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

MANAGEMENT INFORMATION CIRCULAR
AS AT JULY 31, 2020

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 September 9, 2020 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 July 31, 2020.

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 Depositary for Securities Limited (which acts as depositary 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 depositary 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 July 31, 2020 (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 98,369,138 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	10,612,832	10.79%

(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 year ended December 31, 2019 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 four (4) 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 Common 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	10,612,832	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 and a director of Fremont Gold Ltd. since June 2017. Chairman and a director of Altamira Gold Corp. since October 2016. President, CEO and a director of Magellan Minerals Ltd. from April 2006 to May 2016.
Dennis Moore(2)(3) Director Lisbon, Portugal	October 30, 2017	5,410,665	Exploration geologist. President and a director of Fremont Gold Ltd. since June 2017. CEO of Fremont Gold Ltd. from June 29, 2017 to October 1, 2018. 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.
Derrick Weyrauch(2)(3) Director Ontario, Canada	October 30, 2017	76,666	President and CEO of Palladium One Mining Inc. since March 2019. Founder and a director of Magna Mining Corp. since 2016, a private development stage nickel mining company. CFO of Cardinal Resources Ltd. from July 2017 to November 2018 and a director of Banro Corporation from December 2013 to May 2018.
P. Mark Smith(2) Executive Chairman and Director Ontario, Canada	May 1, 2018	494,300	Principal, GeoFin Consulting, a private consulting firm, since January 2014. Executive Chairman of the Company from May 1, 2018 to present. Managing Director Investment Banking for M Partners from May 2014 to January 2018.

(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, to the knowledge of the Company, no proposed director of the Company:

(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 or chief financial officer of any company (including the Company) that:

(i) was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer, or

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

(b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in the 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;

(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 executive officer;

(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 other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

For the purposes of subsection (a) above, "order" means:

(i) a cease trade order;
(ii) an order similar to a cease trade order; or
(iii) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for more than 30 consecutive days.

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. Following the voluntary proceeding under the CCAA, the common shares of Jaguar 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 was a director of Banro Corporation ("**Banro**") when it became subject to a general cease trade order issued by the Ontario Securities Commission (the "**CTO**") on November 20, 2017 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. As part of a corporate turnaround and restructuring process, Banro declared insolvency and commenced a voluntary proceeding under the CCAA on December 22, 2017 in the Ontario Superior Court of Justice. This proceeding was commenced to implement a debt restructuring and sale and investment solicitation process. On May 3, 2018 Banro implemented the CCAA Plan and emerged from court protection under the CCAA.

APPOINTMENT OF AUDITOR

Management is recommending that Shareholders vote to appoint DeVisser Gray LLP, Chartered Professional Accountants 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. DeVisser Gray LLP was appointed auditor of the Company on December 6, 2017.

APPROVAL OF STOCK OPTION PLAN

Management is seeking shareholder approval for the Company's Amended 2017 Stock Option Plan (the "**Stock Option Plan**") subject to the rules and policies of the TSX Venture Exchange (the "**Exchange**"). The purpose of the Stock Option 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 Stock Option Plan does not purport to be complete and is qualified in its entirety by reference to the Stock Option Plan.

1. Eligible Participants. Options may be granted under the Stock Option 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 Stock Option Plan.

2. Number of Shares Reserved. The number of Common Shares which may be issued pursuant to options granted under the Stock Option 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 Stock Option Plan and under the Stock Option Plan). Options which are cancelled or expire prior to exercise continue to be issuable under the Stock Option Plan.

3. Limitations. Under the Stock Option 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 Stock Option 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 Stock Option 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 Stock Option 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 Stock Option 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.

Shareholder Approval

Shareholders will be asked at the Meeting to approve, with or without variation, the following ordinary resolution:

"BE IT RESOLVED THAT:

(a) the Company's stock option plan be ratified, confirmed and approved, and that in connection therewith a maximum of 10% of the issued and outstanding Common Shares at the time of each grant be approved for granting as options; and

(b) 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, as in the opinion of such director or officer may be necessary or appropriate in order to give effect to this resolution."

The Board recommends that Shareholders vote "FOR" the Stock Option Plan Resolution set out above.

A copy of the Stock Option Plan is available at the records office of the Company at Suite 1200 – 750 West Pender Street, Vancouver, British Columbia, Canada until the business day immediately preceding the date of the Meeting, and a copy will also be made available at the Meeting.

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

(a) the chief executive officer of the Company ("**CEO**") during any part of the most recently completed financial year;

(b) the chief financial officer of the Company ("**CFO**") during any part of the most recently completed financial year;

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) 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 a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

As at the end of the Company's most recently completed financial year ended December 31, 2019, the Company had two 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 (excluding compensation securities) paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company, or a subsidiary of the Company, to each NEO and director for services provided and for services to be provided, directly or indirectly, to the Company or a subsidiary of the Company, for each of the Company's two most recently completed financial years ended December 31, 2019 and December 31, 2018.

Table of compensation excluding compensation securities							
Name and position	**Year Ended[1]**	**Salary, consulting fee, retainer or commission ($)**	**Bonus ($)**	**Committee or meeting fees ($)**	**Value of perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Alan Carter[1] CEO, President, Director	Dec 31, 2019	$125,000	Nil	Nil	Nil	Nil	$125,000
	Dec 31, 2018	$125,000	Nil	Nil	Nil	Nil	$125,000
Paul Hansed[2] CFO and Corporate Secretary	Dec 31, 2019	$125,000	Nil	Nil	Nil	Nil	$125,000
	Dec 31, 2018	$125,000	Nil	Nil	Nil	Nil	$125,000
P. Mark Smith[3] Executive Chairman, Director	Dec 31, 2019	$90,000	Nil	Nil	Nil	Nil	$90,000
	Dec 31, 2018	$42,500	Nil	Nil	Nil	Nil	$42,500
Dennis Moore Director	Dec 31, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	Dec 31, 2018	Nil	Nil	Nil	Nil	Nil	Nil
Derrick Weyrauch Director	Dec 31, 2019	Nil	Nil	Nil	Nil	Nil	Nil
	Dec 31, 2018	Nil	Nil	Nil	Nil	Nil	Nil
Charles Oliver[4] Former Director and former non-executive Chairman	Dec 31, 2018	Nil	Nil	Nil	Nil	Nil	Nil
Donald Njegovan[5] Former Director	Dec 31, 2018	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) All compensation paid to Dr. Carter is in connection with his position of President and CEO of the Company.

(2) Paid to a private company controlled by Mr. Hansed and Mr. Hansed directly.

(3) Mr. Smith was appointed the Executive Chairman and a director of the Company on May 1, 2018. Paid pursuant to a consulting agreement between the Company, a private company controlled by Mr. Smith and Mr. Smith directly. Total 2018 compensation of $42,500 excludes $28,000 that was paid to Mr. Smith's company in 2018 prior to this appointment.

(4) Mr. Oliver was appointed a director of the Company on October 30, 2017 and resigned from the Board on June 20, 2019. He served as a non-executive Chairman from October 30, 2017 to April 26, 2018.

(5) Mr. Njegovan was appointed a director of the Company on October 30, 2017 and resigned from the Board effective May 3, 2018.

Stock options and other compensation securities

The following table provides information on all compensation securities granted or issued to each director and NEO by the Company or one of its subsidiaries in the most recently completed financial year ended December 31, 2019 for services provided or to be provided, directly or indirectly, to the company or any of its subsidiaries.

Compensation Securities							
Name and position	**Type of compensation security**	**Number of compensation securities, number of underlying securities and percentage of class**	**Date of issue or grant**	**Issue, conversion or exercise price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry Date**
Alan Carter(1) CEO, President, Director	Options Options	600,000 500,000	Sept 9 2019 Jan 23, 2019	$0.15 $0.25	$0.155 $0.15	$0.12 $0.12	Sept 6, 2024 Jan 22, 2024
Paul Hansed(2) CFO and Corporate Secretary	Options Options	450,000 200,000	Sept 9 2019 Jan 23, 2019	$0.15 $0.25	$0.155 $0.15	$0.12 $0.12	Sept 6, 2024 Jan 22, 2024
P. Mark Smith(3) Executive Chairman, Director	Options Options	100,000 250,000	Sept 9 2019 Jan 23, 2019	$0.15 $0.25	$0.155 $0.15	$0.12 $0.12	Sept 6, 2024 Jan 22, 2024
Dennis Moore(4) Director	Options Options Restricted Share Units	240,000 68,224 133,333	Sept 9 2019 Jan 23, 2019 Sept 9, 2019	$0.15 $0.25 $0.155	$0.155 $0.15 $0.155	$0.12 $0.12 $0.12	Sept 6, 2024 Jan 22, 2024 N/A
Derrick Weyrauch(5) Director	Options Options Restricted Share Units	175,000 168,224 133,333	Sept 9 2019 Jan 23, 2019 Sept 9, 2019	$0.15 $0.25 $0.155	$0.155 $0.15 $0.155	$0.12 $0.12 $0.12	Sept 6, 2024 Jan 22, 2024 N/A
Charles Oliver(6) Former Director and former non-executive Chairman	Options	168,224	Jan 23, 2019	$0.25	$0.15	$0.12	June 20, 2020

Notes:

(1) As at December 31, 2019, Dr. Carter held 600,000 stock options exercisable at a price of $0.15 per share until September 6, 2024 and 500,000 stock options exercisable at a price of $0.25 per share until January 22, 2024.

(2) As at December 31, 2019, Mr. Hansed held 450,000 stock options exercisable at a price of $0.15 per share until September 6, 2024 and 200,000 stock options exercisable at a price of $0.25 per share until January 22, 2024.

(3) As at December 31, 2019, Mr. Smith held 100,000 stock options exercisable at a price of $0.15 per share until September 6, 2024, 250,000 stock options exercisable at a price of $0.25 per share until January 22, 2024 and 450,000 stock options exercisable at a price of $0.23 until June 19, 2023.

(4) As at December 31, 2019, Mr. Moore held 240,000 stock options exercisable at a price of $0.15 per share until September 6, 2024 and 68,224 stock options exercisable at a price of $0.25 per share until January 22, 2024. As at December 31, 2019, Mr. Moore also held 133,333 Restricted Share Units of which 50% vests on March 9, 2021 and the remaining 50% vests on September 9, 2022.

(5) As at December 31, 2019, Mr. Weyrauch held 175,000 stock options exercisable at a price of $0.15 per share until September 6, 2024, 168,224 stock options exercisable at a price of $0.25 per share until January 22, 2024 and 297,000 stock options exercisable at a price of $0.35 per share until December 5, 2020. As at December 31, 2019, Mr. Weyrauch also held 133,333 Restricted Share Units of which 50% vests on March 9, 2021 and the remaining 50% vests on September 9, 2022

(6) Mr. Oliver served as a director of the Company from October 30, 2017 to June 20, 2019. Upon Mr. Oliver's departure from the Board, 134,579 of the stock options granted in 2019 were forfeited. As at December 31, 2019, Mr. Oliver held 450,000 stock options exercisable at a price of $0.333 per share until June 20, 2020 and 33,645 stock options exercisable at a price of $0.25 per share until June 20, 2020.

No compensation securities were exercised by the directors or NEOs during the most recently completed financial year ended December 31, 2019.

Stock option plans and other incentive plans

Stock Option Plan

See "Approval of Stock Option Plan" above for the material terms of the Company's Amended 2017 Stock Option Plan. The Amended 2017 Stock Option Plan was previously approved by Shareholders at the Company's annual general meeting held on June 20, 2019, and will be placed before the Meeting for shareholder approval.

Restricted Share Unit Plan

The Company's 2019 Restricted Share Unit Plan (the "**RSU Plan**") was approved by Shareholders at the annual general meeting of the Shareholders held on June 20, 2019. The Board intends to use restricted share units ("**Restricted Share Units**") issued under the RSU Plan, as well as options issued under the Stock Option Plan (as described above under "*Stock option plans and other incentive plans - Stock Option Plan*"), as part of the Company's overall executive compensation plan. Since the value of Restricted Share Units increase or decrease with the price of the Common Shares, Restricted Share Units achieve the compensation objective of aligning the interests of executives with those of Shareholders. In addition, Restricted Share Units have both time-based and performance-based vesting features that can be used to better motivate executives and to encourage qualified and experienced executives to make long-term commitments to the Company.

The following summary of the material terms of the RSU Plan does not purport to be complete and is qualified in its entirety by reference to the RSU Plan, a copy of which is available for review at the registered office of the Company.

Eligible Participants

Directors, officers, eligible employees and eligible consultants of the Company are eligible to participate in the RSU Plan (the "**Participants**"). In accordance with the terms of the RSU Plan, the Board will approve those Participants who are entitled to receive restricted share units ("**Restricted Share Units**") and the number of Restricted Share Units to be awarded to each Participant. The RSU Plan shall be administered by the Board.

Vesting

Each award of Restricted Share Units under the RSU Plan to a Participant (a "**Restricted Share Unit Award**") will entitle the Participant, subject to the Participant's satisfaction of any conditions (including performance conditions), restrictions, vesting period or limitations imposed under the RSU Plan or set out in a Restricted Share Unit grant letter, to receive one previously unissued Common Share for each Restricted Share Unit on the date when the Restricted Share Unit is fully vested. Except as otherwise provided in a Restricted Share Unit grant letter or any other provision of the RSU Plan, the vesting period of the Restricted Share Units granted pursuant to Section 3.4 of the RSU Plan will be determined by the Board and may not exceed three years following the Grant Date.

Maximum Number to be Granted

The RSU Plan includes the following restrictions on issuances:

(a) The number of Common Shares issuable from treasury under the RSU Plan shall not exceed 3,886,000 Common Shares, or such greater number as may be approved from time to time by the Company's disinterested shareholders. Under no circumstances may the number of Restricted Share Units granted in aggregate together with any other Security Based Compensation Arrangements of the Company (as defined in the RSU Plan and which includes Common Shares issued pursuant to the Stock Option Plan) exceed 10% of the total number of Common Shares then outstanding;

(b) The number of Common Shares issuable from treasury to insiders under the RSU Plan, together with any Common Shares issuable pursuant to all other Security Based Compensation Arrangements of the Company, within any one-year period, shall not exceed 10% of the issued and outstanding Common Shares;

(c) The maximum number of Common Shares issuable to any one individual, at any time, pursuant to the RSU Plan is 1% of the total number of Common Shares outstanding and in the aggregate at such time; and

(d) The maximum number of Restricted Share Units issuable to any one individual in the aggregate in any 12 month period is 2% of the total number of outstanding Common Shares at the proposed Grant Date.

Cessation of Entitlement

Subject to the foregoing, in the event of:

(a) the death of a Participant, all unvested Restricted Share Units credited to the Participant will vest on the date of the Participant's death. The Common Shares underlying the Restricted Share Units credited to the Participant's account shall be issued to the Participant's estate as soon as practicable thereafter;

(b) the total disability of a Participant, all unvested Restricted Share Units credited to the Participant will vest on the date on which the Participant is determined to be totally disabled, and the Common Shares underlying such Restricted Share Units credited to the Participant's account shall be issued to the Participant as soon as practicable thereafter;

(c) the termination (with or without cause) or retirement of an employee or officer, any cessation of services of a consultant, or the resignation, removal of or failure to re-elect a director, then, except as provided for in the vesting provisions or other terms of the Restricted Share Unit grant, or as determined by the Board, all Restricted Share Units will be forfeited by the Participant, and be of no further force and effect; and

(d) a Change of Control, all Restricted Share Units outstanding shall immediately vest on the date of such Change of Control notwithstanding any stated vesting period or performance condition. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Company with respect to the consideration that the Participants would be entitled to receive for the Common Shares underlying the Restricted Share Units.

Transferability

Except pursuant to a will or by the laws of descent and distribution, no Restricted Share Unit and no other right or interest of a Participant is assignable or transferable.

Amendments to the RSU Plan

The Board may discontinue the RSU Plan at any time without first obtaining shareholder approval, provided that, without the consent of a Participant, such discontinuance may not in any manner adversely affect the Participant's rights under any Restricted Share Unit granted under the RSU Plan.

(a) The Board may, subject to receipt of requisite regulatory and disinterested shareholder approval, make the following amendments to the RSU Plan:

  (i) increase the number of Restricted Share Units which may be issued pursuant to the RSU Plan;

  (ii) change the definition of "Participant" under the RSU Plan which would have the potential of narrowing, broadening or increasing insider participation;

  (iii) reduce the range of amendments requiring shareholder approval contemplated in Section 5.3 of the RSU Plan;

  (iv) make amendments that may lead to significant or unreasonable dilution to the Company's outstanding securities, or that may provide additional benefits to Participants at the expense of the Company or its shareholders;

  (v) change insider participation limits which would result in shareholder approval being required on a disinterested basis; or

  (vi) make amendments to Section 5.4 of the RSU Plan that would permit Restricted Share Units, or any other right or interest of a Participant under the RSU Plan, to be assigned or transferred, other than for normal estate settlement purposes.

(b) The Board may, subject to receipt of requisite regulatory approval (where required), but not subject to shareholder approval, in its sole discretion make all other amendments to the RSU Plan that are not of the type contemplated above, including, without limitation:

  (i) amendments of a housekeeping nature;

  (ii) the addition or a change to the vesting provisions of a Restricted Share Unit or the RSU Plan;

  (iii) a change to the termination provisions of a Restricted Share Unit or the RSU Plan;

  (iv) amendments to reflect changes to applicable securities laws; and

(v) amendments to ensure that the Restricted Share Units granted under the RSU Plan will comply with any provisions respecting income tax and other laws in force in any country or jurisdiction of which a Participant to whom a Restricted Share Unit has been granted may from time to time be a resident, citizen or otherwise subject to tax therein.

Employment, consulting and management agreements

On May 1, 2018, the Company entered into a consulting agreement with Peter Mark Smith and a private company controlled by Mr. Smith ("**Smithco**") pursuant to which the Company agreed to retain Mr. Smith and Smithco to provide consulting services. Pursuant to the consulting agreement, the Company agreed to pay Smithco $60,000 per annum (plus applicable taxes), payable monthly in arrears, in consideration for services provided. Mr. Smith is the Executive Chairman and a director of the Company. The consulting agreement has a term of one year and will automatically renew for further one year terms unless terminated by either party in accordance with the consulting agreement. Either party may, upon 90 days' written notice, terminate the consulting agreement. If the Company terminates the consulting agreement without cause, the Company will pay Smithco $30,000 if it has been retained by the Company for less than one year, $60,000 if it has been retained by the Company for more than one year but less than two years, or $90,000 if it has been retained by the Company for more than two years. Effective December 1, 2018, the monthly rate was increased from $5,000 to $7,500.

Other than as disclosed herein, the Company does not have any agreement under which compensation was provided during the most recently completed financial year ended December 31, 2019 or is payable in respect of services provided to the Company or any of its subsidiaries 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 December 31, 2019. 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, if any, 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 or Restricted Share Units. 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 Stock Option Plan and Restricted Share Unit grants made pursuant to the RSU 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 they consider in setting compensation amounts.

See "*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 December 31, 2019. Compensation for the most recently completed financial period 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 most recently completed financial year 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 (Stock Option Plan)	5,471,093 Common Shares issuable pursuant to Options 266,666 Common Shares issuable pursuant to RSUs	$0.22 Options n/a	428,166
Equity compensation plans not approved by security holders	n/a	n/a	n/a
Total	**5,737,759**	**-**	**428,166**

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the directors, executive officers, employees, proposed nominees for election as directors and their associates, or any former executive officers, directors and employees of the Company or any of its subsidiaries, is, as at the date of this Information Circular, or has been at any time during the most recently completed financial year, indebted to the Company or any of its subsidiaries.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Company's most recently completed financial year, 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 that has materially affected or would materially affect the Company or any of its subsidiaries.

MANAGEMENT CONTRACTS

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

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 four members: Alan Carter, Dennis Moore, Mark Smith and Derrick Weyrauch. It is proposed that all four individuals be nominated for election at the Meeting.

Of the proposed nominees, two directors, Alan Carter (President and CEO) and Mark Smith (Executive Chairman), are not considered to be independent for purposes of membership on the Board. 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.

Other Directorships

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

Name	***Name of other reporting issuer***
Alan Carter	Altamira Gold Corp. Fremont Gold Ltd.
Dennis Moore	Fremont Gold Ltd. Vanadium One Iron Corp.
Derrick Weyrauch	Palladium One Mining Inc.
P. Mark Smith	None

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 Dennis Moore 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: Dennis Moore, Derrick Weyrauch and Mark Smith. Other than Mr. Smith, 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

Dennis Moore - Mr. Moore has over 35 years of experience in mineral exploration in Australasia and South America. He currently serves as President of Fremont Gold Ltd. Mr. Moore was previously the Chief Executive Officer of Fremont Gold Ltd. and prior to its sale in 2016, was the Vice President of Corporate Development of Magellan Minerals Ltd. Mr. Moore holds Bachelor of Science and Master of Engineering degrees. Mr. Moore's experience has provided him with an understanding of financial reporting sufficient to enable him to perform his duties as an audit committee member.

Derrick Weyrauch - Mr. Weyrauch has over 28 years of executive and board experience that includes international capital markets, corporate restructuring, strategic planning and merger and acquisitions. He currently serves as the Interim President, CEO and Director of Palladium One Mining Inc. Previously he served on the board of directors for Banro Corporation and Jaguar Mining Inc. Mr. Weyrauch was previously the Chief Financial Officer of Cardinal Resources Inc, 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.

Mark Smith - Mr. Smith has more than 40 years of experience in the industry with expertise ranging from exploration, mining, research, advising, and arranging financings. Mr. Smith started his career as a geologist in the mining and exploration industry and throughout his career became a Senior Mining Analyst and later a Managing Director Investment Banker. Mr. Smith has B. Sc. and M. Sc. degrees in Earth Science from the University of Waterloo. Mr. Smith'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 Part 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. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

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
December 31, 2019	$14,700	Nil	Nil	Nil
December 31, 2018	$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 December 31, 2019, 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:

<u>Documents/Reports Review</u>

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.