

CABRAL GOLD INC.
#1500 – 409 Granville Street
Vancouver, British Columbia
Canada V6C 1T2

**MANAGEMENT INFORMATION CIRCULAR
AS AT DECEMBER 15, 2017**

This Management Information Circular (“Information Circular”) is furnished in connection with the solicitation of proxies by management of Cabral Gold Inc. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (“Shareholders”) to be held on January 30, 2018 and any adjournment or postponement thereof, for the purposes set forth in the attached Notice of Annual General Meeting. Except where otherwise indicated, the information contained herein is stated as of December 15, 2017.

In this Information Circular, references to the “**Company**” and “**we**” refer to Cabral Gold Inc. “**Common Shares**” means common shares without par value in the capital of the Company. “**Registered Shareholders**” means Shareholders whose names appear on the records of the Company as the registered holders of Common Shares. “**Non-Registered Shareholders**” means Shareholders who do not hold Common Shares in their own name. “**Intermediaries**” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Non-Registered Shareholders.

GENERAL PROXY INFORMATION

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone by directors, officers and regular employees of the Company. The Company will bear all costs of this solicitation. We have arranged to send meeting materials directly to Registered Shareholders, as well as Non-Registered Shareholders who have consented to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (non-objecting beneficial owners). We have not arranged for Intermediaries to forward the meeting materials to Non-Registered Shareholders who have objected to their ownership information being disclosed by the Intermediary holding the Common Shares on their behalf (objecting beneficial owners). As a result, objecting beneficial owners will not receive the Information Circular and associated meeting materials unless their Intermediary assumes the costs of delivery.

Appointment and Revocation of Proxies

The individuals named in the accompanying form of proxy (the “**Proxy**”) are officers of the Company or solicitors for the Company. **If you are a Registered Shareholder, you have the right to attend the meeting or vote by proxy and to appoint a person or company other than the person designated in the Proxy, who need not be a Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of Proxy.**

If you are a Registered Shareholder you may wish to vote by proxy whether or not you are able to attend the Meeting in person. Registered Shareholders electing to submit a Proxy may do so by completing, dating and signing the enclosed form of Proxy and returning it to the Company’s transfer agent, Computershare Trust Company of Canada (“**Computershare**”), in accordance with the instructions on the Proxy.

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

Every Proxy may be revoked by an instrument in writing:

- (i) executed by the Shareholder or by his/her attorney authorized in writing or, where the Shareholder is a company, by a duly authorized officer or attorney of the company; and
- (ii) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof, at which the Proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective Intermediaries to revoke the Proxy on their behalf. If you are a Non-Registered Shareholder, see “Voting by Non-Registered Shareholders” below for further information on how to vote your Common Shares.

Exercise of Discretion by Proxyholder

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

- (i) each matter or group of matters identified therein for which a choice is not specified;
- (ii) any amendment to or variation of any matter identified therein;
- (iii) any other matter that properly comes before the Meeting; and
- (iv) exercise of discretion of the proxyholder.

In respect of a matter for which a choice is not specified in the Proxy, the persons named in the Proxy will vote the Common Shares represented by the Proxy for the approval of such matter. Management is not currently aware of any other matters that could come before the Meeting.

Voting by Non-Registered Shareholders

The following information is of significant importance to Shareholders who do not hold Common Shares in their own name. Non-Registered Shareholders should note that the only Proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders.

If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in the Shareholder’s name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder’s Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. as nominee for The Canadian Depository for Securities Limited (which acts as depository for many Canadian brokerage firms and custodian banks), and in the United States, under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

If you have consented to disclosure of your ownership information, you will receive a request for voting instructions from the Company (through Computershare). If you have declined to disclose your ownership information, you may receive a request for voting instructions from your Intermediary if they have assumed the cost of delivering the Information Circular and associated meeting materials. Every Intermediary has its own mailing procedures and provides its own return instructions to clients. However, most Intermediaries now delegate responsibility for obtaining voting instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada.

If you are a Non-Registered Shareholder, you should carefully follow the instructions on the voting instruction form received from Computershare or Broadridge in order to ensure that your Common Shares are voted at the Meeting. The voting instruction form supplied to you will be similar to the Proxy provided to the Registered Shareholders by the Company. However, its purpose is limited to instructing the Intermediary on how to vote on your behalf.

The voting instruction form sent by Computershare or Broadridge will name the same persons as the Company’s proxy to represent you at the Meeting. **Although as a Non-Registered Shareholder you may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of your Intermediary, you, or a person designated by you (who need not be a Shareholder), may attend at the Meeting as Proxyholder for your Intermediary and vote your Common Shares in that capacity.** To exercise this right to attend the meeting or appoint a Proxyholder of your own choosing, you should insert your own name or the name of the desired representative in the blank space provided in the voting instruction form. Alternatively, you may provide other written instructions requesting that you or your desired representative attend the Meeting as Proxyholder for your Intermediary. The completed voting instruction form or other written instructions must then be returned in accordance with the instructions on the form.

If you receive a voting instruction form from Computershare or Broadridge, you cannot use it to vote Common Shares directly at the Meeting. The voting instruction form must be completed as described above and returned in accordance with its instructions well in advance of the Meeting in order to have the Common Shares voted.

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

No person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors or the appointment of auditors. For the purpose of this paragraph, “person” shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company’s last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person as listed in (a) or (b).

RECORD DATE AND QUORUM

The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting as the close of business on December 15, 2017 (the “**Record Date**”). Shareholders of record as at the Record Date are entitled to receive notice of the Meeting and to vote their Common Shares at the Meeting, except to the extent that any such Shareholder transfers any Common Shares after the Record Date and the transferee of those Common Shares establishes that the transferee owns the Common Shares and demands, not less than ten (10) days before the Meeting, that the transferee’s name be included in the list of Shareholders entitled to vote at the Meeting, in which case, only such transferee shall be entitled to vote such Common Shares at the Meeting.

Under the Company’s articles, the quorum for the transaction of business at a meeting of Shareholders is one person who is a Shareholder, or who is otherwise permitted to vote shares of the Company at a meeting of Shareholders, present in person or by Proxy.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

On the Record Date there were 31,412,418 Common Shares issued and outstanding, with each Common Share carrying the right to one vote. Only Shareholders of record at the close of business on the Record Date will be entitled to vote in person or by Proxy at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, as of the date of this Information Circular, the Shareholders who beneficially own, or exercise control or direction, directly or indirectly, Common Shares carrying 10% or more of the votes attached to Common Shares are:

Name	Number of Common Shares Owned, or Controlled or Directed, Directly or Indirectly⁽¹⁾	Approximate Percentage of Total Outstanding Common Shares
Alan Carter	5,527,665	17.6%
Dennis Moore	5,527,665	17.6%

(1) The above information was derived from the shareholder list maintained by the Company’s registrar and transfer agent, or from insider and beneficial ownership reports available at www.sedi.com and www.sedar.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Company’s directors, the only matters to be placed before the Meeting are those set forth in the accompanying Notice of Meeting and discussed below.

Presentation of Financial Statements

The annual consolidated financial statements of the Company for the financial years ended June 30, 2016 and June 30, 2017 together with the auditors’ reports thereon, will be placed before the Meeting. The Company’s financial statements are available on the System of Electronic Document Analysis and Retrieval (SEDAR) website at www.sedar.com.

Election of Directors

The Company proposes to fix the number of directors of the Company at five (5) and to nominate the persons listed below for election as directors. Each director will hold office until the next annual general meeting of the Company or until his successor is elected or appointed, unless his office is earlier vacated. Management does not contemplate that any of the nominees will be unable to serve as a director. If, prior to the Meeting, any vacancies occur in the slate of nominees herein listed, it is intended that discretionary authority shall be exercised by the person named in the Proxy as nominee to vote the Common Shares represented by Proxy for the election of any other person or persons as directors.

The following table sets out the names of the management nominees; their positions and offices in the Company; principal occupations; the period of time that they have been directors of the Company; and the number of Common Shares which each beneficially owns or over which control or direction is exercised.

Name, Residence and Present Position within the Company	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Discretion is Exercised ⁽¹⁾	Principal Occupation ⁽¹⁾
Alan Carter President, Chief Executive Officer and Director British Columbia, Canada	October 30, 2017	5,527,665	President and CEO of Cabral Gold Ltd. from February 2016 to October 30, 2017, and of the Company from October 30, 2017 to present. Chairman of Fremont Gold Ltd. from June 29, 2017 to present. President & CEO (interim) of Altamira Gold Corp. from October 2016 to September 2017. Chairman of Altamira Gold Corp. from September 2017 to present. President & CEO of Magellan Minerals Ltd. from April 2006 to May 2016.
Charles Oliver ⁽²⁾⁽³⁾ Chairman and Director Ontario, Canada	October 30, 2017	766,674	Fund manager. Director of Klondex Mines Ltd. and Orezone Gold Corporation.
Dennis Moore Director Lisbon, Portugal	October 30, 2017	5,527,665	President and CEO of Fremont Gold Ltd. from June 29, 2017 to present. Advisor to Cabral Gold Ltd. from February 2016 to October 30, 2017. Vice President of Corporate Development for Magellan Minerals Ltd. from June 2008 to May 2016. Exploration geologist.
Donald Njegovan ⁽²⁾⁽³⁾ Director Ontario, Canada	October 30, 2017	71,579	Vice President, New Business Development at Osisko Mining Corporation. Director of Sable Resources Ltd. from November 2017 to present.
Derrick Weyrauch ⁽²⁾⁽³⁾ Director Ontario, Canada	October 30, 2017	16,666	Chief Financial Officer, Cardinal Resources Ltd. from July 2017 to present and a director of Banro Corporation from December 2013 to present. Previously the Chief Financial Officer of Jaguar Mining Inc., Temex Resources Ltd. and Andina Minerals Inc.

(1) The information as to principal occupation, business or employment and Common Shares beneficially owned or controlled is not within the knowledge of management of the Company and has been furnished by the respective nominees. Unless otherwise stated above, any nominees named above have held the principal occupation or employment indicated for at least the five preceding years.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

Except as otherwise disclosed below, no proposed director of the Company is, or has been, within the ten years prior to the date of this Information Circular, a director or executive officer of any company that:

- (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while that person was acting in that capacity;
- (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to act in that capacity, and which resulted from an event that occurred while that person was acting in that capacity; or
- (c) 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.

Derrick H. Weyrauch was elected to the board of directors of Jaguar Mining Inc. (“**Jaguar**”) in June 2013. As part of a corporate turnaround and restructuring process, Jaguar declared insolvency and commenced a voluntary proceeding under the Companies’ Creditors Arrangement Act (Canada) (the “**CCAA**”) on December 23, 2013 in the Ontario Superior Court of Justice. This proceeding was commenced to implement a debt restructuring and financing transaction (“**CCAA Plan**”) that was negotiated prior to the commencement of the CCAA proceeding. On April 22, 2014, Jaguar implemented the CCAA Plan and emerged from court protection under the CCAA. On May 2, 2014, the shares of Jaguar began trading on the TSX Venture Exchange. Following the voluntary proceeding under the CCAA, the Toronto Stock Exchange advised that it is reviewing the common shares of Jaguar with respect to meeting the requirements for continued listing pursuant to the Expedited Review Process. The common shares were subsequently suspended from trading on the Toronto Stock Exchange. In 2013, NYSE Regulations, Inc. (“**NYSE Regulation**”) reached a decision to delist Jaguar’s common shares in view of the fact that Jaguar’s common shares had fallen below the New York Stock Exchange’s (“**NYSE**”) continued listing standard for an average closing price of less than US\$1.00 over a consecutive 30 trading day period. As a result, on June 3, 2013, NYSE Regulation commenced proceedings to delist the common shares of Jaguar from the NYSE and trading in Jaguar’s common shares was suspended prior to the opening on June 7, 2013.

Mr. Weyrauch is a director of Banro Corporation (“**Banro**”). On November 20, 2017, Banro became subject to a general cease trade order issued by the Ontario Securities Commission (the “**CTO**”) for failure to file its interim financial statements and management’s discussion and analysis for the period ended September 30, 2017, and the certifications of such filings as required by National Instrument 52-109. The filings were not made due to significant uncertainty concerning Banro’s ability to continue as a going concern. The CTO has not been revoked.

No proposed director of the Company is, or has been, within the ten years prior to 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.

Appointment of Auditor

Management is recommending that Shareholders vote to appoint DeVisser Gray LLP (“**DVG**”), of #401-905 West Pender Street, Vancouver, British Columbia V6C 1L6, as the Company’s auditor and to authorize the directors to fix their remuneration. DVG was appointed auditors of the Company on December 6, 2017 in place of MNP LLP (“**MNP**”).

There have been no reportable events between the Company and MNP and no modified opinions by MNP for the purposes of National Instrument 51-102 *Continuous Disclosure Obligations* (“**NI 51-102**”). A “reportable event” is defined in NI 51-102 as a disagreement, a consultation or an unresolved issue with the auditors. A copy of the reporting package required by NI 51-102 with respect to the resignation of MNP and the appointment of DVG as auditors for the Company, including the Notice of Change of Auditor, a letter from MNP and a letter from DVG are attached to this Information Circular as Schedule “B”.

Approval of Advance Notice Provision

The Shareholders approved an advance notice policy (the “**Original Advance Notice Policy**”) at the annual general meeting held on February 10, 2016. The directors of the Company are proposing that the Articles of the Company be altered to include an advance notice provision (the “**Advance Notice Provision**”) to replace the Original Advance Notice Policy. The full text of

the proposed alteration of the Articles to include the Advance Notice Provision is set out in Schedule “C” to this Information Circular.

The Advance Notice Provision will provide Shareholders, directors and management of the Company with direction on the procedure for Shareholder nomination of directors. The Advance Notice Provision is the framework by which the Company seeks to fix a deadline by which holders of record of Common Shares of the Company must submit director nominations to the Company prior to any annual or special meeting of Shareholders, and sets forth the information that a Shareholder must include in the notice to the Company for the notice to be in proper written form. The purpose of adopting the Advance Notice Provision is to: (i) facilitate orderly and efficient annual general or special meetings; (ii) ensure that all Shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allow Shareholders to register an informed vote.

Summary of the Advance Notice Provision

Subject to the *Business Corporations Act* (British Columbia) (the “**Act**”), only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the Board may be made at any annual meeting of Shareholders, or at any special meeting of Shareholders if one of the purposes for which the special meeting was called was the election of directors. This nomination may be made:

- (i) by the Board, including pursuant to a notice of meeting;
- (ii) by or at the direction or request of one or more Shareholders pursuant to a proposal or requisition made in accordance with the provisions of the Act; or
- (iii) by any person who (A) at the close of business on the date of the giving of the notice provided for in the Advance Notice Provision and on the record date for notice of such meeting, is a registered or beneficial holder of one or more shares carrying the right to vote at such meeting; and (B) who complies with the notice procedures set forth in the Advance Notice Provision (a “**Nominating Shareholder**”).

In addition, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the secretary of the Company at the principal executive offices of the Company as more particularly described in Schedule “C”.

To be timely, a Nominating Shareholder’s notice to the Company must be made:

- (i) in the case of an annual meeting of Shareholders, not less than 30 or more than 65 days prior to the date of the annual meeting, provided that if the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the meeting was made (the “**Notice Date**”), notice by the Nominating Shareholder may be made not later than the close of business on the 10th day following the Notice Date; and
- (i) in the case of a special meeting of Shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the Notice Date.

In no event shall any adjournment or postponement of a meeting of Shareholders or the announcement thereof commence a new time period for the giving of a Nominating Shareholder’s notice as described above.

To be in proper written form, a Nominating Shareholder’s notice must include:

- (i) for each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of Shareholders and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident’s proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws; and

- (ii) for the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and applicable securities laws.

The Company may require any proposed nominee to furnish such other information as may reasonably be required by the Company to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable Shareholder's understanding of the independence, or lack thereof, of such proposed nominee.

No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Provision. However, nothing in the Advance Notice Provision shall be deemed to preclude discussion by a Shareholder at a meeting of Shareholders of any matter, other than the nomination of directors, in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.

Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in the Advance Notice Provision.

Shareholder Confirmation

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution to approve the alteration to the Articles of the Company to include the Advance Notice Provision:

“BE IT RESOLVED THAT:

- (a) the Articles of the Company be altered by adding the text substantially as set forth in Schedule “C” to the Information Circular as and at Article 14.12 of the Articles of the Company;
- (b) the Company be authorized to revoke this resolution and abandon or terminate the alteration of the Articles of the Company if the Board deems it appropriate and in the best interests of the Company to do so without further confirmation, ratification or approval of the Shareholders; and
- (c) any director or officer of the Company be authorized and directed to do all acts and things and to execute and deliver all documents required which, in the opinion of such director or officer, may be necessary or appropriate in order to give effect to this resolution.”

Recommendation of the Board

The Board has concluded that the Advance Notice Provision is in the best interests of the Company and its Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve an alteration of the Articles of the Company by voting FOR the resolution adopting the Advance Notice Provision at the Meeting.

Proxies received in favor of management will be voted in favor of the alteration of the Articles of the Company, unless the Shareholder has specified in the Proxy that his or her Common Shares are to be voted against such resolution.

OTHER BUSINESS

As of the date of this Information Circular, management of the Company knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the Common Shares represented by the Proxy.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular:

“CEO” means the Company's chief executive officer;

“CFO” means the Company’s chief financial officer;

“Named Executive Officer” or “NEO” means:

- (a) a CEO;
- (b) a CFO;
- (c) the most highly compensated executive officer, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

As at June 30, 2017, the end of the most recently completed financial year of the Company, the Company had two (2) NEOs, whose names and positions held within the Company are set out in the summary compensation table below.

Director and named executive officer compensation

The following table is a summary of compensation awarded to, earned by, paid to, or payable to each NEO of the Company for the two most recently completed financial years ended June 30, 2017 and 2016.

Table of compensation excluding compensation securities							
Name and position	Year Ended June 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Eileen Au ⁽¹⁾ Former Interim CEO, former Corporate Secretary and former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Delaram Salem ⁽²⁾ Former CFO and former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Danny Lee ⁽³⁾ Former Interim CFO and former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Gordon Nielsen ⁽⁴⁾ Former CEO, former President and former Director	2016	27,000	Nil	Nil	Nil	Nil	27,000
Scott Young ⁽⁵⁾ Former CFO, former Corporate Secretary and former Director	2016	13,000	Nil	Nil	Nil	Nil	13,000
Michael Arguijo ⁽⁶⁾ Former CEO, former President and former Director	2016	30,148	Nil	Nil	Nil	Nil	30,148
Richard Schroeder ⁽⁷⁾ Former CFO and former Corporate Secretary	2016	18,217	Nil	Nil	Nil	Nil	18,217

Notes:

- (1) Eileen Au served as Interim CEO, Corporate Secretary and a director of the Company from February 10, 2016 to October 30, 2017.
- (2) Delaram Salem served as CFO from August 1, 2016 to October 30, 2017 and as a director of the Company from July 4, 2017 to October 30, 2017.
- (3) Danny Lee served Interim CFO from February 10, 2016 to July 31, 2016 and as a director of the Company from February 10, 2016 to October 30, 2017.

- (4) Gordon Nielsen served as CEO, President and a director of the Company from September 1, 2015 until February 10, 2016.
- (5) Scott Young was appointed Corporate Secretary on September 1, 2015, a director on September 30, 2015 and CFO of the Company on December 9, 2015. He resigned on February 10, 2016.
- (6) Michael Arguijo served as CEO and a director of the Company from February 11, 2014 to September 1, 2015. He served as President of the Company from September 12, 2014 to September 1, 2015.
- (7) Richard Schroeder served as CFO from May 1, 2014 to November 30, 2015, and Corporate Secretary of the Company from October 8, 2014 to September 1, 2015.

The following table is a summary of compensation awarded to, earned by, paid to, or payable to each director who was not also an NEO of the Company for the two most recently completed financial years ended June 30, 2017 and 2016.

Table of compensation excluding compensation securities							
Name and position	Year Ended June 30	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Vincent Boon ⁽¹⁾ Former Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
David McAdam ⁽²⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
Donald Sharpe ⁽³⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
Michael Black ⁽⁴⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
Barry Loughlin ⁽⁵⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil
John G. Turner ⁽⁶⁾ Former Director	2016	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Vincent Boon served as a director of the Company from February 11, 2016 to October 30, 2017.
- (2) David McAdam served as a director of the Company from October 20, 2015 to February 10, 2016.
- (3) Donald Sharpe served as a director of the Company from February 11, 2014 to October 20, 2015. He served as Chairman of the Company from September 12, 2014 to October 20, 2015.
- (4) Michael Black served as a director of the Company from May 22, 2014 to October 20, 2015.
- (5) Barry Loughlin served as a director of the Company from June 9, 2014 to September 30, 2015.
- (6) John G. Turner served as a director of the Company from February 11, 2014 to August 20, 2015.

Stock options and other compensation securities

No compensation securities were granted or issued to the directors and NEOs of the Company in the most recently completed financial year ended June 30, 2017 for services provided or to be provided, directly or indirectly, to the Company.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year.

Stock option plans and other incentive plans

The Company's 2017 Stock Option Plan (the "**Plan**") was previously approved by Shareholders at the special meeting held on July 4, 2017. It is required to be approved at the Company's next annual general meeting. The purpose of the Plan is to provide an incentive to directors, employees and consultants to acquire a proprietary interest in the Company, to continue their participation in the affairs of the Company and to increase their efforts on behalf of the Company.

The following summary of the material terms of the Plan does not purport to be complete and is qualified in its entirety by reference to the Plan.

1. Eligible Participants. Options may be granted under the Plan to directors or officers of the Company or an affiliate of the Company (collectively, the “**Directors**”), employees of the Company (collectively, the “**Employees**”) consultants of the Company or its affiliate (collectively, the “**Consultants**”) or Management Company Employees (as that term is defined in Policy 4.4 of the TSX Venture Exchange (the “**Exchange**”) Corporate Finance Manual). The Board, in its discretion, determines which of the Directors, Employees, Consultants or Management Company Employees will be awarded Options under the Plan.
2. Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding Common Shares of the Company from time to time at the date of granting of Options (including all options granted by the Company prior to the adoption of the Plan and under the Plan). Options which are cancelled or expire prior to exercise continue to be issuable under the Plan.
3. Limitations. Under the Plan, the aggregate number of options granted to any one person in a 12 month period must not exceed 5% of the issued and outstanding shares of the Company, calculated on the date the option is granted. The aggregate number of options granted to any one Consultant in a 12 month period must not exceed 2% of the issued and outstanding shares of the Company, calculated at the date the option is granted. The aggregate number of options granted to all persons retained to provide investor relations services to the Company (including Consultants and Employees or Directors whose role and duties primarily consist of providing investor relations services) must not exceed 2% of the issued and outstanding shares of the Company in any 12 month period, calculated at the date an option is granted to any such person.
4. Term of Options. Subject to the termination and change of control provisions noted below, the terms of any Option granted under the Plan is determined by the Board and may not exceed ten years from the date of grant.
5. Exercise Price. The exercise price of Options granted under the Plan is determined by the Board, provided that it is not less than the Discounted Market Price, as that term is defined in the Exchange’s Corporate Finance policy manual or such other minimum price as is permitted by the Exchange in accordance with the policies from time to time, or, if the Common Shares are no longer listed on the Exchange, then such other exchange or quotation system on which the Common Shares are listed or quoted for trading. The exercise price of Options granted to insiders may not be decreased without disinterested shareholder approval at the time of the proposed amendment.
6. Vesting. All Options granted pursuant to the Plan will be subject to such vesting requirements as may be prescribed by the Exchange, if applicable, or as may be imposed by the Board.
7. Termination. Any Options granted pursuant to the Plan will terminate upon the earliest of:
 - (a) such date as the Board has fixed when the Option is granted, provided that the date is no more than one year from the date on which the holder ceases to be eligible (the “**Cessation Date**”) to hold the Option;
 - (b) the end of the term of the Option;
 - (c) if the Cessation Date is as a result of dismissal for cause or regulatory sanction, then immediately on the Cessation Date; or
 - (d) if the Cessation Date is as a result of death or disability, then the date that is one year from the date of such death or disability.

Employment, consulting and management agreements

The Company does not have any agreement or arrangement under which compensation was provided during the most recently completed financial year ended June 30, 2017 or is payable in respect of services provided to the Company that were performed by a director or a NEO, or performed by any other party but are services typically provided by a director or a NEO.

Oversight and description of director and named executive officer compensation

No cash compensation was paid to any director of the Company for the director’s services as a director during the financial year ended June 30, 2017. The compensation of directors is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels for the directors. Currently, the Company has no standard arrangement pursuant to which directors are compensated for their services in their

capacity as directors.

The objectives of the Company's executive compensation program are as follows:

- to attract, retain and motivate talented executives;
- to align the interests of the Company's executives with the interests of the Shareholders;
- to reward executive officers based on their skill and experience level, the level of responsibility involved in their position, the individual's experience and qualifications;
- to reward executives for reinforcing the Company's business objectives and values, for achieving the Company's performance objectives, and for their individual performance; and
- to provide total compensation to executives that is competitive with that paid by other companies of comparable size engaged in a similar business in appropriate regions.

The Company aims to design executive compensation packages that are comparable to those for executives with similar talents, qualifications and responsibilities at companies with similar financial and operating characteristics. However, executive compensation is not evaluated against a formal "peer group".

The Company has implemented three levels of compensation. First, executive officers may be paid a monthly consulting fee or salary. Second, executive officers may be awarded long term incentives in the form of stock options. Finally, and only in special circumstances, cash or share bonuses for exceptional performance that results in a significant increase in shareholder value may be awarded. The Company does not provide pension benefits to the executive officers.

The base compensation of the executive officers is reviewed annually by the Compensation Committee, who then makes a recommendation to the Board. The independent members of the Board approve the annual compensation levels for the executive officers. The Compensation Committee may make recommendations to the Board from time to time regarding stock option grants to be made pursuant to the Plan. The Compensation Committee may also make recommendations regarding awarding bonuses, which are then approved by the independent members of the Board at their discretion. The Compensation Committee and Board do not have pre-existing performance criteria or objectives that it considers in setting compensation amounts.

See "Statement of Executive Compensation - Director and named executive officer compensation" above for a description of the compensation awarded to each NEO during the most recently completed financial year ended June 30, 2017. Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company's most recently completed financial year ended June 30, 2017 with respect to compensation plans under which equity securities of the Company 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 issuances under equity compensation plan (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (The Plan)	Nil ⁽¹⁾	n/a	129,855 ⁽¹⁾⁽²⁾
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	Nil ⁽¹⁾	-	129,855 ⁽¹⁾⁽²⁾

Notes:

- (1) The Company completed a reverse takeover with Cabral Gold Ltd. and 1116669 B.C. Ltd. on October 30, 2017. As a result of the transaction, as of the date of this Circular 1,233,000 common shares may be issued upon exercise of outstanding options, which have a weighted-average exercise price of \$0.3373, and 1,908,241 securities remain available for future issuances under the Plan.
- (2) Adjusted to reflect a 1 for 5 consolidation completed on October 30, 2017 in connection with the reverse takeover.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since the beginning of the last completed financial year, none of the directors, executive officers, employees, proposed nominees for election as directors or their associates have been indebted to the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed in this section, no informed person (a director, officer or holder of 10% or more of the Common Shares) or nominee for election as a director of the Company or any associate or affiliate of any informed person or proposed director had any interest in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. Certain informed persons received securities of the Company in connection with the reverse takeover with Cabral Gold Ltd. and 1116669 B.C. Ltd. completed on October 30, 2017. However, the informed persons received no extra or special benefit or advantage not shared by all holders of the same class of securities.

MANAGEMENT CONTRACTS

Management functions of the Company are not to any substantial degree performed by anyone other than by the directors or executive officers of the Company.

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the Shareholders, and takes into account the role of the individual members of management who are appointed by the Board and charged with the day-to-day management of the Company. The Canadian Securities Administrators ("CSA") have adopted National Policy 58-201 *Corporate Governance Guidelines*, which provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, the CSA have implemented National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("NI 58-101"), which prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

Board of Directors

The composition of the Board currently consists of five members: Alan Carter, Charles Oliver, Dennis Moore, Donald Njegovan and Derrick Weyrauch. It is proposed that all five individuals be nominated for election at the Meeting.

The Board consists of a majority of individuals who qualify as independent directors. For this purpose, a director is independent if he has no direct or indirect "material relationship" with the Company. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Of the proposed nominees, one director, Alan Carter, President and CEO, is not considered to be independent for purposes of membership on the Board.

Other Directorships

The following table sets forth the directors of the Company who are directors of other reporting issuers as of the date hereof:

<i>Name</i>	<i>Name of other reporting issuer</i>
Alan Carter	Altamira Gold Corp. Anfield Gold Corp. Blackrock Gold Corp. Fremont Gold Ltd. Peregrine Diamonds Ltd.
Charles Oliver	Klondex Mines Ltd. Orezone Gold Corporation
Dennis Moore	Fremont Gold Ltd.

<i>Name</i>	<i>Name of other reporting issuer</i>
Donald Njegovan	Sable Resources Ltd.
Derrick Weyrauch	Banro Corporation

Orientation and Continuing Education

Orientation of new members of the Board is conducted informally by management and members of the Board. The Company has not adopted formal policies respecting continuing education for Board members.

Ethical Business Conduct

The Board has not adopted a formal code of business conduct and ethics. The Board is of the view that the fiduciary duties placed on individual directors by the Company's governing legislation and common law together with corporate statutory restrictions on an individual director's participation in Board decisions in which the director has an interest are sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Nomination of Directors

The Board considers its size each year when it considers the number of directors to recommend to the Shareholders for election at the annual general meeting. The Board takes in to account the number of directors required to carry out the Board's duties effectively and to maintain diversity of views and experience.

The Board has not established a nominating committee and this function is currently performed by the Board as a whole.

Compensation

The Board has established a compensation committee whose members are Charles Oliver, Donald Njegovan and Derrick Weyrauch. The members are responsible for reviewing and determining the adequacy and form of compensation paid to the Company's executives and key employees. The members evaluate the performance of the CEO and other senior management measured against the Company's business goals and industry compensation levels.

Board Committees

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

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors and receives reports from each committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

AUDIT COMMITTEE

National Instrument 52-110 of the Canadian Securities Administrators ("NI 52-110") requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee (the "Audit Committee") and its relationship with its independent auditor, as set forth in the following.

Audit Committee Disclosure

Pursuant to Section 224(1) of the British Columbia *Business Corporations Act* and NI 52-110 the Company is required to have an audit committee comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

The primary function of the Audit Committee is to assist the Board in fulfilling its financial oversight responsibilities by: (a) reviewing the financial reports and other financial information provided by the Company to regulatory authorities and Shareholders; (b) reviewing the systems for internal corporate controls which have been established by the Board and management; and (c) overseeing the Company's financial reporting processes generally. In meeting these responsibilities, the Audit Committee monitors the financial reporting process and internal control system; reviews and appraises the work of external auditors and provides an avenue of communication between the external auditors, senior management and the Board. The Audit Committee is also mandated to review and approve all material related party transactions.

Composition of the Audit Committee

The Audit Committee is comprised of the following members: Charles Oliver, Donald Njegovan and Derrick Weyrauch. Each member of the Audit Committee is considered to be independent. In addition, each member of the Audit Committee is considered to be financially literate as defined by NI 52-110 in that he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee are elected by the Board at its first meeting following the annual Shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee designate a Chair by a majority vote of the full Audit Committee membership.

Relevant Education and Experience

Charles Oliver - Mr. Oliver has over 30 years of experience in the financial services sector including 15 years as a fund manager. He holds a Chartered Financial Analyst designation and a Bachelor of Science in Geology. Mr. Oliver is currently a director of Klondex Mines Ltd. and Orezone Gold Corporation. He was formerly Lead Portfolio Manager of the Gold and Precious Metals Fund at Sprott Asset Management and Senior Vice President and Lead Portfolio Manager of several funds, including the Precious Metals Fund, at AGF Funds. Mr. Oliver's experience has provided him with an understanding of financial reporting sufficient to enable him to perform his duties as an audit committee member.

Donald Njegovan - Mr. Njegovan has over 25 years of experience in the mining industry. He holds a Bachelor of Science in Mining Engineering and a Bachelor of Arts. He is currently the Vice President, New Business Development at Osisko Mining Corporation. He was formerly Managing Director of Global Mining at Scotiabank, an investment banker at Toll Cross Securities Inc., and worked underground and as a Mining Engineer for Hudson Bay Mining & Smelting Co., Ltd. Mr. Njegovan was also a director of Royal Road Minerals Ltd. and a director of St. Andrew Goldfields Ltd. prior to its acquisition by Kirkland Lake Gold Inc. Through his work as a director of public companies, Mr. Njegovan has an understanding of financial reporting requirements respecting financial statements sufficient to enable him to perform his duties as an audit committee member.

Derrick Weyrauch - Mr. Weyrauch has over 27 years of executive and board experience that includes international capital markets, corporate restructuring, strategic planning and merger and acquisitions. He currently serves as the Chief Financial Officer of Cardinal Resources Ltd. and serves on the board of directors for Banro Corporation. Mr. Weyrauch was previously the Chief Financial Officer of Jaguar Mining Inc., and, prior to its sale in 2013, was the Chief Financial Officer of Andina Minerals Inc. He is a Chartered Professional Accountant (CA), is a member of the Institute of Chartered Accountants of Ontario, the Institute of Corporate Directors and holds a Bachelor of Arts degree in Economics. Mr. Weyrauch's experience has provided him with an understanding of financial reporting sufficient to enable him to perform his duties as an audit committee member.

The Audit Committee's Charter

The Company has adopted a Charter of the Audit Committee of the Board of Directors, a copy of which is attached as Schedule "A".

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in sections 2.4, 6.1.1(4), (5) or (6), or 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Section 6.1.1(4), (5) and (6) provide exemptions in certain circumstances from the requirement that a majority of the members of the Audit Committee must not be executive officers, employees or control persons of the venture issuer. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services. Subject to the requirements of NI 52-110, the engagement of non-audit services is considered by the Board, and where applicable the Audit Committee, on a case-by-case basis.

External Auditor Service Fees

In the following table, "audit fees" are fees billed by the Company's external auditor for services provided in auditing the Company's annual financial statements for the subject year. "Audit-related fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its auditor in each of the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
June 30, 2017	\$16,050	Nil	Nil	Nil
June 30, 2016	\$12,000	Nil	Nil	Nil

Exemption

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 5 (Reporting Obligations) of NI 52-110.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com. Financial information is provided in the Company's comparative annual financial statements and management's discussion and analysis for its most recently completed financial year ended June 30, 2017, and available online at www.sedar.com. Shareholders may request copies by mail to Suite 1500 - 409 Granville Street, Vancouver, BC, V6C 1T2, Canada.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Meeting and this Information Circular have been approved by the Board.

ON BEHALF OF THE BOARD OF DIRECTORS

"Alan Carter"

Alan Carter
President, Chief Executive Officer and Director

Schedule “A”

Charter of the Audit Committee of Cabral Gold Inc. (the “Company”)

Mandate

The primary function of the audit committee (“**Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the following: (a) the financial reports and other financial information provided by the Company to regulatory authorities and shareholders; (b) the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting; and (c) financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements; (ii) review and appraise the performance of the Company’s external auditors; (iii) provide an open avenue of communication among the Company’s auditors, financial and senior management and the Board of Directors; and (iv) to ensure the highest standards of business conduct and ethics.

Composition

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

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee are financially literate. For the purposes of the Company’s Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

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

Meetings

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually management and the external auditors in separate sessions.

Agendas, with input from management, shall be circulated to Committee members and relevant management personnel along with background information on a timely basis prior to the Committee meetings.

The CEO and CFO or their designate shall be available to attend at all meetings of the Committee upon invitation by the Committee.

Any employees as appropriate shall be available to attend and/or to provide information to the Committee upon invitation by the Committee.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Committee shall:

Documents/Reports Review

- a. Review and update this Charter annually.

- b. Review the Company's financial statements, MD&A, any annual and interim earning statements and press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion or review rendered by the external auditors.
- c. Review changes in accounting principles, or in their application, which may have a material impact on the current or future years' financial statements;
- d. Review significant accruals, reserves or other estimates such as any calculations of impairment;
- e. Review adjustments raised by external auditors, whether or not included in the financial statements;
- f. Review disclosure requirements for any commitments and contingencies;
- g. Review expenses incurred by the Chairman of the Board and the CEO of the Company. The Committee is to ensure that the CEO reviews and approves all expenses incurred by direct executive reports of the CEO; and
- h. Review any other matters required by law, regulation or stock exchange that the Committee feels are important or have been delegated by the Board.

External Auditors

The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board and the Audit Committee. With respect to the activities of the external auditors, the Committee shall:

- a. Review annually the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- b. Obtain annually a formal written statement of external auditors setting forth all relationships between the external auditors and the Company.
- c. Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- d. Take or recommend that the full Board of Directors take appropriate action to oversee the independence of the external auditors.
- e. Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- f. At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- g. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- h. Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- i. Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The preapproval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than 5% of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and

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

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

Financial Reporting Processes

- a. In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- b. Consider the external auditor's judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- c. Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- d. Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- e. Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- f. Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- g. Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- h. Review certification process for certificates.
- i. Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- a. Review any related party transactions.
- b. Review reports from persons regarding any questionable accounting, internal accounting controls or auditing matters ("Concerns") relating to the Company such that:
 - i. an individual may confidentially and anonymously submit their Concerns to the Chairman of the Committee in writing, by telephone, or by e-mail;
 - ii. the Committee reviews as soon as possible all Concerns and addresses same as they deem necessary; and
 - iii. the Committee retains all records relating to any Concerns reported by an individual for a period the Committee judges to be appropriate.

Schedule "B"

Change of Auditor Reporting Package

CABRAL GOLD INC.
(the “Company”)

NOTICE OF CHANGE OF AUDITOR

The Company hereby gives notice pursuant to section 4.11 of National Instrument 51-102 *Continuous Disclosure Obligations* that:

- (a) MNP LLP resigned as auditor of the Company effective December 6, 2017, and the board of directors of the Company have appointed DeVisser Gray LLP as the Company’s successor auditor and propose DeVisser Gray LLP for appointment as the auditor of the Company at the next annual general meeting of the shareholders of the Company.
- (b) The resignation of the former auditor was mutually agreed upon by the Company and the former auditor.
- (c) The resignation of the former auditor and the appointment of the successor auditor have been approved by the Company’s board of directors.
- (d) There were no modified opinions in the former auditor’s reports for the audits of the Company’s two most recently completed fiscal years or any period subsequent to the most recently completed fiscal year and ending on December 6, 2017.
- (e) There were no reportable events (as defined in Section 4.11(1) of National Instrument 51-102) between the Company and the former auditor.

Filed herewith are copies of the letters from the former and successor auditors.

Dated: December 6, 2017

CABRAL GOLD INC.

“Paul Hansed”

By: _____
Paul Hansed
Chief Financial Officer

December 7, 2017

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

Ontario Securities Commission
20 Queen Street West
20th Floor
Toronto, ON M5H 3S8

Alberta Securities Commission
Suite 600, 250-5th St. SW
Calgary, AB T2P 0R4

The Manitoba Securities Commission
500-400 St. Mary Avenue
Winnipeg, MB R3C 4K5

Dear Sirs and Mesdames:

**Re: Cabral Gold Inc. (the “Company”)
Notice Pursuant to National Instrument 51-102 – Change of Auditor**

Please be advised that, in connection with National Instrument 51-102 – *Continuous Disclosure Obligations*, we hereby notify you that we have reviewed the Company’s Notice of Change of Auditor dated December 6, 2017 (the “**Notice**”) and, based on our knowledge at this time, are in agreement with the statements contained in the Notice.

We understand that the Notice, this letter, and a letter from the successor auditor will be filed on SEDAR and disclosed in the information circular to be mailed to the shareholders of the Company for the Company’s next annual general meeting.

Yours truly,

MNP LLP



Chartered Professional Accountants

December 7, 2017

British Columbia Securities Commission
701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, BC V7Y 1L2

Ontario Securities Commission
20 Queen Street West
20th Floor
Toronto, ON M5H 3S8

Alberta Securities Commission
Suite 600, 250-5th St. SW
Calgary, AB T2P 0R4

The Manitoba Securities Commission
500-400 St. Mary Avenue
Winnipeg, MB R3C 4K5

Dear Sirs and Mesdames:

**Re: Cabral Gold Inc. (the “Company”)
Notice Pursuant to National Instrument 51-102 – Change of Auditor**

Please be advised that, in connection with National Instrument 51-102 – *Continuous Disclosure Obligations*, we hereby notify you that we have reviewed the Company’s Notice of Change of Auditor dated December 6, 2017 (the “**Notice**”) and, based on our knowledge at this time, are in agreement with the statements contained in the Notice.

We understand that the Notice, this letter, and a letter from the former auditor will be filed on SEDAR and disclosed in the information circular to be mailed to the shareholders of the Company for the Company’s next annual general meeting.

Yours truly,



**DE VISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS**

Schedule "C"

Advance Notice Provision

14.12 Nominations of Directors.

- (a) This Article 14.12 only applies to the Company if and for so long as it is a:
- (1) public company; or
 - (2) a pre-existing reporting company which has the Statutory Reporting Company Provisions as part of its Articles or to which the Statutory Reporting Company Provisions apply.
- (b) Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Company. Nominations of persons for election to the board may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
- (1) by or at the direction of the board, including pursuant to a notice of meeting;
 - (2) by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the Business Corporations Act, or a requisition of the shareholders made in accordance with the provisions of the Business Corporations Act; or
 - (3) by any person (a "Nominating Shareholder") who:
 - (i) at the close of business on the date of the giving of the notice provided for in this Article 14.12 and on the record date for notice of such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns one or more shares that are entitled to be voted at such meeting; and
 - (ii) complies with the notice procedures set forth below in this Article 14.12.
- (c) In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given (i) timely notice thereof in proper written form to the secretary of the Company, if any, or such other officer of the Company acting in that capacity, at the principal executive offices of the Company, and (ii) the representation and agreement with respect to each candidate for nomination to the secretary of the Company as required by, and within the time period specified in this Article 14.12(f).
- (d) To be timely, a Nominating Shareholder's notice under Article 14.12(c) must be made:
- (1) in the case of an annual meeting of shareholders, not less than 30 nor more than 65 days prior to the date of the annual meeting of shareholders, provided, however, that if the annual meeting of shareholders is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the meeting was made (the "Notice Date"), notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the Notice Date; and
 - (2) in the case of a special meeting of shareholders which is not also an annual meeting, and is called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the Notice Date.

In no event shall any adjournment or postponement of a meeting of shareholders, or the announcement of an adjournment or postponement, commence a new time period for the giving of a Nominating Shareholder's notice as described above.

- (e) To be in proper written form, a Nominating Shareholder's notice under Article 14.12(c) must set forth:
- (1) for each person whom the Nominating Shareholder proposes to nominate for election as a director:
 - (i) the name, age, business address and residential address of the person;
 - (ii) the principal occupation or employment of the person;
 - (iii) the class or series and number of shares in the capital of the Company which are controlled or which are owned beneficially or of record by the person as of the date of the notice and as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred);
 - (iv) a statement as to whether such person would be "independent" of the Company (within the meaning of National Instrument 52-110 – Audit Committees of the Canadian Securities Administrators, as such provisions may be amended from time to time) if elected as a director at such meeting and the reasons and basis for such determination; and
 - (v) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below); and
 - (2) for the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Company and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the *Business Corporations Act* and Applicable Securities Laws (as defined below).
- (f) To be eligible to be a candidate for election as a director of the Company and to be duly nominated, a candidate must be nominated in the manner prescribed in this Article 14.12 and the candidate for nomination, whether nominated by the board or otherwise, must have previously delivered to the secretary of the Company at the principal executive offices of the Company, not less than 5 days prior to the date of the meeting of shareholders, a written representation and agreement (in form provided by the Company) that such candidate for nomination, if elected as a director of the Company, will comply with all applicable corporate governance, conflict of interest, confidentiality, share ownership, majority voting and insider trading policies and other policies and guidelines of the Company applicable to directors and in effect during such person's term in office as a director (and, if requested by any candidate for nomination, the secretary of the Company shall provide to such candidate for nomination all such policies and guidelines then in effect).
- (g) No person shall be eligible for election as a director of the Company unless nominated in accordance with the provisions of this Article 14.12, provided, however, that nothing in this Article 14.12 shall be deemed to preclude discussion by a shareholder at a meeting of shareholders of any matter, other than the nomination of directors, in respect of which the shareholder would have been entitled to submit a proposal pursuant to the provisions of the *Business Corporations Act*. The chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in this Article 14.12 and, if any proposed nomination is not in compliance with this Article 14.12, to declare that such defective nomination shall be disregarded.
- (h) For purposes of this Article 14.12:
- (1) "public announcement" shall mean disclosure in:

- (i) a press release reported by a national news service in Canada; or
 - (ii) a document publicly filed by the Company under its profile on the System of Electronic Document Analysis and Retrieval (SEDAR), or such other electronic disclosure service as the Company is required to utilize for the filing of continuous disclosure documents pursuant to Applicable Securities Laws; and
 - (2) “Applicable Securities Laws” means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such legislation, and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
- (i) Notice given under Article 14.12(c) may only be given by personal delivery, facsimile transmission or email, and shall be deemed to have been given and made at the time it is sent to the secretary of the Company, if any, or such other officer of the Company acting in that capacity, by:
- (1) personal delivery to the address of the principal executive offices of the Company;
 - (2) facsimile transmission, at such facsimile number as stipulated from time to time for the purposes of this notice by the secretary of the Company, if any, or such other officer of the Company acting in that capacity, and provided that receipt of confirmation of such transmission has been received; or
 - (3) email, at such email address as stipulated from time to time for the purposes of this notice by the secretary of the Company, if any, or such other officer of the Company acting in that capacity, and provided that receipt of confirmation of such transmission has been received.

If such delivery or electronic communication is made on a day which is a not a business day in Vancouver, British Columbia, or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

- (j) Notwithstanding any other provision of this Article 14.12, the board may, in its sole discretion, waive any requirement of this Article 14.12.