



ATLANTIC GOLD

NOTICE OF MEETING

AND

INFORMATION CIRCULAR

FOR THE

ANNUAL GENERAL MEETING OF SHAREHOLDERS

OF

ATLANTIC GOLD CORPORATION

to be held on

October 26, 2018



ATLANTIC GOLD

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that the 2018 Annual General Meeting (the "**Meeting**") of the shareholders of **ATLANTIC GOLD CORPORATION** (the "**Company**") will be held at the Pinnacle Hotel Vancouver Harbourfront, 1133 West Hastings Street, Vancouver, British Columbia on Friday, October 26th, 2018 at 1:30 p.m. (Vancouver time) for the following purposes:

- A. To receive the audited consolidated financial statements of the Company for the fiscal year ended December 31, 2017 and the report of the auditors thereon;
- B. To elect directors of the Company as more fully described in the accompanying Information Circular;
- C. To appoint PricewaterhouseCoopers LLP as the auditors of the Company for the ensuing year at a remuneration to be fixed by the directors;
- D. To consider and, if thought fit, to pass an ordinary resolution ratifying, confirming and re-approving the Company's rolling stock option plan, subject to regulatory approval, as more fully set forth in the Information Circular accompanying this Notice;
- E. To transact any other business that may properly come before the Meeting and any postponement(s) or adjournment(s) or thereof.

The directors have fixed 5:00 p.m. (Vancouver time) on September 12th, 2018 as the record date for determining shareholders who are entitled to receive notice of the Meeting and are entitled to vote at the Meeting or any postponement(s) or adjournment(s) thereof.

Accompanying this Notice are an Information Circular, a form of Proxy (or Voting Instruction Form), voting instructions and a Financial Statement Request Form. The accompanying Information Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into and forms part of this Notice.

A shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxyholder to attend and vote in his stead. If you are unable to attend the Meeting or any postponement(s) or adjournment(s) thereof in person, please read the Notes accompanying the form of Proxy enclosed herewith and then complete and return the Proxy within the time set out in the Notes. The enclosed form of Proxy is solicited by management but, as set out in the Notes, you may amend it if you so desire by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting.

DATED at Vancouver, British Columbia, this 12th day of September, 2018

BY ORDER OF THE BOARD OF DIRECTORS

"Steven Dean"

Steven Dean
Chairman and Chief Executive Officer



ATLANTIC GOLD

ATLANTIC GOLD CORPORATION
(the "Company")

Suite 3083, 595 Burrard Street, Bentall III, Box 49298, Vancouver, B.C. V7X 1L3
Telephone: (604) 689-5564, Facsimile: (604) 566-9050

INFORMATION CIRCULAR FOR
ANNUAL GENERAL MEETING OF THE SHAREHOLDERS

(as at September 12, 2018, except as otherwise indicated)

SOLICITATION OF PROXIES

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 October 26, 2018 and at any postponement(s) or adjournment(s) thereof. Unless the context otherwise requires, when we refer in this Information Circular to the Company, any subsidiaries are also included.

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. In accordance with National Instrument 54-101 (Communication with Beneficial Owners of Securities of a Reporting Issuer) of the Canadian Securities Administrators ("**NI 54-101**"), arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the common shares of the Company (the "**Shares**") held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in so doing. All costs of this solicitation will be borne by the Company.

In this Information Circular references to "C\$ or \$" are to amounts in Canadian dollars unless otherwise indicated.

APPOINTMENT OF PROXYHOLDERS

A shareholder entitled to vote at the Meeting may by means of a Proxy appoint a proxyholder or one or more alternate proxyholders, who need not be shareholders, to attend and act at the Meeting for the shareholder on the shareholder's behalf. Submitting a Proxy by mail, fax or by hand delivery are the only methods by which a shareholder may appoint a person as Proxy other than a director or officer of the Company named on the form of Proxy.

The individuals named in the accompanying form of Proxy are directors and/or officers and/or employees of the Company. **A shareholder wishing to appoint some other person (who need not be a shareholder) to represent him or her at the Meeting has the right to do so, either by inserting such person's name in the blank space provided in the form of Proxy or by completing another form of Proxy.** Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as Proxy and instruct him or her on how the shareholder's Shares are to be voted. In any case, the form of Proxy should be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a corporation, under its corporate seal, or by an officer or attorney thereof duly authorized.

PROXY INSTRUCTIONS

Only shareholders whose names appear on the records of the Company as the registered holders of the shares or duly appointed proxyholders are permitted to vote at the Meeting. Registered shareholders may wish to vote by Proxy whether or not they are able to attend the Meeting in person. Completed forms of Proxy must be deposited with the Company's transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, not later than 48 hours (excluding Saturdays, Sundays and holidays) before the commencement of the Meeting or the adjournment thereof at which the Proxy is to be used, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

REVOCABILITY OF PROXIES

In addition to revocation in any other manner permitted by law, a shareholder who has given a Proxy may revoke it by either executing a Proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the shareholder or the shareholder's authorized attorney in writing; or, if the shareholder is a company, under its corporate seal by an officer or attorney duly authorized; and by depositing the Proxy bearing a later date with Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the chair of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law. In addition, a Proxy may be revoked by the shareholder personally attending the Meeting and voting the shareholder's Shares. A revocation of a Proxy will not affect a matter on which a vote is taken before the revocation.

EXERCISE OF DISCRETION

On a poll, the nominees named in the accompanying form of Proxy will vote or withhold from voting the Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. If a shareholder specifies a choice with respect to any matter to be acted upon, such shareholder's Shares will be voted accordingly. **The Proxy will confer discretionary authority on the nominees named therein with respect to each matter or group of matters identified therein for which a choice is not specified any amendment to or variation of any matter identified therein and any other matter that properly comes before the Meeting.**

If a shareholder does not specify a choice in the Proxy and the shareholder has appointed one of the management nominees named in the accompanying form of Proxy, the management nominee will vote Shares represented by the Proxy in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

As of the date of this Information Circular, management of the Company knows of no amendment, variation or other matter that may come before the Meeting but, if any amendment, variation or other matter properly comes before the Meeting, each nominee in the accompanying form of Proxy intends to vote thereon in accordance with the nominee's best judgment.

ADVICE TO BENEFICIAL (NON-REGISTERED) SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders of the Company, as a substantial number of shareholders do not hold Shares in their own name. Shareholders who do not hold their Shares in their own name (referred to in this Information Circular, collectively, as "**Beneficial Shareholders**") should note that only Proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Shares can be recognized and acted upon at the Meeting. If Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Shares will not be registered in the shareholder's name on the records of the Company. Such 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 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; and which acts as nominee for many Canadian brokerage firms). Beneficial Shareholders should ensure that instructions respecting the voting of their Shares are communicated to the appropriate person.

These securityholder materials are being sent to both registered and non-registered owners of the Shares. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Shares are voted at the Meeting. The form of Proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is similar to the form of Proxy provided to registered shareholders by the Company. However, its purpose is limited to instructing the

registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in the United States and in Canada. Broadridge typically prepares its own proxy forms, mails those forms to the Beneficial Shareholders and requests the Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. **A Beneficial Shareholder receiving a Broadridge proxy cannot use that proxy to vote Shares directly at the Meeting. That proxy must be returned to Broadridge well in advance of the Meeting in order to have those Shares voted.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Shares registered in the name of his or her broker (or agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the Shares in that capacity. Beneficial Shareholders who wish to attend at the Meeting and indirectly vote their Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the instrument of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting. Alternatively, a Beneficial Shareholder may request in writing that his or her broker send to the Beneficial Shareholder a legal proxy which would enable the Beneficial Shareholder to attend at the Meeting and vote his or her Shares.

Under NI 54-101, Beneficial Shareholders 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 sending the Proxy-related materials for the Meeting directly to NOBOs as defined under NI 54-101. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you (instead of through a nominee), your name and address and information about your NOBO holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the nominee(s) holding on your behalf. By choosing to send these materials to you directly, the Company (and not the nominee(s) holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Company does intend to pay for nominees to deliver the Meeting materials and Form 54-101F7 (Request for Voting Instructions Made by Intermediary) to OBOs.

NOTICE-AND-ACCESS

The Company is not sending this Information Circular to registered or Beneficial Shareholders using "notice-and-access" as defined under NI 54-101.

RECORD DATE AND VOTING SECURITIES

The Company has set the close of business (5:00 p.m. (Vancouver time)) on September 12, 2018 as the record date (the "**Record Date**") for determination of persons entitled to receive notice of and to vote at the Meeting. Only the registered holders of Shares, and those beneficial holders entitled to receive notice pursuant to NI 54-101 through their intermediaries, as at that date, are entitled to receive notice of and to vote at the Meeting unless after that date a shareholder of record transfers his or her Shares and the transferee, upon producing properly endorsed certificates evidencing such Shares or otherwise establishing that he or she owns such Shares, requests by contacting Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, at least 10 calendar days prior to the Meeting that the transferee's name be included in the list of shareholders entitled to vote, in which case such transferee is entitled to vote such Shares at the Meeting.

The Company is authorized to issue an unlimited number of Shares without par value, of which 236,644,725 Shares are issued and outstanding as at the date hereof. The Company is also authorized to issue an unlimited number of preferred shares (the "**Preferred Shares**") without par value. No Preferred Shares are issued and outstanding as at the date hereof.

Persons who are registered shareholders of Shares at the close of business on September 12, 2018 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each Share held.

PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, or controls or directs, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company except as follows:

Shareholder Name	Number of Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly	Percentage of Outstanding Shares
Ryan Beedie	65,153,276 ¹	27.5%

(1) Beedie Investments Ltd., which is owned by Beedie Industrial Projects Ltd., a company wholly owned by Ryan Beedie, is the registered holder of such Shares. Ryan Beedie is a director of the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

To the knowledge of the Company's directors, the only matters to be placed before the Meeting are those referred to in the Notice of Meeting accompanying this Information Circular. However, should any other matters properly come before the Meeting; the Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgement of the persons voting the shares represented by the Proxy.

Additional details regarding each of the matters to be acted upon at the Meeting are set forth below.

(A) PRESENTATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of the Company for the financial year ended December 31, 2017 and the report of the auditor thereon, which were mailed to registered shareholders who requested the same, will be placed before the Meeting. Copies are available under the Company's profile on SEDAR, which can be accessed at www.sedar.com.

(B) ELECTION OF DIRECTORS

Each Director of the Company is elected annually and holds office until the next Annual General Meeting of Shareholders unless his successor is duly elected or until his resignation as a director.

In the absence of instructions to the contrary, the Shares represented by Proxy will be voted for the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a director.

INFORMATION CONCERNING NOMINEES SUBMITTED BY MANAGEMENT

The following tables provide information on the eight (8) potential nominees proposed for election as directors of the Company, the province (or state) and country in which each is ordinarily resident, and the period or periods during which each has served as a director. Included in these tables is information relating to the nominees' membership on committees of the board of directors of the Company (the "**Board**"), other public board memberships held, and Board and committee meeting attendance in relation to the Company for the 12 months ended December 31, 2017. Since January 1, 2017, the Board held a total of 8 scheduled Board meetings up to the date of this Information Circular. In addition to the attendance listed below, directors from time to time attend other committee meetings by invitation.

The tables also show the present principal occupation, business or employment of each nominee, and principal occupations, businesses and employments held in the last five years, if not a previously elected director. In addition, the tables show the number of securities of the Company and any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by each of the nominees, and whether the nominee meets the requirements of the Company's share ownership guidelines. The Company has not received notice of and management is not aware of any additional proposed nominees.

Name, Jurisdiction of Residence and Position ⁽¹⁾	Principal occupation or employment and, if not a previously elected director, occupation during the past 5 years ⁽¹⁾	Date of appointment as director	Number of Shares beneficially owned, controlled or directed, directly or indirectly ⁽²⁾	Committee Membership
Steven G. Dean British Columbia, Canada Chairman, CEO and Director Independent: No	Director, Chairman and CEO of the Company	June 19, 2003	4,745,620 ⁽³⁾	None
Maryse Bélanger British Columbia, Canada President, COO and Director Independent: No	Director, President and COO of the Company	November 30, 2017	280,600	None
W. David Black British Columbia, Canada Lead Director Independent: Yes	Lead Director of the Company; director of Zincore Metals Inc.; retired Partner, DuMoulin Black LLP, Barristers and Solicitors.	June 22, 2000	1,062,800	Nominating and Corporate Governance (Chair) Audit Compensation
Robert G. Atkinson British Columbia, Canada Vice-Chairman and Director Independent: Yes	Director and Vice Chairman of the Company	March 21, 1996	3,491,016	Compensation (Chair) Audit Nominating and Corporate Governance
Ryan Beedie British Columbia, Canada Director Independent: No	Director of the Company; President of Beedie Development Group	May 10, 2016	65,153,276 ⁽⁵⁾	None
Walter Bucknell Sydney, Australia Director Independent: No	Director and Advisor of the Company	August 20, 2014	1,234,024 ⁽⁴⁾	Health Safety Management and Environment
William P. Armstrong British Columbia, Canada Director Independent: Yes	Director of the Company; Mining Consultant; Principal of Metallica Consulting Co.	September 12, 2013	100,000	Compensation
Donald Siemens British Columbia, Canada Director Independent: Yes	Director of the Company; Chartered Accountant, and independent financial advisor	June 14, 2011	260,000	Audit (Chair) Nominating and Corporate Governance Health Safety Management and Environment

(1) The information as to province and jurisdiction of residence, and principal occupation, not being within the knowledge of the Company, has

been furnished by the respective directors.

- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at, September 12, 2018 based upon information furnished to the Company by individual directors. Unless otherwise indicated, such shares are held directly.
- (3) Mr. Steven Dean indirectly owns or exercises control over 3,723,000 Shares through a trust of which Mr. Dean is a beneficiary.
- (4) Mr. Bucknell indirectly owns or exercises control over 1,234,024 Shares through Callisten Pty Ltd., which is wholly owned by Mr. Bucknell.
- (5) Mr. Beedie indirectly owns 65,153,276 Shares through Beedie Investments Ltd., which is owned by Beedie Industrial Projects Ltd., a company which is wholly owned by Mr. Beedie.

Other than as disclosed below, no proposed director (including any personal holding company of a proposed director):

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this 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 security holder in deciding whether to vote for a proposed director.

Mr. Siemens was a director of Great Western Minerals Group Ltd. ("GWMG") from January 2014 until his resignation in July 2015. On May 11, 2015, an order was issued by the Financial and Consumers Affairs Authority of the Province of Saskatchewan that all trading in the securities of GWMG be ceased due to its failure to file financial statements for the year ended December 31, 2014. On April 30, 2015, GWMG was granted protection from its creditors under the *Companies' Creditors Arrangement Act* upon receiving an initial order from the Ontario Superior Court of Justice Commercial List, which includes, among other things, a stay of proceedings against GWMG, and the appointment of PricewaterhouseCoopers Inc. as monitor of GWMG.

Ms. Bélanger was a director of Mirabela Nickel Limited ("Mirabela") from June 27, 2014 until her resignation in June 2016. On September 24, 2015, Mirabela appointed Voluntary Administrators pursuant to the *Australian Corporations Act* in order to progress discussions with financiers to put in place funding arrangements or other restructuring options that would alleviate the liquidity challenges facing Mirabela's operations at the time. Such discussions were unsuccessful and on June 13, 2016 the creditors of Mirabela voted to place Mirabela in liquidation. On September 21, 2015, an order was issued by the British Columbia Securities Commission that all trading in the securities of Mirabela be ceased due to its failure to file financial statements for the period ended June 30, 2015. On September 25, 2015 and October 7, 2015, orders were issued by the Ontario Securities Commission that all trading in the securities of Mirabela be ceased due to its failure to file financial statements for the period ended June 30, 2015.

See also Schedule "A" - Corporate Governance Practices for information in respect of directorships in other

reporting issuers held by the directors of the Company.

(C) APPOINTMENT OF AUDITORS

PricewaterhouseCoopers LLP, Chartered Accountants, of Vancouver, British Columbia are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as the auditors of the Company to hold office for the ensuing year at remuneration to be fixed by the directors.

PricewaterhouseCoopers LLP, Chartered Accountants, was first appointed as auditors of the Company on December 31, 1993.

(D) RE-APPROVAL OF ROLLING STOCK OPTION PLAN

At last year's annual general meeting held on November 30, 2017, the Company proposed and its shareholders re-approved the Company's Stock Option Plan which is a 10% "rolling" stock option plan (the "**Stock Option Plan**"). Under the policies of the TSXV, a rolling stock option plan must be re-approved on a yearly basis by shareholders. Shareholders will be asked to pass an ordinary resolution re-approving, subject to regulatory approval, the Company's Stock Option Plan, the details of which are set out below.

"Consultant", "Discounted Market Price", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Investor Relations Activities", "Management Company Employee", "Material Information", and "Person" as used below have the same definition as in the policies of the TSXV. Pursuant to the Stock Option Plan:

- (a) the Stock Option Plan reserves, for issuance pursuant to the exercise of options, a maximum number of Shares equal to 10% of the issued Shares at the time of any option grant;
- (b) an optionee must either be a director, officer, employee, Management Company Employee or consultant of the Company or an Eligible Charitable Organization at the time the option is granted in order to be eligible for the grant of an option to the optionee;
- (c) the aggregate number of Shares reserved for issuance under options granted to insiders as a group at any point in time must not exceed 10% of the total number of issued and outstanding Shares (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (d) the aggregate number of options granted to insiders as a group in a 12-month period must not exceed 10% of the total number of issued and outstanding Shares on the date an option is granted to any Insider (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (e) the aggregate number of options granted to any one Person (and companies wholly owned by that Person) in a 12-month period must not exceed 5% of the issued Shares calculated on the date an option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
- (f) the aggregate number of options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Shares, calculated at the date an option is granted to the Consultant;
- (g) the aggregate number of options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period, calculated at the date an option is granted to any such Person;
- (h) the aggregate number of options granted and outstanding to Eligible Charitable Organizations must not at any time exceed 1% of the issued Shares, as calculated immediately subsequent to the grant of any options to Eligible Charitable Organizations.
- (i) options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any 3-month period;
- (j) the minimum exercise price per Share for an option must not be less than the Discounted Market Price of the Shares on the date of grant;
- (k) options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (t) below));

- (l) on termination for cause, an optionee's options shall terminate and cease to be exercisable upon the date of such termination;
- (m) on the death or disability of an optionee, all vested options will expire at the earlier of 12 months after the date of death or disability and the expiry date of such options;
- (n) if an optionee retires or voluntarily resigns or is otherwise terminated by the Company any reason other than death, disability, or termination for cause, then all options held by such optionee will expire at the earlier of (i) the expiry date of such options and (ii) the date which is 90 days (30 days if the optionee was engaged in Investor Relations Activities) after the termination date, although the Board, if it determines such is in the best interests of the Company, may extend the 90 day period to a later date within a reasonable period not exceeding one year in accordance with the policies of the TSXV;
- (o) all options are non-assignable and non-transferable, subject to the options being exercisable by the optionee's heirs or administrators;
- (p) Disinterested Shareholder Approval will be obtained for any reduction in the exercise price of an option if the Optionee is an Insider of the Company at the time of the proposed amendment;
- (q) the Stock Option Plan contains provisions for adjustment in the number of Shares or other property issuable on exercise of an option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Shares;
- (r) upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any option (except pertaining to options granted to Consultants performing Investor Relations Activities which will be subject to prior written TSXV approval), to make such changes to the terms of options as it considers fair and appropriate in the circumstances, including but not limited to: (a) accelerating the vesting of options, conditionally or unconditionally; (b) terminating every option if, under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the options are proposed to be granted to or exchanged with the holders of options, which replacement options treat the holders of options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (c) otherwise modifying the terms of any option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (d) following the successful completion of such Accelerated Vesting Event, terminating any option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;
- (s) in connection with the exercise of an option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
- (t) in order to ensure that holders of outstanding options are not prejudiced by the imposition of black-out periods restricting the trading of its securities by directors, officers, employees and consultants during periods surrounding the release of annual and interim financial statements and at other times when deemed necessary by management and the Board, the Stock Option Plan provides that an option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their options, subject to the following requirements: (a) the blackout period must be formally imposed by the Company pursuant to its internal trading policies; (b) the blackout period must expire upon the general disclosure of undisclosed Material Information, and the expiry date of the affected options can be extended to no later than ten (10) business days after the expiry of the blackout period, provided that if any additional blackout period is subsequently imposed by the Company, then such extension period shall be deemed to commence following the end of any such additional blackout period to enable the exercise of such options within ten (10) business days following the end of the last imposed blackout period; and (c) the automatic extension of an optionee's option will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under securities laws) in respect of the Company's securities.

The Stock Option Plan was prepared in accordance with TSXV policies and will be available for viewing up to the date of the Meeting at the Company's offices at Suite 3083, 595 Burrard Street, Bentall III, Box 49298, Vancouver, B.C. and will also be available for review at the Meeting.

Shareholder Approval at the Meeting

Under the policies of the TSXV, the Stock Option Plan must be re-approved on a yearly basis by an ordinary resolution of the shareholders entitled to vote at the Meeting.

In order to be passed, a majority of the votes cast by shareholders at the Meeting in person or by proxy must be voted in favour of the resolution. Unless otherwise instructed, the management nominee proxyholders named in the enclosed Proxy intend to vote in favour of the approval of the Stock Option Plan.

At the Meeting, shareholders will be asked to pass an ordinary resolution of shareholders (the "**Stock Option Plan Resolution**") in the following form:

"BE IT RESOLVED, as an ordinary resolution, that, pursuant to and in accordance with TSXV policies and for all other purposes, the Stock Option Plan (as defined and described in the Company's Information Circular dated September 12, 2018, with such changes to the Stock Option Plan as may be required by the TSXV) pursuant to which the maximum number of shares which may be issuable to eligible persons pursuant to options shall be a maximum of 10% of the issued and outstanding Common Shares of the Company at the time of any stock option grant, be and is hereby authorized, ratified, confirmed and approved, subject to any required regulatory approval."

The Board has reviewed the proposed resolution and concluded that it is fair and reasonable to the shareholders and in the best interests of the Company, and recommends that shareholders vote FOR the Stock Option Plan Resolution.

STATEMENT OF EXECUTIVE COMPENSATION**Compensation Discussion and Analysis**

The Compensation Committee has the responsibility to administer the compensation policies related to the executive management of the Company.

The Compensation Committee consists of three independent directors, Robert Atkinson (Chair), W. David Black and William Armstrong. All members of the Compensation Committee currently hold, or have held positions in Compensation Committees with other public companies. Additional disclosure with respect to skills and experience in relation to executive compensation of the members of the Compensation Committee are outlined under Schedule "A" below.

Bonuses paid to senior executives are based on the Compensation Committee's assessment of the Company's financial and operating performance, as compared to the Company's peers, and objectives approved by the Board. In 2017 the company purchased two industry leading compensation surveys from Korn Ferry the Hay Group and GGA Consultants. These surveys are conducted each year and the data is an amalgamation of what is provided by survey participants generating industry averages for each element of compensation by level of employee.

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. Compensation for 2017 and prior fiscal years has been based upon a negotiated salary, with stock options and bonus potentially being issued and paid as reward and incentive for performance. The Company annually compares its total compensation package with those of companies considered as suitable benchmark companies.

Risk Considerations

Executive compensation is comprised of both short-term compensation in the form of a base salary/fee and an incentive cash bonus plan, and long-term ownership through the grant of stock options. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value.

The Board also has the ability to set out vesting periods in each stock option agreement. As the benefits of such compensation, if any, are not realized by officers and directors until a significant period of time has passed, the ability of such persons to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to his short-term compensation when his long-term compensation might be put at risk from such actions.

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. To date, no risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Hedging of Economic Risks in the Company's Securities

Under the Company's insider trading policies, directors and officers are prohibited from taking any derivative position in the Company's securities. This is to prevent the purchase of financial instruments that are designed to hedge or offset any decrease in the market value of the Company's securities.

Option-based Awards

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

The shareholders have previously approved the Stock Option Plan pursuant to which the Board has granted stock options to executive officers. The Stock Option Plan provides compensation to participants and an additional incentive to work toward long-term Company performance. (See "Incentive Plan Awards – Option-Based Awards – Stock Option Plan" and "Particulars of Matters to be Acted Upon at the Meeting – Re-Approval of Rolling Stock Option Plan" for further discussion.)

Executive compensation is based upon the need to provide a compensation package that will allow the Company to attract and retain qualified and experienced executives, balanced with a pay-for-performance philosophy. The 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 and/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 TSXV and any other applicable exchange and closely align the interests of the executive officers with the interests of shareholders.

Compensation Governance

The Company has a Compensation Committee, which is further described under the heading "Compensation Discussion and Analysis" above.

For the most recently completed financial year, the Board engaged a professional executive compensation consultant to conduct an executive and Director compensation review to ensure that the executives of the Company were being compensated appropriately.

Summary Compensation Table

"Named Executive Officers" or "NEOs" means the Chief Executive Officer ("**CEO**") and the Chief Financial Officer ("**CFO**") of the Company, or if the Company does not have a CEO or CFO, an individual who acted in a similar capacity, regardless of the amount of compensation of that individual, each of the three most highly compensated executive officers of the Company, including any of its subsidiaries, other than the CEO and CFO, who were serving as executive officers at the end of the most recent financial year and whose total compensation was, individually, more than \$150,000, and each individual who would have satisfied these criteria but for the fact that such individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the most recently completed financial year.

The following table (presented in accordance with National Instrument 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 Named Executive Officer.

Summary Compensation Table
for financial years ending on December 31, 2015, 2016 and 2017

Name and Principal Position	Year ⁽¹⁾	Salary (\$)	Share - Based Awards (\$)	Option - Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$) ⁽⁶⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽⁶⁾	Long-term Incentive Plans			
Steven Dean Chairman and CEO	2017	Nil	n/a	564,840	Nil	Nil	Nil	849,186 ⁽⁴⁾	1,414,026
	2016	Nil	n/a	252,900	Nil	Nil	Nil	756,683 ⁽⁴⁾	1,009,583
	2015	Nil	n/a	196,764	Nil	Nil	Nil	439,875 ⁽⁴⁾	636,639
Maryse Bélanger, President and COO ⁽³⁾	2017	320,000	n/a	439,320	Nil	Nil	Nil	239,348	998,668
	2016	147,898	n/a	518,100	Nil	Nil	Nil	118,196	784,194
Chris Batalha, CFO and Corporate Secretary	2017	130,000	n/a	251,040	Nil	Nil	Nil	80,708	461,748
	2016	116,667	n/a	61,820	Nil	Nil	Nil	69,958	248,445
	2015	75,000	n/a	48,836	Nil	Nil	Nil	60,317	184,153
John R. Morgan, Former President and COO ⁽³⁾	2017	Nil	n/a	62,760	Nil	Nil	Nil	27,500 ⁽⁵⁾	90,260
	2016	181,170	n/a	140,500	Nil	Nil	Nil	Nil	321,670
	2015	192,024	n/a	139,752	Nil	Nil	Nil	78,100	409,876

(1) Fiscal year ending December 31.

(2) Value of stock options granted during the year. The Company used the Black-Scholes 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 dividend yield 0%, expected stock price volatility of 70-75%, weighted average risk free interest rate of 1.26% - 1.58%, and expected life of options of 6.75 years. The Company chose this methodology as it is the standard for exploration companies in Canada and has been consistently applied by the Company for valuing option-based awards by the Company. Please see Incentive Plan Awards: Value vested or earned during the year; below, for details of stock option grants to NEOs.

(3) On July 17, 2016, Mr. Morgan resigned as the President and COO of the Company, and Ms. Maryse Bélanger succeeded Mr. Morgan as COO. Mr. Morgan continued his role as a director of the Company until November 30, 2017.

(4) Paid to Sirocco Advisory Services Ltd., of which Mr. Steven Dean is the principal, pursuant to the agreements made on January 1, 2004 and October 1, 2014. See the section herein entitled "Termination and Change of Control Benefits".

(5) Director fees paid to Mr. Morgan subsequent to his resignation as President and COO of the Company. Mr. Morgan resigned as a director of the Company on November 30, 2017.

(6) Amounts represent cash payments.

The Company did not grant compensation to any Named Executive Officer in the form of share-based awards, non-equity incentive plan compensation or under any pension plan during the three most recently completed financial years.

Incentive Plan Awards

Option-Based Awards – Stock Option Plan

Pursuant to the Company's Stock Option Plan, up to a maximum of 10% of the issued Shares at the time of grant may be granted. As at the date of this Information Circular, the Company has 14,835,000 stock options granted, including stock options granted under previously established stock options plans or prior options grants, with a remaining balance of 8,829,472 stock options eligible for future grants under the Stock Option Plan.

"Consultant", "Discounted Market Price", "Disinterested Shareholder Approval", "Eligible Charitable Organization", "Investor Relations Activities", "Management Company Employee", "Material Information", and "Person" as used below have the same definition as in the policies of the TSXV. Pursuant to the Stock Option Plan:

1. the Stock Option Plan reserves, for issuance pursuant to the exercise of stock options, a maximum of 10% of the issued Shares at the time of any option grant;
2. an optionee must either be a director, officer, employee, Management Company Employee or consultant of the Company or an Eligible Charitable Organization at the time the option is granted in order to be eligible for the grant of an option to the optionee;
3. the aggregate number of stock options granted to any one Person (and companies wholly owned by that Person) in a 12-month period must not exceed 5% of the issued Shares calculated on the date a stock option is granted to the Person (unless the Company has obtained the requisite Disinterested Shareholder Approval);
4. the aggregate number of stock options granted to any one Consultant in a 12-month period must not exceed 2% of the issued Shares, calculated at the date a stock option is granted to the Consultant;
5. the aggregate number of stock options granted to all Persons retained to provide Investor Relations Activities must not exceed 2% of the issued Shares in any 12-month period, calculated at the date an option is granted to any such Person;
6. stock options issued to Persons retained to provide Investor Relations Activities must vest in stages over a period of not less than 12 months with no more than 1/4 of the options vesting in any three-month period, such vesting provisions not to be accelerated without TSXV approval;
7. the exercise price per Share for a stock option shall be determined by the Board, or its delegates if any, but must not be less than the Discounted Market Price of the Shares;
8. stock options can be exercisable for a maximum of 10 years from the date of grant (subject to extension where the expiry date falls within a "blackout period" (see (15.) below));
9. on termination for cause, an optionee's stock options shall terminate and cease to be exercisable upon the date of such termination;
10. on the death or disability of an optionee, all vested stock options will expire at the earlier of 12 months after the date of death or disability and the expiry date of such stock options;
11. if an optionee retires or voluntarily resigns or is otherwise terminated by the Company any reason other than death, disability, or termination for cause, then all stock options held by such optionee will expire at the earlier of (i) the expiry date of such stock options and (ii) the date which is 90 days (30 days if the optionee was engaged in Investor Relations Activities) after the termination date, although the Board, if it determines such is in the best interests of the Company, may extend the 90 day period to a later date within a reasonable period not exceeding one year in accordance with the policies of the TSXV;
12. all stock options are non-assignable and non-transferable, subject to the options being exercisable by the optionee's heirs or administrators;
13. Subject to the rules and policies of the TSXV, the Board may amend any stock option with the consent of the affected optionee and the TSXV, including any shareholder approval required by the TSXV. Disinterested Shareholder Approval must be obtained for any reduction in the exercise price of a stock option if the Optionee is an

Insider of the Company at the time of the proposed amendment;

14. the Stock Option Plan contains provisions for adjustment in the number of Shares or other property issuable on exercise of a stock option in the event of a share consolidation, split, reclassification or other capital reorganization, or a stock dividend, amalgamation, merger or other relevant corporate transaction, or any other relevant change in or event affecting the Shares;
15. upon the occurrence of an Accelerated Vesting Event (as defined in the Stock Option Plan), the Board will have the power, at its sole discretion and without being required to obtain the approval of shareholders or the holder of any stock option, except pertaining to options granted to Consultants performing Investor Relations Activities which will be subject to prior written TSXV approval or as otherwise required by the rules and policies of the TSXV, to make such changes to the terms of stock options as it considers fair and appropriate in the circumstances, including but not limited to: (i) accelerating the vesting of stock options, conditionally or unconditionally; (ii) terminating every stock option if, under the transaction giving rise to the Accelerated Vesting Event, options in replacement of the stock options are proposed to be granted to or exchanged with the holders of stock options, which replacement options treat the holders of stock options in a manner which the Board considers fair and appropriate in the circumstances having regard to the treatment of holders of Shares under such transaction; (iii) otherwise modifying the terms of any stock option to assist the holder to tender into any take-over bid or other transaction constituting an Accelerated Vesting Event; or (iv) following the successful completion of such Accelerated Vesting Event, terminating any stock option to the extent it has not been exercised prior to successful completion of the Accelerated Vesting Event. The determination of the Board in respect of any such Accelerated Vesting Event shall for the purposes of the Stock Option Plan be final, conclusive and binding;
16. in connection with the exercise of a stock option, as a condition to such exercise the Company shall require the optionee to pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such option; and
17. a stock option will be automatically extended past its expiry date if such expiry date falls within a blackout period during which the Company prohibits optionees from exercising their stock options, subject to the following requirements: (a) the blackout period must be formally imposed by the Company pursuant to its internal trading policies; (b) the blackout period must expire upon the general disclosure of undisclosed Material Information, and the expiry date of the affected stock options can be extended to no later than ten (10) business days after the expiry of the blackout period; and (c) the automatic extension of an optionee's stock options will not be permitted where the optionee or the Company is subject to a cease trade order (or similar order under applicable securities laws) in respect of the Company's securities.

See "Particulars of Matters to be Acted Upon at the Meeting – Re-Approval of Rolling Stock Option Plan" for further information relating to the Stock Option Plan.

Outstanding Share-Based Awards and Option-Based Awards

The Company does not currently have an equity award plan that provides compensation based on achievement of certain performance goals or similar conditions within a specified period, or a share-based award plan under which equity-based instruments that do not have option-like features, can be issued.

The following table sets forth information concerning all awards outstanding under option-based incentive 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 the Named Executive Officers.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value ⁽¹⁾ of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Steven Dean Chairman and CEO	600,000	0.32	June 13, 2019	726,000	Nil	Nil	Nil
	1,200,000	0.255	December 6, 2021	1,530,000	Nil	Nil	Nil
	900,000	0.42	November 24, 2022	999,000	Nil	Nil	Nil
	900,000	0.96	November 3, 2023	513,000	Nil	Nil	Nil
Chris Batalha, CFO and Corporate Secretary	50,000	0.40	July 26, 2018	56,500	Nil	Nil	Nil
	50,000	0.32	June 13, 2019	60,500	Nil	Nil	Nil
	325,000	0.255	December 6, 2021	414,375	Nil	Nil	Nil
	220,000	0.42	November 24, 2022	244,200	Nil	Nil	Nil
	400,000	0.96	November 3, 2023	228,000	Nil	Nil	Nil
Maryse Bélanger, President and COO ⁽²⁾	1,100,000	0.73	April 8, 2023	880,000	Nil	Nil	Nil
	700,000	0.96	November 3, 2023	399,000	Nil	Nil	Nil
John R. Morgan Former President and COO ⁽²⁾	600,000	0.32	June 13, 2019	726,000	Nil	Nil	Nil
	800,000	0.255	December 6, 2021	1,020,000	Nil	Nil	Nil
	500,000	0.42	November 24, 2022	555,000	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil

(1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options at exercise or financial year-end, respectively, and the exercise of base price of the options. The closing price for the Company's shares on December 31, 2017 was \$1.53. Such amount may not represent the amount that the respective Named Executive Officer will actually realize from the awards. Whether, and to what extent, a Named Executive Officer realizes value will depend on our several factors, including actual operating performance, share price fluctuations and the director's continued membership on the Board.

(2) On July 17, 2016, Mr. Morgan resigned as the President and COO of the Company, and Ms. Maryse Bélanger succeeded Mr. Morgan as COO. Mr. Morgan continued his role as a director of the Company until November 30, 2017, at which time Mr. Morgan resigned from his position as a director of the Company.

Incentive Plan Awards: Value vested or earned during the year

The value vested or earned during the most recently completed financial year of option-based 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 (\$)
Steven Dean Chairman and CEO	600,750	Nil	Nil
Maryse Bélanger, President and COO ⁽²⁾	466,625	Nil	Nil

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 (\$)
Chris Batalha, CFO and Corporate Secretary	178,800	Nil	Nil
John R. Morgan Former President and COO ⁽²⁾	262,750	Nil	Nil

- (1) This amount is the dollar value that would have been realized if the options had been exercised on the vesting date by calculating the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date. Such amount may not represent the amount that the respective Named Executive Officer will actually realize from the awards. Whether, and to what extent, a Named Executive Officer realizes value will depend on our several factors, including actual operating performance, share price fluctuations and the Named Executive Officer's continued employment with the Company.
- (2) On July 17, 2016, Mr. Morgan resigned as the President and COO of the Company, and Ms. Maryse Bélanger succeeded Mr. Morgan as COO. Mr. Morgan continued his role as a director of the Company until November 30, 2017, at which time Mr. Morgan resigned from his position as a director of the Company.

Pension Plan Benefits

The Company contributes to a registered retirement savings plan for each NEO, whereby the Company contributes 50% of the NEOs contributions up to a maximum of 3% of the NEO's annual salary, then in effect. See "All Other Compensation" in the NEO summary compensation table, which includes such amounts. In the most recently completed financial year, the Company did not maintain any defined benefit plans, defined contribution plans or deferred compensation plans for the NEOs or Directors.

Termination and Change of Control Benefits

The Company and its subsidiaries have no employment contracts with any Named Executive Officers except as set out below, as at December 31, 2017.

Steven Dean – Chairman and CEO

Sirocco Advisory Services Ltd. ("**Sirocco**"), a company controlled by the Company's Chairman and CEO, Steven Dean, has an agreement (the "**Sirocco Agreement**") dated September 1, 2016 with the Company pursuant to which Sirocco provides management and operational consulting services to the Company for a base fee of \$35,833.33 plus applicable taxes per month. Sirocco may also be paid a discretionary performance bonus of up to 100% of the annual equivalent fee paid in each year. A bonus of \$386,914 was paid during the 2017 financial year in respect to performance targets being met. The Company may terminate the Sirocco Agreement on twelve months written notice. After providing such notice, the Company may, at its option discontinue all or any portion of Sirocco's duties, but must continue to pay the amended base fee then in effect, and any performance bonus (if applicable) during the notice period. Had the agreement been terminated by the Company on December 31, 2017, based on the foregoing termination provision, Sirocco would have been entitled to be paid approximately \$1,720,000. Steven Dean has an agreement to act as officer ("**Dean Officer Agreement**") of the Company dated November 14, 2014. Under the terms of the Dean Officer Agreement, Mr. Dean is to carry out the offices of Chairman and CEO of the Company which are not required to be performed under the Sirocco Agreement. As compensation, the Company has agreed to grant stock options to Mr. Dean from time to time in accordance with the terms of the Plan, as well as allowing Mr. Dean to participate in the Company's employee benefit plan.

For the purposes of the Sirocco Agreement a "change of control" is evidenced by the election or appointment of a majority of new directors of the Company or the acquisition by any person or by any person and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of common shares of the Company which, when added to all other common shares of the Company at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding common shares of the Company. In the event of a change of control of the Company, Sirocco has the right within 60 days to terminate the Sirocco Agreement whereupon the Company will pay Sirocco two years equivalent of the amended base fee then in effect, together with an amount equal to two times the maximum 12-month bonus payable. Other than for cause, the Company may terminate the Sirocco Agreement at any time upon written notice. After providing such notice, the Company is required to pay Sirocco two years equivalent of the amended base fee then in effect, together with an amount equal to two times the maximum 12-month bonus payable.

Maryse Bélanger – COO

Under an employment agreement dated May 17, 2016, Ms. Bélanger agreed to an initial salary of \$320,000 per annum for her services in the capacity of COO (the "**Bélanger Agreement**"). The Bélanger Agreement includes a provision for an annual bonus of up to 75% of the salary then in effect. The bonus is based upon key criteria, as mutually agreed each year between the Chairman and CEO, the Compensation Committee and Ms. Bélanger. The Company may terminate the Bélanger Agreement on six months written notice. After providing such notice, the Company may, at its option discontinue all or any portion of Ms. Bélanger's duties, but must continue to pay the amended salary then in effect, benefits, and any performance bonus (if applicable) during the notice period. Had the agreement been terminated by the Company on December 31, 2017, based on the foregoing termination provision, Ms. Bélanger would have been entitled to be paid approximately \$160,000 up to \$400,000.

The Bélanger Agreement also contains a change in control provision. For the purposes of the Bélanger Agreement, a "change of control" is evidenced by the election or appointment of a majority of new directors of the Company or the acquisition by any person or by any person and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of common shares of the Company which, when added to all other common shares of the Company at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding common shares of the Company. On a "change of control" of the Company, Ms. Bélanger will have the right at any time to the date that is sixty days following the date of the Change of Control, to provide the Company with written notice to terminate employment, whereupon the Company will pay to Ms. Bélanger an amount equal to 12 months' salary, then in effect.

Chris Batalha - CFO

Under an employment agreement (the "**Batalha Agreement**") dated September 1, 2016, Mr. Chris Batalha agreed to a salary of \$130,000 per annum for his services in the capacity of Chief Financial Officer and Corporate Secretary. The Batalha Agreement includes a provision for an annual bonus of up to 50% of the annual salary then in effect. The bonus is based upon the Company meeting key criteria each year, as mutually agreed between Mr. Batalha and the Compensation Committee. The Company may terminate the Batalha Agreement at any time upon written notice. After providing such notice, the Company must pay a lump sum payment amount equal to one times the salary, then in effect, benefits, and the maximum 12-month performance bonus payable. Had the agreement been terminated by the Company on December 31, 2017, based on the foregoing termination provision, Mr. Batalha would have been entitled to be paid approximately \$195,000.

The Batalha Agreement also contains a change in control provision. For the purposes of the Batalha Agreement, a "change of control" is evidenced by the election or appointment of a majority of new directors of the Company or the acquisition by any person or by any person and such person's affiliates or associates, as such terms are defined in the *Securities Act* (British Columbia), and whether directly or indirectly, of common shares of the Company which, when added to all other common shares of the Company at the time held by such person and such person's affiliates and associates, totals for the first time, fifty (50%) percent or more of the outstanding common shares of the Company. On a "change of control" of the Company, Mr. Batalha will have the right at any time to the date that is sixty days following the date of the Change of Control, to provide the Company with written notice to terminate employment, whereupon the Company will pay to Mr. Batalha an amount equal to one times the annual salary, then in effect, benefits, and the maximum 12 month performance bonus payable.

Estimated Incremental Payments on Change of Control

The table below sets out the estimated incremental payments, payables and benefits due to each of the NEOs on termination upon change of control without cause assuming termination occurred on December 31, 2017.

Name	Base Salary (\$)	Option-Based Awards (\$)	All Other Compensation (\$)	Total (\$)
Steven Dean ⁽¹⁾	Nil	Nil	1,720,000	1,720,000
Maryse Bélanger	320,000	Nil	Nil	320,000
Chris Batalha	130,000	Nil	65,000	195,000

(1) Payable to Sirocco Advisory Services Ltd., a company controlled by Mr. Steven Dean.

Director Compensation

Under the Company's policies with regard to director compensation, the Company's executive directors do not receive fees for Board service. As of the date of this Information Circular, Steven Dean and Maryse Bélanger are the only executive directors. Further, pursuant to a consulting agreement in place between Wally Bucknell and the Company, Mr. Bucknell receives no retainer or meeting fees.

The compensation for the non-executive directors includes the following payments:

- (i) a \$25,000 annual cash retainer;
- (ii) a \$7,500 annual cash retainer for each member of the Audit Committee;
- (iii) a \$5,000 annual cash retainer for each member of the Compensation Committee;
- (iv) a \$5,000 annual cash retainer for each member of the Nominating and Corporate Governance Committee;
- (iv) a \$5,000 annual cash retainer for each member of the Health, Safety Management and Environment Committee;
- (v) a \$2,500 cash fee for each committee meeting member per each committee meeting attended.

Payments are made monthly to the non-executive directors. Additionally, the Board may consider discretionary grants of stock options to non-executive directors from time to time as noted below. The Company also reimburses directors for all reasonable out-of-pocket costs incurred by them in connection with their services to the Company.

The following table sets forth all amounts of compensation provided to directors who are not Named Executive Officers for the Company's most recently completed financial year.

Director Name	Fees Earned (\$)	Share - Based Awards (\$)	Option - Based Awards (\$) ⁽¹⁾	Non – Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Robert Atkinson	64,000	Nil	62,760	Nil	Nil	Nil	126,760
W. David Black	64,000	Nil	62,760	Nil	Nil	Nil	126,760
Donald Siemens	61,500	Nil	62,760	Nil	Nil	Nil	124,260
William Armstrong	27,500	Nil	62,760	Nil	Nil	60,000 ⁽²⁾	150,260
Walter Bucknell	Nil	Nil	62,760	Nil	Nil	194,535 ⁽³⁾	257,295
Ryan Beedie	25,000	Nil	62,760	Nil	Nil	Nil	87,760

(1) Value of stock options granted during the year. The Company used the Black-Scholes 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 dividend yield 0%, expected stock price volatility of 70%-75%, weighted average risk free interest rate of 1.26% - 1.58%, and expected life of options of 6.75 years. The Company chose this methodology as it is the standard for exploration companies in Canada and has been consistently applied by the Company for valuing option-based awards by the Company. Please see "Option-Based Awards", above, for details of stock option grants to any director who is not a Named Executive Officer.

(2) Pursuant to a consulting agreement dated May 10, 2012.

(3) Pursuant to a consulting agreement dated September 1, 2014, and subsequently renewed on September 1, 2015.

As described in the preceding table, the directors are compensated for acting in their capacity as directors, for committee participation, involvement in special assignments and for services as consultant or expert. In the most recently completed financial year, the Company did not grant compensation in the form of share-based awards, non-equity incentive plan compensation or pension value to the directors who are not Named Executive Officers.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

Under the Stock Option Plan to be provided for shareholder re-approval at the Meeting, directors are eligible to receive stock options. As is the case with officers and employees, the purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to more closely align the personal interests of such persons to that of the shareholders of the Company.

The Company does not currently have an equity award plan that provides compensation based on achievement of certain performance goals or similar conditions within a specified period, or a share-based award plan under which equity-based instruments that do not have option-like features, can be issued.

The following table sets forth information concerning all awards outstanding under option-based incentive 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 of the Company who were not Named Executive Officers, during the financial year ended December 31, 2017:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ Of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value ⁽¹⁾ Of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Robert Atkinson	100,000	0.32	June 13, 2019	121,000	Nil	Nil	Nil
	160,000	0.255	December 6, 2021	204,000	Nil	Nil	Nil
	100,000	0.42	November 24, 2022	111,000	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil
W. David Black	100,000	0.32	June 13, 2019	121,000	Nil	Nil	Nil
	160,000	0.255	December 6, 2021	204,000	Nil	Nil	Nil
	100,000	0.42	November 24, 2022	111,000	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil
Donald Siemens	100,000	0.32	June 13, 2019	121,000	Nil	Nil	Nil
	160,000	0.255	December 6, 2021	204,000	Nil	Nil	Nil
	100,000	0.42	November 24, 2022	111,000	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil
William Armstrong	100,000	0.32	June 13, 2019	121,000	Nil	Nil	Nil
	160,000	0.255	December 6, 2021	204,000	Nil	Nil	Nil
	150,000	0.42	November 24, 2022	166,500	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value ⁽¹⁾ of Unexercised In-The-Money Options (\$)	Number of Shares Or Units Of Shares That Have Not Vested (#)	Market or Payout Value ⁽¹⁾ Of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value ⁽¹⁾ Of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Walter Bucknell	325,000	0.255	December 6, 2021	414,375	Nil	Nil	Nil
	150,000	0.42	November 24, 2022	166,500	Nil	Nil	Nil
	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil
Ryan Beedie	100,000	0.96	November 3, 2023	57,000	Nil	Nil	Nil

(1) Value is calculated by multiplying the number of securities which may be acquired on exercise of the option by the difference, if any, between the market value of the securities underlying the options at exercise or financial year-end, respectively, and the exercise or base price of the options. The closing price for the Company's shares on December 31, 2017 was \$1.53. Such amount may not represent the amount that the respective director will actually realize from the awards. Whether, and to what extent, a director realizes value will depend on our several factors, including actual operating performance, share price fluctuations and the director's continued membership on the Board.

Option-Based Awards - Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to directors who are not 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 (\$)
Robert Atkinson	66,750	Nil	Nil
W. David Black	66,750	Nil	Nil
Donald Siemens	66,750	Nil	Nil
William Armstrong	91,250	Nil	Nil
Walter Bucknell	91,250	Nil	Nil
Ryan Beedie	17,750	Nil	Nil

(1) This amount is the dollar value that would have been realized if the options had been exercised on the vesting date by calculating the difference between the market price of the underlying securities at exercise and the exercise or base price of the options under the option-based award on the vesting date.

Securities Authorized for Issuance under Equity Compensation Plans

The following table summarizes relevant information as of December 31, 2017 with respect to compensation plans under which equity securities are authorized for issuance.

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	13,295,000	0.58	5,933,063
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	13,295,000	0.58	5,933,063

INDEBTEDNESS TO COMPANY OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, there was 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 INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, no informed person of the Company 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.

On May 10, 2016, Beedie Investments Ltd. which is owned by Beedie Industrial Projects Ltd., 3030 Gilmore Diversion, Burnaby, BC, Canada, V5G3B4, a company wholly owned by Ryan Beedie, acquired an \$8,000,000 convertible debenture of the Company (the "Convertible Debenture"). The Convertible Debenture is convertible into 13,333,333 Common Shares of the Company, and has an interest rate of 8.5% per annum, payable semi-annually. The maturity date of the Convertible Debenture is the later of (a) May 10, 2021 and (b) the earlier of (i) the date that is six months following the final maturity date under the Company's Project Facility Agreement entered into on May 6, 2016, and (ii) May 30, 2022. On April 23, 2018, all of the \$8,000,000 Convertible Debenture and \$296,219 of unpaid/ accrued interest owing to the date of conversion, was converted into 13,491,738 Shares.

MANAGEMENT CONTRACTS

No management functions of the Company are performed to any substantial degree by a person other than the directors or executive officers of the Company. Please see "Executive Compensation – Termination and Change of Control

Benefits" above for a summary of the management contracts of the Company.

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.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 Disclosure of Corporate Governance Practices ("**NI 58-101**") was adopted in each of the provinces and territories of Canada. NI 58-101 requires issuers to disclose the corporate governance practices that they have adopted. The corporate governance practices adopted by the Company are set out in the attached Schedule "A".

AUDIT COMMITTEE INFORMATION

Disclosure with respect to the composition of the Company's Audit Committee, the Audit Committee Charter and other disclosure required by NI 52-110 – Audit Committees ("**NI 52-110**") is contained in the section "Audit Committee" in the Company's Annual Information Form for the year ended December 31, 2016 filed under the Company's profile on SEDAR at www.sedar.com.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Shareholders may contact the Company at Suite 3083, 595 Burrard Street, Vancouver, BC, V7X 1L3 (Telephone: 604-689-5564) 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 financial statements and MD&A 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 form of Proxy to vote the shares represented thereby on such matter in accordance with their best judgment.

DATED this 12th day of September, 2018
BY ORDER OF THE BOARD OF DIRECTORS

"Steven Dean"

Steven Dean
Chairman and Chief Executive Officer

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SCHEDULE "A"

CORPORATE GOVERNANCE PRACTICES

The following table addresses the disclosure requirements set out in Form 58-101F1 (Corporate Governance Disclosure).

<i>Corporate Governance Disclosure Requirement</i>	<i>The Company's Approach</i>
<p>1. Board of Directors – (a) Disclose identity of directors who are independent.</p>	<p>Four of the Company's eight directors are independent in accordance with the applicable requirements of NI 52-110.</p> <p>The Company's four independent directors are Robert Atkinson, W. David Black, Donald Siemens, and William P. Armstrong.</p> <p>Mr. David Black is our Lead Director and, in that capacity, acts as the chair of the meetings of the independent directors and as the liaison between management and the Board.</p>
<p>(b) Disclose identity of directors who are not independent and describe the basis for that determination.</p>	<p>Four of the Company's eight directors are not independent in accordance with the applicable requirements of NI 52-110.</p> <p>The Company's non-independent directors are Steven Dean (Chairman and CEO), Maryse Bélanger (President and COO), Walter Bucknell (advisor and director), and Ryan Beedie (who the Board has determined has a material relationship with the Company, including his ownership of Beedie Investments Ltd., an entity which holds 27.5% of the Company's outstanding shares).</p>
<p>(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board of Directors (the board) does to facilitate its exercise of independent judgment in carrying out its responsibilities.</p>	<p>Fifty percent of the directors are independent. The directors believe that such representation is sufficient to demonstrate independent judgment. The directors ensure that exercise of independent judgment is facilitated in carrying out its responsibilities by holding frequent meetings and by refraining from decision making or voting in case of conflicting interests.</p>
<p>(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.</p>	<p>The following directors are presently also directors of the following other reporting issuers:</p> <ul style="list-style-type: none"> • Steven Dean: Oceanic Iron Ore Corp. and Sierra Metals Inc. • Robert Atkinson: Hansa Resources Ltd. and Cassius Ventures Ltd. • W. David Black: Zincore Metals Inc. • Donald Siemens: Eros Resources Corp., Beaufield Resources, Hansa Resources Limited and Skeena Resources Limited. • Maryse Bélanger: Sherritt International Corporation, Sigma Lithium Resources Corporation, Plateau Energy Metals Inc.

Corporate Governance Disclosure Requirement	The Company's Approach
<p>(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.</p>	<p>The Company holds meetings of the full Board as required, at which the opinion of the independent directors is sought and duly acted upon for all material matters related to the Company.</p> <p>While there is no formal mechanism by which independent directors hold regular scheduled meetings at which non-independent directors and members of management are not in attendance, the independent directors:</p> <ul style="list-style-type: none"> (a) are encouraged to meet at any time they consider necessary; and (b) meet after regularly scheduled meetings of the full Board, without any members of management nor non-independent directors being present. Four such meetings were held in the most recently completed financial year.
<p>(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.</p>	<p>Steven Dean, the Company's Chairman of the Board, is not an independent director. Mr. Dean chairs the meetings of the Board and actively seeks out the views of independent directors on all board matters. In addition, David Black is the Lead Director and is an independent director. His roles and responsibilities include, but are not limited to the following:</p> <ul style="list-style-type: none"> (i) Working collaboratively with the Chair, the CEO and the Corporate Secretary of the Company to coordinate the agenda, information packages and related events for Board meetings. (ii) Acting as a liaison between the independent directors and the Chair. (iii) Chairing Board meetings when the Chair is not in attendance, including stimulating debate, providing adequate time for the discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decision-making is reached and accurately recorded. For the avoidance of doubt, the Lead Director shall have full authority to call Board meetings and approve meeting materials. (iv) Providing leadership to enable the independent members of the Board to effectively carry out their duties and responsibilities independently from Management. (v) Providing advice, counsel and mentorship to Management and fellow directors. <p>A full list of responsibilities of the Lead Director is listed in the Terms of Reference for the Lead Director on the Company's website.</p>
<p>(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.</p>	<p>The Company has held 8 Board meetings (5 in 2017 and 3 in 2018) since the beginning of its most recently completed financial year. All directors attended all 8 Board meetings since the beginning of the most recently completed financial year.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
<p>2. Board Mandate – Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.</p>	<p>The Board does not have a written mandate, but assumes responsibility for stewardship of the Company, including overseeing all of the operation of the business, supervising management and setting milestones for the Company. The Board reviews the statements of responsibilities for the Company including, but not limited to, the Nominating and Corporate Governance Committee Charter and the Code of Conduct (as described below).</p> <p>The Board approves all significant decisions that affect the Company and its subsidiaries and sets specific milestones towards which management directs their efforts.</p> <p>The Board and senior management are responsible for identifying the principal risks of the Company's business and for ensuring these risks are effectively monitored and mitigated to the extent practicable.</p> <p>The CEO is responsible for developing a long-term strategic plan for the Company. The Board is responsible for approving the strategic plan and annual operating plans recommended by management. Board consideration and approval is also required for all material contracts and business transactions and all debt and equity financing proposals. The Board is responsible for senior executive recruitment and the Compensation Committee for senior executive compensation.</p> <p>The Board delegates to management, through the CEO, responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. Management also furnishes recommendations to the Board respecting corporate objectives, long-term strategic plans and annual operating plans.</p> <p>The Board appoints senior management. The Board approves all of the Company's major communications, including annual and quarterly reports and press releases.</p> <p>Project budgets are brought before the Board for approval on a regular basis. The Board's direction with respect to these budgets is communicated back to project staff.</p> <p>The Board as a whole, supported by the Corporate Governance and Nominating Committee, is responsible for developing the Company's approach to corporate governance.</p> <p>The number of scheduled board meetings varies with circumstances. The Chairman and CFO establish the agenda at each Board meeting, and request the recommendation of each director for items to be included in the agenda. Each director has the ability to raise subjects that are not on the agenda at any board meeting. Meeting agendas and other materials to be reviewed and/or discussed for action by the Board are distributed to directors in time for review prior to each meeting.</p> <p>Board members have full and free access to senior management and employees of the Company.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
3. Position Description –	
(a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.	The Board has adopted terms of reference for the Chair of the Board, the Lead Director, and each chair of the Board's four committees, being the Compensation Committee, the Nominating and Corporate Governance Committee, the Audit Committee and the Health, Safety and Environmental Committee. Such terms of reference contain formal position descriptions for each such position and the full text of such terms of reference can be found on the Company's website at www.atlanticgoldcorporation.com/corporate/corporate_governance .
(b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.	Beyond what is in the Sirocco Agreement, the Board, the Chairman and President, if any, and CEO have not, to date, developed formal, documented position descriptions for the CEO defining the limits of such officer's responsibilities. The Board annually approves the operating and capital budgets and strategic plan, and the President, if any, and CEO is required to ensure the Company operates within those guidelines. Material departures must be approved by the Board. The Board is of the view that the respective corporate governance roles of the board and management, as represented by the Chairman and President, if any, and CEO, are clear, and that the limits to management's responsibility and authority are well-defined.
4. Orientation and Continuing Education –	
(a) Briefly describe what measures the board takes to orient new directors regarding <ul style="list-style-type: none"> i. The role of the board, its committees and its directors, and ii. The nature and operation of the issuer's business 	The Company does not have a formal orientation and education program for new directors. However, new directors are provided with relevant materials with respect to the Company, and spend a considerable amount of time being oriented on relevant corporate issues by the Chairman and CEO.
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	The Board currently does not provide continuing education for its directors. By using a Board composed of experienced professionals with a wide range of financial, legal, exploration and mining expertise, the Company ensures that the Board operates effectively and efficiently.

Corporate Governance Disclosure Requirement	The Company's Approach
5. Ethical Business Conduct –	
<p>(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:</p> <ul style="list-style-type: none"> i. Disclose how a person or company may obtain a copy of the code; ii. Describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and iii. Provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code. 	<p>Effective May 2, 2011, the Board adopted a new Code of Conduct (the "Code"), which is applicable to all of the Company's personnel, to augment the former Code of Ethical Conduct for Financial Managers, which was only applicable to the Company's principal executive officer, principal financial officer, principal accounting officer, controller or person performing similar functions. The Code was last reviewed in 2017.</p> <p>The Code is posted on the Company's website at www.atlanticgoldcorporation.com/corporate/corporate_governance/ and also available on SEDAR under the Company's profile at www.sedar.com. The Board has instructed its management and employees to abide by the Code and to bring any breaches of the Code to the attention of the Board. The Board, through its Audit Committee in the presence of its external auditors, will be conducting annual reviews of the performance of personnel under the Code with a view to updating Company practice or policy as necessary to enhance compliance with the Code. The Board will also keep a record of any departures from the Code as well as any waivers requested and or granted.</p> <p>No material change report has been filed that pertains to any conduct of director or executive officer that constitutes a departure from the Code.</p> <p>In addition to the Code, the Company has adopted a Foreign Corrupt Practices Act Compliance Policy.</p>
<p>(b) Describe any steps the board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p>	<p>Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions.</p> <p>A thorough discussion of the documentation related to a material transaction is required to be reviewed by the Board, particularly independent directors.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
(c) Describe any other steps that board takes to encourage and promote a culture of ethical business conduct.	<p>The Board seeks directors who have solid track records in spheres ranging from legal and financial to exploration and mining in order to ensure a culture of ethical business conduct.</p> <p>The Company has also established a Whistle-Blower Policy whereby the Board of Directors has delegated the responsibility of monitoring complaints regarding accounting, internal controls or auditing matters to the Audit Committee. The Whistle-Blower Policy allows employees throughout the organization to report any unethical or illegal activity without fear of reprisal from their fellow employees, supervisor or other Company officials.</p> <p>The Whistle-Blower Policy was last reviewed in November 2017 and a copy is available on the Company's website at www.atlanticgoldcorporation.com/corporate/corporate_governance/.</p> <p><i>Foreign Corrupt Practices Compliance Policy:</i> The Company also has a policy in place to ensure the Company, our directors, officers, and employees do not participate in the corruption of foreign public officials and to ensure compliance with anti-corruption laws of all countries and territories in which we operate.</p> <p><i>Share Ownership Policy:</i> The Board of Directors of the Company has adopted a Share Ownership Policy in order to set out share ownership guidelines which will enhance alignment of the interests of directors and executive officers of the Company with its shareholders.</p>
6. Nomination of Directors -	
(a) Describe the process by which the board identifies new candidates for board nomination	Management and the full Board draw on all relevant sources in the search for new directors. All of the Company's directors are involved in the process after a potential candidate is identified.
(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	The Nominating and Corporate Governance Committee performs the functions of a nominating committee and currently consists of three independent directors (W. David Black (Chair), Donald Siemens and Robert Atkinson).

Corporate Governance Disclosure Requirement	The Company's Approach
<p>(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.</p>	<p>The Nominating and Corporate Governance Committee has the mandate to:</p> <ul style="list-style-type: none"> • Identify individuals qualified to become Board members • Recommend candidates to fill Board vacancies and newly created director positions • Assess the effectiveness of the Board as a whole and individual Board members • Provide an orientation program for new recruits to the Board, and provide education to all Board members • Recommend the composition of committees of the Board <p>In recommending candidates to the Board or committees of the Board, the Nominating and Corporate Governance Committee considers such factors as it deems appropriate, including potential conflicts of interest, professional experience, personal character, diversity, outside commitments (including service on other boards or committees) and particular areas of expertise.</p> <p>The Nominating and Corporate Governance Committee also provides, with the assistance of management, suitable programs for the orientation of new Board members and the continuing education of incumbent directors, which include, among other things, reviewing background material, strategic plans of the Company and meeting with senior management.</p> <p>The Nominating and Corporate Governance Committee, as part of their annual review, assesses the effectiveness of the Board, its committees and its individual directors. This Committee assesses the adequacy of the information provided, the regular nature of the communication between the Board and management and reviews whether management is following the mandated strategic direction as set out in the Board's direction and management milestones.</p>
<p>7. Compensation -</p>	
<p>(a) Describe the process by which the board determines the compensation for the issuer's directors and officers.</p>	<p>The Compensation Committee reviews the adequacy and form of compensation and compares it to other companies of similar size and stage of development. Directors' compensation is a combination of annual retainer and stock options. The Company's Compensation Committee reviews the amounts and effectiveness of such compensation. (See also "Compensation Discussion and Analysis" in the attached Information Circular.)</p>
<p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>The board has a Compensation Committee composed of three independent directors. The members of this committee are Robert Atkinson (Chairman), W. David Black and Bill Armstrong.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.	The Compensation Committee's primary responsibility is to make recommendations for approval by the Board of Directors on an ongoing basis with respect to the appointment and remuneration of directors and senior officers. The Committee also evaluates the performance of the Company's senior executive officers and reviews the design and competitiveness of the Company's compensation plans. The Compensation Committee meets as required to review and set remuneration. As part of ensuring long term goals are aligned between key management / directors and the Company, the Company has adopted a Share Ownership Policy in 2018.
8. Other Board Committees –	
If the board has standing committees other than the audit and compensation committees, identify the committees and describe their function.	The board has a Nominating and Corporate Governance Committee, whose functions are described above. The Company has also recently established a Health, Safety and Environmental Committee in April 2017.
9. Assessments –	
Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees and its individual directors are performing effectively.	The Board conducts annual assessments of the Board's effectiveness, its committees and its individual directors based on regular discussions between the Chairman of the Board and CEO, and the President and COO of the Company. To assist in such review, the Nominating and Corporate Governance Committee, as part of their annual review, assesses the effectiveness of the Board and its committees through the review of Board Assessment forms as completed by the individual directors. This Committee assesses the adequacy of the information provided, the regular nature of the communication between the Board and management and reviews whether management is following the mandated strategic direction as set out in the Board's direction and management milestones. The Board, based on the recommendations of the Compensation Committee, assesses management's effectiveness in attaining the Company's corporate objectives, budgets and milestones. For the 2017 year, the performance of the Chairman, committee chairmen, individual directors, the board and its committees were determined to be satisfactory.

Corporate Governance Disclosure Requirement	The Company's Approach
10. Director Term Limits and Other Mechanisms of Board Renewal	
<p>Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.</p>	<p>The Company has not adopted term limits for its directors or other mechanisms for Board renewal. The Nominating and Corporate Governance Committee, on an annual basis, reviews and assesses the effectiveness of the Board as a whole, taking into account its size and composition, its committees, the competencies and skills of the directors, and other issues that it considers relevant.</p> <p>The Nominating and Corporate Governance Committee has considered whether to propose that the Board adopt term limits for directors and has determined not to do so after consideration of a number of factors, including the significant advantages associated with the continued involvement of long-serving directors who have gained a deep understanding of the Company's projects, operations and objectives during their tenure; the experience, corporate memory and perspective of such directors; the competencies and skills that the existing directors possess; and the current circumstances and needs of the Company.</p>
11. Policies Regarding the Representation of Women on the Board	
<p>(a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.</p> <p>(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:</p> <p>(i) a short summary of its objectives and key provisions,</p> <p>(ii) the measures taken to ensure that the policy has been effectively implemented,</p> <p>(iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and</p> <p>(iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.</p>	<p>The Company recognizes the need to promote gender diversity within its Board. The Company has not adopted a written policy relating to the identification and nomination of women directors.</p> <p>The Board's current position is such that it believes the interests of the Company would be appropriately served by ensuring that new directors are identified and selected from the widest possible group of potential candidates. Taking into consideration the size of the Company, in addition to its current status as a TSXV listed entity, the Company believes that a formalized written diversity policy governing the identification and selection of potential candidates may unduly restrict the Board's ability to select the best candidate.</p> <p>The Company does have a number of women as employees (management and otherwise) at site, in its corporate head office in Vancouver, and including a female board member.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
<p>12. Consideration of the Representation of Women in the Director Identification and Selection Process</p>	
<p>Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.</p>	<p>The Nominating and Corporate Governance is responsible for considering and reviewing the criteria for selecting candidates for possible election to the Board in light of the Company's circumstances and needs. In making its recommendations to the Board, the Nominating and Corporate Governance considers the competencies and skills that (a) the Board considers necessary for the Board as a whole; (b) the existing members of the Board possess; and (c) each new nominee would bring as well as (d) whether or not the nominee can devote sufficient time and resources to his or her duties as a Board member.</p> <p>Although diversity (which includes diversity in gender, age, ethnicity and cultural background) is one of the factors considered in the Company's director identification and selection process, the considerations set out in the above paragraph are given greater weight. In light of the Company's view that candidates should be selected from the widest possible group of qualified individuals, the level of representation of women may be considered an important factor, it should not be the only factor in identifying and nominating candidates for election or re-election to the Board.</p> <p>The Company does have a female board member.</p>
<p>13. Consideration Given to the Representation of Women in Executive Officer Appointments</p>	
<p>Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.</p>	<p>The Company recognizes the need to promote gender diversity within the executive team, however, the Company's views with respect to the representation of women in executive officer positions when making executive officer appointments is the same as the Company's views on the representation of women in the director identification and selection process. In making decisions as to executive officer appointments, the Company also believes that decisions to hire or promote an individual should be based on that person's competencies and skills, professional experience, particular areas of expertise, character and merit.</p> <p>Accordingly, the level of representation of women in executive officer positions may be considered an important factor, it should not be the only factor when making executive officer appointments. One of the three executive officers of the Company is female.</p>

Corporate Governance Disclosure Requirement	The Company's Approach
14. Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions	
<p>(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.</p> <p>(b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.</p> <p>(d) If the issuer has adopted a target referred to in either (b) or (c), disclose:</p> <p>(i) the target, and</p> <p>(ii) the annual and cumulative progress of the issuer in achieving the target.</p>	<p>The Company has not adopted a target regarding women on the Board or in executive officer positions for the reasons set out above, and given the size of the Company and its current status as a TSXV listed issuer, the Company believes that adopting such a target may unduly restrict its ability to select, hire or promote the best candidate for the position in question.</p>
15. Number of Women on the Board and in Executive Officer Positions	
<p>(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.</p> <p>(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women.</p>	<p>One of the Company's eight directors (12.5%) is female.</p> <p>Thirty-three percent of the Company's executive officers are women.</p>
16. (Optional Disclosure) Share Ownership Policy	

Corporate Governance Disclosure Requirement	The Company's Approach
(a) Disclose guidelines established under the Share Ownership Policy.	<p>The Board, on the recommendation of the Corporate Governance committee, recently approved director share ownership guidelines, effective as of April 19, 2018. Executive officers are required to Shares having minimum values as follows:</p> <ul style="list-style-type: none"> • Chief Executive Officer: value equal to three times the gross amount of his/ her annual base salary, • all other executive officers: value equal to two and a half times the gross amount of his/ her annual base salary. <p>Individuals in office as at the effective date of the share ownership policy are required to achieve the applicable level of share ownership at the later of four years after joining the Company and two years following the effective date of the policy.</p> <p>Non-executive directors of the Company are required to own Shares having a value equal to five times the gross amount of their annual director or related committee cash compensation. Individuals who are directors at the effective date of the share ownership policy are required to achieve this level of share ownership at the date which is the later of a) four years after joining the board of directors, and b) two years following the effective date of the policy.</p> <p>Share ownership values are calculated as follows:</p> <ol style="list-style-type: none"> 1. For executive officers and directors existing as at the effective date of the share ownership policy: <ol style="list-style-type: none"> a. The number of Shares beneficially owned as at the effective date multiplied by the close price of the Shares on the effective date, or such other price as the Compensation Committee may approve; b. For Deferred Share Units held by directors as at the effective date, the grant date value of such Deferred Share Units; c. For Shares acquired subsequent to the effective date, the acquisition cost of such shares; and/or d. For Deferred Share Units acquired by directors subsequent to the effective date, the grant date value of such Deferred Share Units. 2. for executive officers and directors appointed or elected subsequent to the Effective Date, as applicable: <ol style="list-style-type: none"> a. the number of Shares beneficially owned as at the date of their appointment or election multiplied by the close price of the Shares on that date; b. for Deferred Share Units granted to new directors on or subsequent to their appointment or election, the grant date value of such Deferred Share Units; and/or c. for Shares acquired subsequent to their appointment or election, the acquisition cost of such shares.

Corporate Governance Disclosure Requirement	The Company's Approach
(b) Disclose compliance against the Share Ownership Policy guidelines for all directors and executive officers	<p>Steven Dean – In Compliance</p> <p>Maryse Bélanger – Not yet in Compliance but on track to comply by deadline of July 16, 2020</p> <p>Chris Batalha - Not yet in Compliance but on track to comply by deadline of April 19, 2020</p> <p>Ryan Beedie – In Compliance</p> <p>David Black – In Compliance</p> <p>William Armstrong – In Compliance</p> <p>Don Siemens – In Compliance</p> <p>Walter Bucknell – In Compliance</p> <p>Robert Atkinson – In Compliance</p>