(the "Company")
320 – 800 West Pender Street
Vancouver, BC V6C 2V6
Tel: (604) 629-2348

INFORMATION CIRCULAR

(As at June 7, 2018, except as indicated)

The Company is providing this Information Circular and a form of proxy in connection with management's solicitation of proxies for use at the annual general meeting (the "Meeting") of the Company to be held on July 12, 2018 and at any adjournments. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the "Management Proxyholders").

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

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

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

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares 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 instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP's, RRIF's, RESP's and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a "Nominee"). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as "non-objecting beneficial owners" ("NOBOs"). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as "objecting beneficial owners" ("OBOs").

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

NOTICE-AND-ACCESS

The Company is not sending the Meeting materials to shareholders using "notice-and-access", as defined under NI 54-101.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the "shares"), of which 41,677,885 shares are issued and outstanding as at June 7, 2018. Persons who are registered shareholders at the close of business on June 7, 2018 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company, except the following:

Name	***No. of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly***	***Percentage of Outstanding Shares***
John Tognetti	6,350,088①	15.24%
Electrum Strategic Opportunities Fund II L.P. and its affiliates	6,709,661	16.10%

① 552,000 of these shares are indirectly held by Noelle Tognetti.

ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors on May 3, 2013 and discussed in further detail herein, any additional director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on June 12, 2018.

The Company has an Environmental and Safety Committee, Corporate Governance Committee, and Nominating and Compensation Committee, and is required to have an audit committee. Members of these committees are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a Director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	*Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years*	*Previous Service as a Director*	*Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly* [(1)]
J. Garfield MacVeigh [(2)] Vancouver, B.C., Canada *President, Chief Executive Officer and Director*	President and CEO of the Company.	Since May 11, 2006	2,351,765[(4)]
David W. Adamson [(3) (5) (6)] Victoria, B.C., Canada *Director*	CEO of Newcastle Gold Ltd. until July 2016.	Since May 11, 2006	58,015
K. Wayne Livingstone [(5)] White Rock, B.C., Canada *Director*	President of NS Star Enterprises Ltd.	Since March 3, 2006	1,126,188[(7)]
Brian C. Irwin [(3) (5) (6)] Parksville, B.C., Canada *Director*	Retired lawyer. Mining Executive.	Since May 11, 2006	137,500
Tara M. Christie [(2)] Whitehorse, Yukon, Canada *Director*	Manager of Gimlex Gold Mines Ltd.	Since May 11, 2006	137,500
G. Ross McDonald [(3)] North Vancouver, B.C., Canada *Director*	Retired, Chartered Accountant.	Since September 16, 2011	25,000
Stuart Harshaw Sudbury, Ontario, Canada *Director*	Mining Executive, most recently in the role of Vice President Ontario Operations for Vale S.A.	Since June 5, 2018	Nil

(1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at June 7, 2018, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.
(2) Member of the Environmental and Safety Committee.
(3) Member of the Audit Committee.
(4) Of these shares, 1,167,500 shares are indirectly held by 523645 B.C. Ltd., a company owned by Mr. MacVeigh, and 517,500 shares are registered under Mr. MacVeigh's RRSP account.
(5) Member of the Corporate Governance Committee.
(6) Member of the Nominating and Compensation Committee.
(7) Of these shares, 563,750 shares are registered to NS Star Enterprises Ltd., a company owned by K. Wayne Livingstone.

No proposed director is to be 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.

(a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Company) that:

   (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or 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; or

(ii) was subject to a cease trade or similar order or 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, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information 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

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
David W. Adamson	None
K. Wayne Livingstone	Carlin Gold Corporation New Oroperu Resources Inc.
Brian C. Irwin	TriStar Gold Inc. Carlin Gold Corporation
G. Ross McDonald	Fjordland Exploration Inc. Bravada Gold Corp. Consolidated Woodjam Copper Corp.
Garfield MacVeigh	None
Tara M. Christie	Banyan Gold Corp.
Stuart Harshaw	International Tower Hill Mines Ltd.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The Company's compensation philosophy for its Named Executive Officers (defined below) is designed to attract well-qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long term incentive compensation in the form of stock options or other suitable long term incentives. In making its determinations regarding the various elements of executive compensation, the Board of Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry and geographic location while taking into account the financial and other resources of the Company.

The duties and responsibilities of the President and CEO are typical of those of a business entity of the Company's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing the Company, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

Risk Management

The Board has not proceeded to an evaluation of the implications of the risks associated with the Company's compensation policies and practices. In the upcoming year, the Board intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

The Company has not adopted a policy forbidding Directors or officers from purchasing financial instruments designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by Directors or officers. The Company is not, however, aware of any Directors or officers having entered into this type of transaction.

Option-based awards

The Company's stock option 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 or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The Nominating and Compensation Committee has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

Compensation Governance

The Company has established a Nominating and Compensation Committee to assist the Board, among other things, in fulfilling its responsibilities with respect to the compensation of Directors and senior officers of the Company, executive compensation disclosure, and oversight of the compensation structure and benefit plans of the Company.

To determine compensation payable for the Directors and senior officers of the Company, the Nominating and Compensation Committee considers compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration and development industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company.

The Nominating and Compensation Committee is comprised of David W. Adamson and Brian C. Irwin, both of whom are independent Directors.

Mr. Irwin has Director experience relevant to his responsibilities in executive compensation by virtue of similar responsibilities in his roles as chairman of Callinan Royalties Corporation, CFO of TriStar Gold Inc. and as a board member of a number of mineral exploration companies, including participation on two other compensation committees.

Mr. Adamson has direct experience in third party analysis of Director compensation. As a board member of another mineral exploration company, he is involved annually in procuring market rates for key positions and obtaining industry-wide third party studies, from which recommendations are made to the compensation committee of that company.

For further information regarding the Nominating and Compensation Committee, see "Corporate Governance Disclosure" of this Information Circular.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 ("Statement of Executive Compensation") ("Form 51-102F6")) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years of the Company in respect of each of the individuals comprised of the Chief Executive Officer and the Chief Financial Officer who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, (other than the Chief Executive Officer and the Chief Financial Officer), as at October 31, 2017 whose total compensation was, individually, more than $150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the "Named Executive Officers" or "NEOs").

NEO Name and Principal Position	***Year***	***Salary ($)***	***Share-Based Awards ($)***	***Option-Based Awards ($)***	***Non-Equity Incentive Plan Compensation ($)***		***Pension Value ($)***	***All Other Compensation ($)***	***Total Compensation ($)***
					Annual Incentive Plans	***Long-term Incentive Plans***			
Garfield MacVeigh *CEO & President*	2017 2016 2015	132,000 132,000 132,000	Nil Nil Nil	13,092(1) 25,948(2) 22,714(3)	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	145,092 157,948 154,714
Aris Morfopoulos *CFO & Secretary*	2017 2016 2015	Nil Nil Nil	Nil Nil Nil	18,329(1) 6,487(2) 9,086(3)	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	72,000(4) 72,000(4) 72,000(4)	90,329(4) 81,086(4) 83,718(4)
Darwin Green *VP Exploration*	2017 2016 2015	Nil Nil Nil	Nil Nil Nil	13,092(1) 16,218(2) 19,172(3)	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	187,013(5) 181,676(5) 190,076(5)	200,105(5) 197,894(5) 209,248(5)
Elizabeth Cornejo *VP Community & External Affairs*	2017 2016 2015	179,885 162,591 145,639	Nil Nil Nil	50,186(1) 9,731(2) 9,086(3)	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	230,071 172,322 154,725

(1) Dollar amount of the option-based awards reflects the grant date fair value of the common shares of the Company underlying the options. The Company used the Black-Scholes-Merton model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: expected volatility 82.51%; risk-free interest rate 1.23%; expected life 5 years; expected dividend yield Nil%.

(2) Dollar amount of the option-based awards reflects the grant date fair value of the common shares of the Company underlying the options. The Company used the Black-Scholes-Merton model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: expected volatility 82.51%; risk-free interest rate 0.56%; expected life 5 years; expected dividend yield Nil%.

(3) Dollar amount of the option-based awards reflects the grant date fair value of the common shares of the Company underlying the options. The Company used the Black-Scholes-Merton model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: expected volatility 82.51%; risk-free interest rate 0.59%; expected life 5 years; expected dividend yield Nil%.

(4) Amount paid for services as Chief Financial Officer to a company 50% owned by Aris Morfopoulos.

(5) Amount paid for services as Vice-President Exploration to a company owned by Darwin Green.

Incentive Plan Awards

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Named Executive Officers.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information for each NEO concerning all awards outstanding under incentive plans of the Company as at the end of the most recently completed financing year including awards granted before the most recently completed financial year:

	Option-Based Awards				***Share-Based Awards***		
Name	***Number of Securities Underlying Unexercised Options (#)***[1]	***Option Exercise Price ($)***[1]	***Option Expiration Date***	***Value of Unexercised In-The-Money Options ($)***[2]	***Number of Shares Or Units Of Shares That Have Not Vested (#)***	***Market or Payout Value Of Share-Based Awards That Have Not Vested ($)***	***Market or payout value of vested share-based awards not paid out or distributed ($)***
Garfield MacVeigh CEO/President	125,000	$0.16	Jun 2/22	7,500	Nil	Nil	Nil
	400,000	$0.10	Jun 30/21	48,000	Nil	Nil	Nil
	250,000	$0.14	Mar 6/20	20,000	Nil	Nil	Nil
	600,000	$0.07	Jan 17/19	90,000	Nil	Nil	Nil
Aris Morfopoulos CFO/Secretary	175,000	$0.16	Jun 2/22	10,500	Nil	Nil	Nil
	100,000	$0.10	Jun 30/21	12,000	Nil	Nil	Nil
	100,000	$0.14	Mar 6/20	8,000	Nil	Nil	Nil
	250,000	$0.07	Jan 17/19	37,500	Nil	Nil	Nil
Darwin Green VP Exploration	125,000	$0.16	Jun 2/22	7,500	Nil	Nil	Nil
	250,000	$0.10	Jun 30/21	30,000	Nil	Nil	Nil
	2,000,000	$0.07	Jan 17/19	300,000	Nil	Nil	Nil
Elizabeth Cornejo VP External Affairs	1,000,000	$0.16	Jun 2/22	60,000	Nil	Nil	Nil
	150,000	$0.10	Jun 30/21	18,000	Nil	Nil	Nil
	100,000	$0.14	Mar 6/20	8,000	Nil	Nil	Nil
	500,000	$0.07	Jan 17/19	75,000	Nil	Nil	Nil

(1) Number of options and exercise price of options shown above are prior to giving effect to the Company's 4:1 share consolidation, which occurred on May 18, 2018.

(2) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was $0.22, and the exercise or base price of the option.

Incentive Plan Awards – Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year of incentive option plan awards granted to Named Executive Officers are as follows:

Name	***Option-Based Awards - Value Vested During The Year*** [(1)] ***($)***	***Share-Based Awards - Value Vested During The Year ($)***	***Non-Equity Incentive Plan Compensation - Value Earned During The Year ($)***
Garfield MacVeigh, CEO/President	7,500	Nil	Nil
Aris Morfopoulos, CFO/Secretary	12,000	Nil	Nil
Darwin Green, VP Exploration	7,500	Nil	Nil
Elizabeth Cornejo, VP External Affairs	15,000	Nil	Nil

(1) This amount is the dollar value that would have been realized if the options vested as of the grant dated had been exercised on the grant date.

Pension Plan Benefits

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination and Change of Control Benefits

The Company and its subsidiaries have no contract, agreement, plan or arrangement that provides for payment to an NEO at, following or in connection with any termination, resignation, retirement, a change of control of the Company, or a change in the NEO's responsibilities, except as follow:

<u>J. Garfield MacVeigh</u>

The Company entered into an employment agreement with J. Garfield MacVeigh ("MacVeigh"), President, dated February 1, 2018, which provides for $12,500 per month in salary.

The employment agreement provides that the Company may terminate MacVeigh without cause by:

i. providing MacVeigh with twelve months working notice; or

ii. paying MacVeigh a lump sum amount in lieu of working notice, equivalent to one month of base salary for every year worked since May 11, 2006.

In the event of a Triggering Event (as defined below), MacVeigh may at any time within six months after the date of the Triggering Event and subject to the rules and policies of the stock exchange or exchanges on which the shares of the Company are listed:

(i) elect to continue to be employed by the Company in accordance with the terms of the employment contract or an amended agreement agreed to by the parties; or

(ii) give notice in writing to the Company that the employment contract has been terminated, in which event the Company will pay to MacVeigh a lump sum payment of $250,000.

In the event of termination of the agreement with MacVeigh for any reason, MacVeigh will remain subject to confidentiality obligations.

K. Wayne Livingstone

The Company entered into a management services agreement with NS Star Enterprises Ltd. ("NS Star"), a company controlled by K. Wayne Livingstone, dated February 1, 2018 which provides for a cash consulting fee of $5,000 per month for up to and including 8 days per month (“NS Base Fee”) and additional payments of $650 per day for months in excess of 8 days worked per month. NS Star provides consulting services of K. Wayne Livingstone in the capacity of consultant to the Company. The consulting agreement with NS Star provides that if it is terminated without cause, NS Star will be paid a lump sum amount equivalent to one month’s NS Base Fee for every year worked since March 2006.

In the event of a Triggering Event, NS Star may at any time within six months after the date of the Triggering Event and subject to the rules and policies of the stock exchange or exchanges on which the shares of the Company are listed:

(a) elect to continue to be employed by the Company in accordance with the terms of the agreement or an amended agreement agreed to by the parties; or

(b) give notice in writing to the Company that the agreement has been terminated, in which event the Company will pay to NS Star a lump sum payment of $100,000.

In the event of termination of the agreement with NS Star for any reason, NS Star and K. Wayne Livingstone will remain subject to confidentiality obligations.

Aris Morfopoulos

The Company entered into a management services agreement with Morfopoulos Consulting Associates Ltd. ("MCA") on February 1, 2018 which provides for a cash consulting fee of $7,789.25 per month ("MCA Base Fee”). MCA provides consulting services of Aris Morfopoulos in the capacity of Chief Financial Officer of the Company. The consulting agreement with MCA provides that if it is terminated without cause, MCA will be paid a lump sum amount equivalent to one month’s MCA Base Fee for every year worked since March 2006.

In the event of a Triggering Event, MCA may at any time within six months after the date of the Triggering Event and subject to the rules and policies of the stock exchange or exchanges on which the shares of the Company are listed:

(a) elect to continue to be employed by the Company in accordance with the terms of the agreement or an amended agreement agreed to by the parties; or

(b) give notice in writing to the Company that the agreement has been terminated, in which event the Company will pay to MCA a lump sum payment of $100,000.

In the event of termination of the agreement with MCA for any reason, MCA and Aris Morfopoulos will remain subject to confidentiality obligations.

Darwin Green

The Company has a management services agreement with D. Green Geoscience Inc. ("Green Geoscience") which provides for a cash consulting fee based on number of days worked. Green Geoscience provides consulting services of Darwin Green in the capacity of Vice-President Exploration of the Company. The consulting agreement with Green Geoscience provides that if it is terminated without cause, a lump sum remuneration of $250,000 will be payable. In the event there is a Triggering Event (as defined below), Green Geoscience has a period of six months to give notice of termination to the Company, and the same amount of remuneration will be payable to Green Geoscience as if there had been termination without cause.

In the event of termination of the agreement with Green Geoscience for any reason, Green Geoscience and Darwin Green will remain subject to confidentiality obligations.

Ian Cunningham-Dunlop

The Company entered into an employment agreement with Ian Cunningham-Dunlop, Vice-President Special Projects ("Dunlop"), dated February 1, 2018, which provides for cash compensation based on number of days worked.

The employment agreement provides that the Company may terminate Dunlop without cause by:

i. providing Dunlop with one and a half (1.5) months' working notice, plus one additional month of working notice for each year worked after February 1, 2018, subject to a maximum of sixteen months' remuneration; or

ii. paying Dunlop a lump sum amount in lieu of working notice, equivalent to one and a half (1.5) months of base salary, plus one additional month for each full year worked after February 1, 2018.

In the event of a Triggering Event (as defined below), Dunlop may at any time within six months after the date of the Triggering Event and subject to the rules and policies of the stock exchange or exchanges on which the shares of the Company are listed:

(i) elect to continue to be employed by the Company in accordance with the terms of the employment contract or an amended agreement agreed to by the parties; or

(ii) give notice in writing to the Company that the employment contract has been terminated, in which event the Company will pay to Dunlop a lump sum payment of $250,000.

In the event of termination of the agreement with Dunlop for any reason, Dunlop will remain subject to confidentiality obligations.

Elizabeth Cornejo

The Company entered into an employment agreement with Elizabeth Cornejo, Vice-President Community & External Affairs ("Cornejo"), dated June 1, 2017, which provides for cash compensation based on number of days worked.

The employment agreement provides that the Company may terminate Cornejo without cause by:

i. providing Cornejo with seven months working notice, plus one additional month of working notice for each year worked after the effective date, subject to a maximum of sixteen months' remuneration; or

ii. paying Cornejo a lump sum amount in lieu of working notice, equivalent to seven months of base salary (which would be calculated by taking the average monthly wages paid during the preceding 12 months), plus one additional month of base salary for each full year worked after the effective date of the agreement, subject to a maximum of $200,000.

In the event of a Triggering Event (as defined below), Cornejo may at any time within six months after the date of the Triggering Event and subject to the rules and policies of the stock exchange or exchanges on which the shares of the Company are listed:

(i) elect to continue to be employed by the Company in accordance with the terms of the employment contract or an amended agreement agreed to by the parties; or

(ii) give notice in writing to the Company that the employment contract has been terminated, in which event the Company will pay to Cornejo a lump sum payment of $250,000.

In the event of termination of the agreement with Cornejo for any reason, Cornejo will remain subject to confidentiality obligations.

If the Company had terminated Cornejo without cause on October 31, 2017, it would have owed her approximately $84,000 pursuant to her employment contract. If Cornejo had provided the Company with written notice of a Triggering Event on October 31, 2017, the Company would have owed her $250,000.

In the Company's contracts with the above personnel, **"Triggering Event"** means any of the following:

(a) a take-over bid (as defined in the *Securities Act* (British Columbia)) which is successful in acquiring common shares of the Company;

(b) a change of control of the Board, defined as the election by the members of the Company of less than a majority of the persons nominated for election by management of the Company;

(c) the sale of all or substantially all the assets of the Company;

(d) the sale, exchange or other disposition of a majority of the outstanding shares of the Company in a single or series of related transactions;

(e) the termination of the Company's business or the liquidation of its assets; or

(f) the merger or amalgamation or other corporate restructuring of the Company in a transaction or series of transactions in which the Company's members receive less than 51 percent of the outstanding shares of the new or continuing corporation.

Director Compensation

The following table sets forth all amounts of compensation provided to the Directors, who are each not also a Named Executive Officer, for the Company's most recently completed financial year:

Director Name	*Fees Earned ($)*	*Share-Based Awards ($)*	*Option-Based Awards ($)* (1)	*Non-Equity Incentive Plan Compensa-tion ($)*	*Pension Value ($)*	*All Other Compensa-tion ($)*	*Total ($)*
David W. Adamson	Nil	Nil	7,855	Nil	Nil	Nil	7,855
K. Wayne Livingstone	Nil	Nil	13,092	Nil	Nil	38,039 (2)	51,131
Brian C. Irwin	Nil	Nil	7,855	Nil	Nil	Nil	7,855
Tara M. Christie	Nil	Nil	7,855	Nil	Nil	Nil	7,855
G. Ross McDonald	Nil	Nil	7,855	Nil	Nil	Nil	7,855

(1) Dollar amount of the option-based awards reflects the grant date fair value of the common shares of the Company underlying the options. The Company used the Black-Scholes-Merton model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: expected volatility 82.51%; risk-free interest rate 1.23%; expected life 5 years; expected dividend yield Nil%.

(2) A company owned by Wayne Livingstone received $38,039 as remuneration for management and technical services provided to the Company or a subsidiary of the Company.

The Company has no other arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company or its subsidiaries for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a stock option plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

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

The following table sets forth information concerning all awards outstanding under incentive option plans of the Company, at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers:

	Option-Based Awards				*Share-Based Awards*		
Name	*Number of Securities Underlying Unexercised Options (#)*(1)	*Option Exercise Price ($)*(1)	*Option Expiration Date*	*Value of Unexercised In-The-Money Options ($)* (2)	*Number of Shares Or Units Of Shares That Have Not Vested (#)*	*Market or Payout Value Of Share-Based Awards That Have Not Vested ($)*	*Market or payout value of vested share-based awards not paid out or distributed ($)*
K. Wayne Livingstone	125,000 250,000 250,000 600,000	$0.16 $0.10 $0.14 $0.07	Jun. 2/22 Jun. 30/21 Mar. 6/20 Jan 17/19	7,500 30,000 20,000 90,000	Nil Nil Nil Nil	Nil Nil Nil Nil	Nil Nil Nil Nil

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)[(1)]	***Option Exercise Price ($)[(1)]***	***Option Expiration Date***	***Value of Unexercised In-The-Money Options ($) [(2)]***	***Number of Shares Or Units Of Shares That Have Not Vested (#)***	***Market or Payout Value Of Share-Based Awards That Have Not Vested ($)***	***Market or payout value of vested share-based awards not paid out or distributed ($)***
David W. Adamson	75,000	$0.16	Jun. 2/22	4,500	Nil	Nil	Nil
	200,000	$0.10	Jun. 30/21	24,000	Nil	Nil	Nil
	100,000	$0.14	Mar. 6/20	8,000	Nil	Nil	Nil
	250,000	$0.07	Jan 17/19	37,500	Nil	Nil	Nil
Tara Christie	75,000	$0.16	Jun. 2/22	4,500	Nil	Nil	Nil
	200,000	$0.10	Jun. 30/21	24,000	Nil	Nil	Nil
	100,000	$0.14	Mar. 6/20	8,000	Nil	Nil	Nil
	250,000	$0.07	Jan 17/19	37,500	Nil	Nil	Nil
Brian C. Irwin	75,000	$0.16	Jun. 2/22	4,500	Nil	Nil	Nil
	200,000	$0.10	Jun. 30/21	24,000	Nil	Nil	Nil
	100,000	$0.14	Mar. 6/20	8,000	Nil	Nil	Nil
	250,000	$0.07	Jan 17/19	37,500	Nil	Nil	Nil
G. Ross McDonald	75,000	$0.16	Jun. 2/22	4,500	Nil	Nil	Nil
	200,000	$0.10	Jun. 30/21	24,000	Nil	Nil	Nil
	100,000	$0.14	Mar. 6/20	8,000	Nil	Nil	Nil
	250,000	$0.07	Jan 17/19	37,500	Nil	Nil	Nil

(1) Number of options and exercise price of options shown above are prior to giving effect to the Company's 4:1 share consolidation, which occurred on May 18, 2018.

(2) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which was $0.22, and the exercise or base price of the option.

Incentive Plan Awards - Value Vested Or Earned During The Year

The value vested or earned during the most recently completed financial year of incentive option plan awards granted to Directors who are not Named Executive Officers are as follows:

Director Name	***Option-Based Awards - Value Vested During The Year [(1)]***	***Share-Based Awards - Value Vested During The Year***	***Non-equity incentive plan compensation - Value Earned During The Year***
K. Wayne Livingstone	Nil	Nil	Nil
David W. Adamson	Nil	Nil	Nil
Tara Christie	Nil	Nil	Nil
Brian C. Irwin	Nil	Nil	Nil
G. Ross McDonald	Nil	Nil	Nil

(1) This amount is the dollar value that would have been realized if the options had been exercised on the grant date, as all options were fully vested on the date of grant.

There were no share-based awards to Directors who are not Named Executive Officers outstanding at any time during the last fiscal year or as at the date of this Information Circular.

The Company does not have any incentive plans pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, paid or payable to the Directors.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year, prior to giving effect to the Company's recent 4:1 share consolidation.

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 securityholders	11,425,000	$0.10	309,348
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	11,425,000	-	309,348

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at June 7, 2018, no indebtedness outstanding of any current or former Director, executive officer or employee of the Company or any of its subsidiaries which is owing to the Company or any of its subsidiaries or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

(i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or

(ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries,

in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITORS

De Visser Gray LLP, Chartered Accountants, of Vancouver, British Columbia, is the auditor of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of De Visser Gray LLP as the auditor of the Company to hold office for the ensuing year.

MANAGEMENT CONTRACTS

No management functions of the Company or subsidiary are performed to any substantial degree by a person other than the Directors or executive officers of the Company or its subsidiaries.

AUDIT COMMITTEE

The Audit Committee's Charter

Mandate

The primary function of the audit committee (the "**Audit Committee**") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

Composition

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

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

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

Meetings

The Audit Committee shall meet a least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the Chief Financial Officer and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

<u>Documents/Reports Review</u>

(a) Review and update this Charter annually.

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

<u>External Auditors</u>

(a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Audit Committee as representatives of the shareholders of the Company.

(b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.

(c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.

(d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.

(e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.

(f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.

(g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

(h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.

(i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

   i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;

   ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and

   iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Audit Committee.

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

Financial Reporting Processes

(a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.

(b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.

(c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.

(d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

(e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.

(f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

(g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.

(h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.

(i) Review certification process.

(j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

Other

Review any related-party transactions.

Composition of the Audit Committee

The following are the members of the Audit Committee:

G. Ross McDonald (Chair)	Independent (1)	Financially literate (1)
David W. Adamson	Independent (1)	Financially literate (1)
Brian C. Irwin	Independent (1)	Financially literate (1)

(1) As defined in National Instrument 52-110.

Relevant Education and Experience

Below is a summary of the relevant education and experience of the members of the Audit Committee:

G. Ross McDonald (Director and Chair of the Audit Committee)

Mr. McDonald is a retired chartered accountant with over 35 years of professional experience. Mr. McDonald has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

David W. Adamson (Director)

David W. Adamson is the executive chairman and a director of Solstice Gold Corp. and has acquired business experience as president or director of a number of publicly traded junior mineral exploration companies. Mr. Adamson has acquired the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

Brian Irwin (Director)

Mr. Irwin practiced corporate and securities law for 40 years and has sat as a member of the boards of Directors and audit committees of a number of publicly traded companies since 1995. Mr. Irwin has acquired the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.

Audit Committee Oversight

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

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 *(De Minimis Non-audit Services)* of National Instrument 52-110 *Audit Committees* ("**NI 52-110**"), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110. The Company is relying upon the exemption in Section 6.1 of NI 52-110 from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

Pre-Approval Policies and Procedures

The Audit Committee has not adopted any specific policies and procedures for the engagement of non-audit services as described above under the heading "Responsibilities". Routine non-audit services may be reviewed and approved by one or more independent members of the Audit Committee and then must be presented to the full Audit Committee at its next meeting. Any non-audit services for non-routine matters or that involve significant amount of work will be referred to the Board for approval.

External Auditor Service Fees (By Category)

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

Financial Year Ending	*Audit Fees*	*Audit Related Fees*	*Tax Fees*	*All Other Fees*
2017	$27,000	Nil	$2,000	Nil
2016	$20,000	Nil	Nil	Nil

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

A summary of the responsibilities and activities and the membership of each of the Committees of the Board, in addition to the Audit Committee, is set out below.

National Instrument 58-201 ("**NI 58-201**") establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board currently consists of seven (7) Directors, four of whom are independent based upon the tests for independence set forth in NI 52-110. David W. Adamson, Brian C. Irwin, G. Ross McDonald and Stuart Harshaw are independent. Garfield MacVeigh is not independent as he is the CEO and President of the Company. Wayne Livingstone and Tara M. Christie are also not independent as they receive consulting fees for geological, management and administrative services provided to the Company.

Management Supervision by Board

The size of the Company is such that all the Company's operations are conducted by a small management team which is also represented on the Board. The Board considers that management is effectively supervised by the independent Directors on an informal basis as the independent Directors are actively and regularly involved in reviewing and supervising the operations of the Company and have regular and full access to management. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the Audit Committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance.

Risk Management

The Board of Directors is responsible for the adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

Participation of Directors in Other Reporting Issuers

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

Orientation and Continuing Education

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;

2. access to recent, publicly filed documents of the Company, technical reports and the Company's internal financial information; and

3. access to management and technical experts and consultants.

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

Ethical Business Conduct

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has not adopted a Code of Conduct but encourages all Directors and officers to comply with corporate governance principles. The Board requires that any Director or executive officer disclose any material interest that they have in any transaction or agreement to be entered into by the Company and, in the case of Directors, abstain from voting on any such transaction or agreement.

Nomination of Directors

The Nominating and Compensation Committee has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and contacts in the mineral exploration and development industry are consulted for possible candidates.

Compensation of Directors and the CEO

The Nominating and Compensation Committee has responsibility for determining compensation for the Directors and senior management.

For further information regarding the Board's determination of compensation for Directors and the CEO, see "Executive Compensation – Compensation Governance" of this Information Circular.

Board Committees

Nominating and Compensation Committee

The Nominating and Compensation Committee assists the Board in fulfilling its responsibilities with respect to: the composition and operation of the Board and Board committees; the appointment of the CEO; the assessment of the performance and the compensation of the CEO; the compensation of the other senior officers of the Company and the Directors of the Company; executive compensation disclosure; and, oversight of the compensation structure and benefit plans of the Company.

The Nominating and Compensation Committee is comprised of David W. Adamson (Chair) and Brian C. Irwin, both of whom are independent Directors.

Environmental and Safety Committee

The overall purpose of the Environmental and Safety Committee is to assist the Board in fulfilling its responsibilities and to: (i) review and approve of environmental policies and monitor activities of the Company as they relate to environmental matters; (ii) review and monitor the activities of the Company as they relate to the health and safety of employees of the Company in the workplace.

The Environmental and Safety Committee is comprised of J. Garfield MacVeigh and Tara M. Christie.

Corporate Governance Committee

The Corporate Governance Committee assists the Board in fulfilling its responsibilities with respect to corporate governance standards, policies and practices. Corporate governance processes and structures define the division of power among shareholders, the Board and management and can have on impact on other stakeholders such as employees, suppliers and communities and establish appropriate authority and accountability.

The Corporate Governance Committee (i) identifies corporate governance standards and practices applicable to the Company and monitors new developments in corporate governance, and makes recommendations to the Board periodically; (ii) monitors the ongoing application of the Company's corporate governance principles; (iii) periodically reviews and makes recommendations to the Board on the Articles of the Company, corporate governance principles, the Disclosure Policy, the Board of Directors' Mandate and the Charters of the Board Committees; (iv) assists the Board in reviewing and approving disclosure with respect to corporate governance practices required to be included in regulatory filings and the annual management Information Circular; and (v) assists the Board in reviewing and approving any other corporate governance practices disclosure before publicly disclosed by the Company based on advice from its legal and accounting advisors.

The Corporate Governance Committee is comprised of K. Wayne Livingstone, David W. Adamson and Brian C. Irwin.

Assessments

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors, receives information report from the Nominating and Compensation Committee on its assessment of the functioning of the Board and information reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

A. Approval and Ratification of Stock Option Plan

The Board of Directors of the Company implemented a stock option plan effective May 11, 2006, as amended May 10, 2011, (the "Plan") which was approved by the TSX Venture Exchange and the shareholders of the Company. The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Under TSX Venture Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

The number of common shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding common shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. Under Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

> "UPON MOTION IT WAS RESOLVED that the Company approve and ratify, subject to regulatory approval, the Stock Option Plan pursuant to which the Board may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis."

The purpose of the Plan is to allow the Company to grant options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the TSX Venture Exchange. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to Directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The full text of the Plan is available for viewing up to the date of the Meeting at the Company's offices at 320 - 800 West Pender Street, Vancouver, British Columbia and will also be available for review at the Meeting.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval of the Plan.

B. Approval of Creation of a New Control Person of the Company

As required by the policies of the Exchange, disinterested shareholders will be asked at the Meeting to approve, by way of ordinary resolution, the creation of a control position resulting from the subscription for units of the Company by Electrum Strategic Opportunities Fund II L.P. ("**Electrum**").

Pursuant to a Unit Purchase Agreement between the Company and Electrum dated as of May 29, 2018 (the "**Electrum Purchase Agreement**"), Electrum agreed, subject to certain conditions, to subscribe for and purchase a total of 8,823,529 units of the Company, with 6,459,661 units to be issued in a first tranche closing and, subject to shareholder approval, an additional 2,363,868 units to be issued in a second tranche closing. The units are priced at $0.68 per unit, with each unit being comprised of one share of the Company and one warrant (an "**Warrant**") entitling the holder thereof to purchase one additional share (a "**Warrant Share**") at an exercise price of $1.00 per Warrant Share for a period of five years. The Company intends to use the net proceeds of the private placement for advancement of the Company's Palmer Copper-Zinc-Silver-Gold Project located in Alaska and for general corporate purposes.

The Electrum Purchase Agreement gives Electrum the right of pro rata participation in future financings of the Company and the right to designate one nominee to the Company's Board of Directors upon closing of the first tranche, and an additional nominee upon closing of the second tranche.

On May 29, 2018, the Company closed the first tranche of its private placement, in which Electrum purchased 6,459,661 units and other subscribers purchased 5,882,352 units. Electrum designated Stuart Harshaw as its nominee director and Mr. Harshaw was appointed to the Board of Directors effective June 5, 2018. Upon completion of the first tranche of the private placement, Electrum and its affiliates owned a total of 6,709,661 common shares of the Company and 6,459,661 Warrants, representing 16.1% of the issued and outstanding shares of the Company or 27.4% upon exercise of Electrum's Warrants (assuming exercise of all of Electrum's Warrants and no exercise or conversion of other convertible securities).

Closing of the second tranche of Electrum's subscription is expected to occur in the third week of July and remains subject to shareholder and Exchange approval. The Company does not expect the second tranche of the private placement to include any subscribers other than Electrum. Upon closing of the second tranche of the private placement, Electrum will have invested a total of $6,000,000 and will own, together with an affiliate, 9,073,529 common shares of the Company and 8,823,529 Warrants representing approximately 20.6% of the issued and outstanding shares of the Company, or approximately 33.9% upon exercise of the Warrants (assuming exercise of all of Electrum's Warrants and no exercise or conversion of other convertible securities). The Company expects that Electrum will nominate a second director to be appointed to the Board following the closing of the second tranche. The Board will rely on s. 122(3) of the *Business Corporations Act* (British Columbia) to appoint this nominee as an additional director.

The closing of the second tranche of the private placement will create a control position of the Company which requires shareholder approval. A creation or a change of control, as defined by Exchange policies, includes situations where after giving effect to the contemplated transaction and as a result of such transaction:

(a) any one person holds a sufficient number of the voting shares of the Company to affect materially the control of the Company; or

(b) any combination of persons, acting in concert by virtue of an agreement, arrangement, commitment or understanding, hold in total a sufficient number of the voting shares of the Company to affect materially the control of the Company,

where such person or combination of persons did not previously hold a sufficient number of voting shares to affect materially the control of the Company. In the absence of evidence to the contrary, any person or combination of persons acting in concert by virtue of an agreement, arrangement, commitment or understanding, holding more than 20% of the voting shares of the Company, is deemed to materially affect the control of the Company.

Under the terms of the Electrum Purchase Agreement, the Company agreed to, as soon as reasonably practicable, use its best efforts to obtain approval of the shareholders of the Company for closing of the second tranche of the private placement, including to convene and conduct, on or before August 1, 2018, a meeting of the shareholders of the Company.

In connection with the Electrum Purchase Agreement, each of the directors and officers of the Company, as well as certain major shareholders, entered into support agreements with Electrum pursuant to which they agreed, among other things, to vote all of shares of the Company owned or controlled by them on the date of the Meeting in favour of the resolution of the shareholders of the Company to approve the Private Placement and the creation of Electrum as a new control person of the Company.

Electrum, a mining-focused private equity fund, is a member of the Electrum Group of Companies that are managed by The Electrum Group Group LLC, a U.S.-registered investment adviser that focuses on precious and other metals, engaging in strategic hands-on investing, global resources exploration and asset development.
Shareholders will be asked at the meeting to consider and, if thought fit, to approve, adopt and ratify the following ordinary resolution (with shares held by Electrum and its affiliates being excluded from the calculation):

> "RESOLVED AS AN ORDINARY RESOLUTION OF DISINTERESTED SHAREHOLDERS THAT:
>
> (1) the Company is authorized to complete a private placement (the "Private Placement") with Electrum Strategic Opportunities Fund II L.P. ("Electrum"), the result of which will be that Electrum will become a new "Control Person", and to effect a "Change of Control" (as such terms are defined by the policies of the TSX Venture Exchange) of the Company, the details of which are more particularly described in the Information Circular of the Company dated June 7, 2018;
>
> (2) the Board of Directors of the Company is hereby authorized, in its sole discretion, to determine when to proceed with the Private Placement and to determine a closing date therefor; and
>
> (3) notwithstanding that these resolutions have been duly passed, the directors of the Company are hereby authorized and empowered, without further notice to or approval of the Company's shareholders, to:
>
> a) not proceed with the Private Placement; and
>
> b) to amend the terms of the Private Placement to the extent permitted by the policies of, and subject to the approval of, the TSX Venture Exchange."

In order to be passed, the foregoing resolution must be approved by a majority of the votes cast by shareholders at the Meeting, excluding shares held by Electrum and its affiliates.

The Directors of the Company believe the passing of the foregoing ordinary resolution is in the best interests of the Company and unanimously recommend that shareholders of the Company vote in favour of the resolution.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote FOR the approval of Electrum as a new Control Person.

If the requisite shareholder approval for Electrum to become a new Control Person is not obtained at the Meeting, the Company expects that it will not receive Exchange approval to complete the second tranche of the private placement.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at (604) 629-2348 to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 7th day of June, 2018.

APPROVED BY THE BOARD OF DIRECTORS

"J. Garfield MacVeigh"

J. Garfield MacVeigh
Chief Executive Officer and President