compensation plan information as at the year ended March 31, 2018:

	<b>Number of securities to be issued upon exercise of outstanding options<sup>(1)</sup></b> <b>(a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b> <b>(\$)</b> <b>(b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))<sup>(1)</sup></b> <b>(c)</b>
Equity compensation plans approved by securityholders	3,987,500	\$0.31	1,018,122
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
<b>TOTAL:</b>	3,987,500	\$0.31	1,018,122

Note:

(1) The above figures are based on 50,056,229 Common Shares issued and outstanding as at March 31, 2018.

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

At no time during the Company's last completed financial year or as of the Record Date, was any director, executive officer, employee, proposed management nominee for election as a director of the Company nor any associate of any such director, executive officer, or proposed management nominee of the Company or any former director, executive officer or employee of the Company or any of its subsidiaries indebted to the Company or any of its subsidiaries or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

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

To the knowledge of management of the Company, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction which has materially affected or would materially affect the Company or any of its subsidiaries since April 1, 2017 (being the commencement of the Company's last completed financial year), or has any interest in any material transaction in the current year other than as set out herein.

### **MANAGEMENT CONTRACTS**

There are no management functions of the Company, which are to any substantial degree performed by a person or company other than the directors or executive officers of the Company.

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

The Board is not aware of any other matters which it anticipates will come before the Meeting as of the date of this Circular.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available for review by the public on SEDAR at [www.sedar.com](http://www.sedar.com) and may also be obtained by a shareholder upon request without charge from the Corporate Secretary of the Company at Suite 210 - 905 West Pender Street, Vancouver, British Columbia, V6C 1L6, telephone: (604) 682-2928; fax (604) 685-6905.

Financial information is provided in the Company's comparative audited financial statements of the Company for the year ended March 31, 2018 and in the related Management Discussion and Analysis.

**SCHEDULE "A"**  
**MEADOW BAY GOLD CORPORATION**  
(the "Company")  
**AUDIT COMMITTEE CHARTER**

**1. MANDATE**

The audit committee will assist the board of directors (the "Board") in fulfilling its financial oversight responsibilities. The audit committee will review and consider in consultation with the auditors the financial reporting process, the system of internal control and the audit process. In performing its duties, the committee will maintain effective working relationships with the Board, management, and the external auditors. To effectively perform his or her role, each committee member must obtain an understanding of the principal responsibilities of committee membership as well and the Company's business, operations and risks.

**2. COMPOSITION**

The Board will appoint from among their membership an audit committee after each annual general meeting of the shareholders of the Company. The audit committee will consist of a minimum of three directors.

*2.1 Independence*

A majority of the members of the audit committee must not be officers, employees or control persons of the Company.

*2.2 Expertise of Committee Members*

Each member of the audit committee must be financially literate or must become financially literate within a reasonable period of time after his or her appointment to the committee. The Board shall interpret the qualification of financial literacy in its business judgment and shall conclude whether a director meets this qualification.

**3. MEETINGS**

The audit committee shall meet in accordance with a schedule established each year by the Board, and at other times that the audit committee may determine. The audit committee shall meet at least annually with the Company's Chief Financial Officer and external auditors in separate executive sessions.

**4. ROLES AND RESPONSIBILITIES**

The audit committee shall fulfill the following roles and discharge the following responsibilities:

*4.1 External Audit*

The audit committee shall be directly responsible for overseeing the work of the external auditors in preparing or issuing the auditor's report, including the resolution of disagreements between management and the external auditors regarding financial reporting and audit scope or procedures. In carrying out this duty, the audit committee shall:

- (a) recommend to the Board the external auditor to be nominated by the shareholders for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) review (by discussion and enquiry) the external auditors' proposed audit scope and approach;
- (c) review the performance of the external auditors and recommend to the Board the appointment or discharge of the external auditors;
- (d) review and recommend to the Board the compensation to be paid to the external auditors; and
- (e) review and confirm the independence of the external auditors by reviewing the non-audit services provided and the external auditors' assertion of their independence in accordance with professional standards.

*4.2 Internal Control*

The audit committee shall consider whether adequate controls are in place over annual and interim financial reporting as well as controls over assets, transactions and the creation of obligations, commitments and liabilities of the Company. In carrying out this duty, the audit committee shall:

- (a) evaluate the adequacy and effectiveness of management's system of internal controls over the accounting and financial reporting system within the Company; and
- (b) ensure that the external auditors discuss with the audit committee any event or matter which suggests the possibility of fraud, illegal acts or deficiencies in internal controls.

#### 4.3 *Financial Reporting*

The audit committee shall review the financial statements and financial information prior to its release to the public. In carrying out this duty, the audit committee shall:

##### General

- (a) review significant accounting and financial reporting issues, especially complex, unusual and related party transactions; and
- (b) review and ensure that the accounting principles selected by management in preparing financial statements are appropriate.

##### Annual Financial Statements

- (c) review the draft annual financial statements and provide a recommendation to the Board with respect to the approval of the financial statements;
- (d) meet with management and the external auditors to review the financial statements and the results of the audit, including any difficulties encountered; and
- (e) review management's discussion & analysis respecting the annual reporting period prior to its release to the public.

##### Interim Financial Statements

- (f) review and approve the interim financial statements prior to their release to the public; and
- (g) review management's discussion & analysis respecting the interim reporting period prior to its release to the public.

##### Release of Financial Information

- (h) where reasonably possible, review and approve all public disclosure, including news releases, containing financial information, prior to its release to the public.

#### 4.4 *Non-Audit Services*

All non-audit services (being services other than services rendered for the audit and review of the financial statements or services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements) which are proposed to be provided by the external auditors to the Company or any subsidiary of the Company shall be subject to the prior approval of the audit committee.

##### Delegation of Authority

- (a) The audit committee may delegate to one or more independent members of the audit committee the authority to approve non-audit services, provided any non-audit services approved in this manner must be presented to the audit committee at its next scheduled meeting.

##### De-Minimis Non-Audit Services

- (b) The audit committee may satisfy the requirement for the pre-approval of non-audit services if:
  - (i) the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than five per cent of the total amount of fees paid by the Company and its subsidiaries to the external auditor during the fiscal year in which the services are provided; or
  - (ii) the services are brought to the attention of the audit committee and approved, prior to the completion of the audit, by the audit committee or by one or more of its members to whom authority to grant such approvals has been delegated.

### Pre-Approval Policies and Procedures

- (c) The audit committee may also satisfy the requirement for the pre-approval of non-audit services by adopting specific policies and procedures for the engagement of non-audit services, if:
  - (i) the pre-approval policies and procedures are detailed as to the particular service;
  - (ii) the audit committee is informed of each non-audit service; and
  - (iii) the procedures do not include delegation of the audit committee's responsibilities to management.

#### 4.5 *Other Responsibilities*

The audit committee shall:

- (a) establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters;
- (b) establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (c) ensure that significant findings and recommendations made by management and external auditor are received and discussed on a timely basis;
- (d) review the policies and procedures in effect for considering officers' expenses and perquisites;
- (e) perform other oversight functions as requested by the Board; and
- (f) review and update this Charter and receive approval of changes to this Charter from the Board.

#### 4.6 *Reporting Responsibilities*

The audit committee shall regularly update the Board about committee activities and make appropriate recommendations.

### **5. RESOURCES AND AUTHORITY OF THE AUDIT COMMITTEE**

The audit committee shall have the resources and the authority appropriate to discharge its responsibilities, including the authority to

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for any advisors employed by the audit committee; and
- (c) communicate directly with the internal and external auditors.

### **6. GUIDANCE – ROLES & RESPONSIBILITIES**

The following guidance is intended to provide the Audit Committee members with additional guidance on fulfillment of their roles and responsibilities on the committee:

#### 6.1 *Internal Control*

- (a) evaluate whether management is setting the goal of high standards by communicating the importance of internal control and ensuring that all individuals possess an understanding of their roles and responsibilities;
- (b) focus on the extent to which external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of an IT systems breakdown; and
- (c) gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.

#### 6.2 *Financial Reporting*

##### General

- (a) review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements; and

- (b) ask management and the external auditors about significant risks and exposures and the plans to minimize such risks; and
- (c) understand industry best practices and the Company's adoption of them.

#### Annual Financial Statements

- (d) review the annual financial statements and determine whether they are complete and consistent with the information known to committee members, and assess whether the financial statements reflect appropriate accounting principles in light of the jurisdictions in which the Company reports or trades its shares;
- (e) pay attention to complex and/or unusual transactions such as restructuring charges and derivative disclosures;
- (f) focus on judgmental areas such as those involving valuation of assets and liabilities, including, for example, the accounting for and disclosure of loan losses; warranty, professional liability; litigation reserves; and other commitments and contingencies;
- (g) consider management's handling of proposed audit adjustments identified by the external auditors; and
- (h) ensure that the external auditors communicate all required matters to the committee.

#### Interim Financial Statements

- (i) be briefed on how management develops and summarizes interim financial information, the extent to which the external auditors review interim financial information;
- (j) meet with management and the auditors, either telephonically or in person, to review the interim financial statements; and
- (k) to gain insight into the fairness of the interim statements and disclosures, obtain explanations from management on whether:
  - (i) actual financial results for the quarter or interim period varied significantly from budgeted or projected results;
  - (ii) changes in financial ratios and relationships of various balance sheet and operating statement figures in the interim financials statements are consistent with changes in the Company's operations and financing practices;
  - (iii) generally accepted accounting principles have been consistently applied;
  - (iv) there are any actual or proposed changes in accounting or financial reporting practices;
  - (v) there are any significant or unusual events or transactions;
  - (vi) the Company's financial and operating controls are functioning effectively;
  - (vii) the Company has complied with the terms of loan agreements, security indentures or other financial position or results dependent agreement; and
  - (viii) the interim financial statements contain adequate and appropriate disclosures.

#### *6.3 Compliance with Laws and Regulations*

- (a) periodically obtain updates from management regarding compliance with this policy and industry "best practices";
- (b) be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements; and
- (c) review the findings of any examinations by securities regulatory authorities and stock exchanges.

#### *6.4 Other Responsibilities*

- (a) review, with the Company's counsel, any legal matters that could have a significant impact on the Company's financial statements.