

GOLDEN TAG RESOURCES LTD.

3608 Blvd. St-Charles, Suite 16
Kirkland, Quebec H9H 3C3
Telephone: (514) 426-8542 Fax: (514) 426-8543

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

The annual meeting (the "**Meeting**") of Shareholders of **Golden Tag Resources Ltd.** (the "**Corporation**") will be held at the offices of the Corporation's attorneys, McMillan LLP, 1000 Sherbrooke Street West, #2700, Montreal, Quebec on Tuesday, June 27, 2017 at 10:30 a.m., local time, for the following purposes:

Annual General Matters

1. To receive and consider the consolidated financial statements of the Corporation for its fiscal period ended December 31, 2016, and the report of the auditor of the Corporation thereon;
2. To elect directors of the Corporation for the ensuing year; and
3. To appoint an auditor of the Corporation for the ensuing year.

No other matters are currently contemplated for the Meeting. However the Meeting will also be authorized to consider any permitted amendment to or variation of any matter identified in this Notice and to transact such other business as may properly come before the Meeting or any adjournment thereof. Management is not currently aware of any other matters that could come before the Meeting. A Management Proxy Circular accompanies this Notice. The Management Proxy Circular contains details of matters to be considered at the Meeting.

Shareholders who are unable to attend the Meeting in person and who wish to ensure that their shares will be voted at the Meeting are requested to complete, date and sign the enclosed form of proxy or complete another suitable form of proxy and deliver it by fax, by hand or by mail in accordance with the instructions set out in the form of proxy and in the accompanying Management Proxy Circular. Non-registered shareholders who plan to attend the Meeting must follow the instructions set out in the form of voting instruction form and in the Management Proxy Circular to ensure that their shares will be voted at the Meeting. If you hold your shares in a brokerage account you are not a registered shareholder (see the Management Proxy Circular).

DATED at Kirkland, Quebec, on May 19, 2017.

BY ORDER OF THE BOARD

"Marc A. Carrier"

Marc A. Carrier
President and Chief Financial Officer

GOLDEN TAG RESOURCES LTD.

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Kirkland, Quebec H9H 3C3
Telephone: (514) 426-8542 Fax: (514) 426-8543**

MANAGEMENT PROXY CIRCULAR

as at May 19, 2017 *(except as otherwise indicated)*

This Management Proxy Circular is furnished in connection with the solicitation of proxies by the management of GOLDEN TAG RESOURCES LTD. for use at the annual meeting (the “Meeting”) of its shareholders to be held at the offices of its counsel, McMillan LLP, 1000 Sherbrooke Street West, #2700, Montreal, Quebec, H3A 3G4 on Tuesday, June 27, 2017 at 10:30 a.m., local time, at the time and place and for the purposes set forth in the accompanying Notice of Meeting.

GENERAL PROXY INFORMATION

In this Management Proxy Circular, references to the “Corporation”, “we” and “our” refer to Golden Tag Resources Ltd. (the “Corporation”). “Shares” means common shares without par value in the capital of the Company. “Beneficial Shareholders” means shareholders who do not hold Shares in their own name and “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that own securities on behalf of Beneficial Shareholders.

Solicitation of Proxies

The solicitation of proxies will be primarily by mail, but proxies may be solicited personally or by telephone or electronic mail by directors, officers and regular employees of the Corporation. All costs of this solicitation will be borne by the Corporation. In accordance with National Instrument 54-101 “*Communication with Beneficial Owners of Securities of a Reporting Issuer*” of the Canadian Securities Administrators, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the voting common shares in the capital of the Corporation (the “**Shares**”) held of record by such persons and the Corporation may reimburse such persons for reasonable fees and disbursements incurred by them in so doing.

Appointment of Proxyholders

The individuals named in the accompanying form of proxy are the President and the Chief Executive Officer of the Corporation. **A shareholder has the right to appoint a person, who need not be a shareholder, to attend and act for the shareholder and on the shareholder’s behalf at the Meeting other than either of the persons designated in the accompanying form of proxy, and may do so either by inserting the name of that other person in the blank space provided in the accompanying form of proxy or by completing and delivering another suitable form of proxy.**

Revocation of Proxies

A shareholder who has given a proxy may revoke it by an instrument in writing duly executed and delivered either to Computershare Investor Services Inc. or to the head office of the Corporation at 3608 Blvd. St-Charles, Suite 16, Kirkland, Quebec H9H 3C3, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, that precedes any reconvening thereof, or to the Chairman of the Meeting on the day of the Meeting or of any reconvening thereof, or in any other manner provided by law. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting the shareholder’s Shares. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

Exercise of Discretion

The nominees named in the accompanying form of proxy will vote for or withhold from voting the Shares represented thereby in accordance with the instructions of the shareholder on any ballot that may be called for. A proxy in the accompanying form will confer discretionary authority on the nominees named therein with respect to:

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

In respect of a matter for which a choice is not specified in the proxy, the nominees named in the accompanying form will vote Shares represented by the proxy for the approval of such matter.

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

Registered Shareholders

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person. Registered Shareholders electing to submit a proxy may do so by:

- (a) completing, dating and signing the enclosed form of proxy and returning it to the Corporation's transfer agent, Computershare Investor Services Inc., by fax within North America at 1-866-249-7775, outside North America at (416) 263-9524, or by mail or by hand to the 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1;
- (b) using a touch-tone phone to transmit voting choices to a toll free number. Registered shareholders must follow the instructions of the voice response system and refer to the enclosed proxy form for the toll free number, the holder's account number and the proxy access number; or
- (c) using the internet through the website of the Corporation's transfer agent at www.investorvote.com. Registered Shareholders must follow the instructions shown on the website and refer to the enclosed proxy form for the holder's account number and the proxy access number;

in all cases ensuring that the proxy is received by 5Pm, Montreal time, June 22, 2017. If the Meeting is adjourned the completed form of proxy must be received by Computershare Investor Services Inc. not less than 48 hours (excluding Saturdays, Sundays and holidays) before the adjourned Meeting at which the proxy is to be used.

Beneficial Shareholders

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

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

Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients.

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

The Corporation is taking advantage of the provisions of National Instrument 54-101 that permit it to deliver proxy-related materials directly to its NOBOs. As a result NOBOs can expect to receive a scannable Voting Instruction Form (VIF) from our transfer agent, Computershare Investor Services Inc "Computershare". The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare provides both telephone voting and internet voting as described on the VIF itself which contain complete instructions. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

These securityholder materials are being sent to both registered and non-registered owners of the securities of the Corporation. If you are a non-registered owner, and the Corporation or its agent has sent these materials directly to you, your name, address and information about your holdings of securities, were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your VIF as specified in the request for voting instructions sent to you.

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their Shares are voted at the Meeting.

The form of proxy supplied to you by your broker will be similar to the proxy provided to registered shareholders by the Corporation. However, its purpose is limited to instructing the intermediary on how to vote on your behalf. Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("Broadridge") in the United States and in Canada. Broadridge mails a VIF in lieu of a proxy provided by the Corporation. The VIF will name the same persons as the Corporation's Proxy to represent your Shares at the Meeting. You have the right to appoint a person (who need not be a Beneficial Shareholder of the Corporation), other than any of the persons designated in the VIF, to represent your Shares at the Meeting and that person may be you. To exercise this right, you should insert the name of the desired representative (which may be yourself) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge by mail or facsimile or given to Broadridge by phone or over the internet, in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with the instructions from Broadridge, well in advance of the Meeting in order to have your Shares voted at the Meeting or to have an alternate representative that you have chosen to attend and to vote your Shares at the Meeting.**

Notice to Shareholders in the United States

The solicitation of proxies involves securities of an issuer located in Canada and is being effected in accordance with the corporate laws of Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States Securities Exchange Act of 1934, as amended, are not applicable to the Corporation or this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Shareholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Corporation is incorporated under the *Canada Business Corporations Act*, as amended (the “Act”), certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Shareholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court.

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

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

Voting Shares and Principal Shareholders

The Board of Directors (the “Board”) of the Corporation has fixed May 19, 2017 as the record date (the “**Record Date**”) for determination of persons entitled to receive notice of the Meeting. Only shareholders of record at the close of business on the Record Date who either attend the Meeting personally or complete, sign and deliver a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Shares voted at the Meeting.

As of May 19, 2017, the Corporation had outstanding 78,926,558 fully paid and non-assessable Shares without par value, each carrying the right to one vote. No group of shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the Shares. The Corporation is also authorized to issue an unlimited number of preferred shares. There were no preferred shares issued and outstanding as at May 19, 2017.

To the knowledge of the directors and executive officers of the Corporation, the only persons or corporations that beneficially owned, directly or indirectly, or exercised control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common of the Company as at May 19, 2017 are:

Shareholder Name	Number of Common Shares Held	Percentage of Issued Common Shares
9197-3974 Quebec Inc.	11,264,994 ⁽¹⁾	14.27%

Note:

- (1) As of April 22, 2016, 9197-3974 Quebec Inc. is a private company owned as to 50% by each of Georges Durst, a director, and Montreal businessman Rolland Veilleux as disclosed in an early warning report (EWR) filed May 6, 2016 at www.sedar.com. The EWR asserts that Messrs. Durst and Veilleux do not act in concert.

FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation for the year ended December 31, 2016, and the report of the auditor thereon will be placed before the Meeting. The audited consolidated financial statements and the report of the auditor were filed at www.sedar.com and can be downloaded from that website. Additional information may be obtained from the President of the Corporation upon request and will be available at the Meeting.

VOTES NECESSARY TO PASS RESOLUTIONS

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

election or appointment is equal to the number of vacancies to be filled all such nominees will be declared elected or appointed by acclamation.

ELECTION OF DIRECTORS

The Articles of the Corporation provide that the number of directors of the Corporation shall be a minimum of one and a maximum of nine. Following the Meeting, the Board of Directors will consist of six directors. The term of office of each of the current directors will end at the conclusion of the Meeting. Each director elected will hold office until the conclusion of the next annual meeting of the Corporation at which a director is elected, unless the director's office is earlier vacated in accordance with the Articles of the Corporation or the provisions of the Act.

The following table sets out the names of management's five nominees for election as directors, all offices in the Corporation each now holds, each nominee's country of residence and principal occupation, business or employment (for the five preceding years for new director nominees), the period of time during which each has been a director of the Corporation and the number of Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at May 19, 2017.

Name, Position and Municipality of Residence	Occupation, Business or Employment⁽¹⁾	Period a Director of the Corporation	Shares Beneficially Owned or Controlled⁽¹⁾
DAVID M. RIGG CHIEF EXECUTIVE OFFICER AND DIRECTOR Ontario, Canada	Chief Executive Officer of the Corporation; Self-employed Geologist and Consulting Geologist	Since 2003	1,218,900
MARC A. CARRIER PRESIDENT, CHIEF FINANCIAL OFFICER AND DIRECTOR Quebec, Canada	President and Chief Financial Officer of the Corporation; Self-employed financial consultant	Since 1990	2,829,430 ⁽³⁾
BRUCE ROBBINS ⁽⁵⁾ DIRECTOR Quebec, Canada	Self-employed Consulting Geologist	Since 2000	729,800
JAMIE LEVY ⁽⁴⁾⁽⁵⁾ DIRECTOR ONTARIO, CANADA	President, Chief Executive Officer and Director of Darnley Bay Resources; From Feb. 2007 to Feb. 2012, Vice President, Trading, and Head Trader at Pine Tree Capital Inc.	Since 2012	751,500
GEORGE DURST ⁽⁵⁾ DIRECTOR QUEBEC, CANADA	President of Villette Capital Inc., a diversified investment company.	Since 2014	7,863,302
TALAL CHEHAB DIRECTOR ONTARIO, CANADA	Lawyer, Mr. Chehab is the CEO/President & also the General Counsel of AYA Financial (AF).	2005-2010	52,500

Notes:

- (1) The information as to principal occupation, business or employment and Shares beneficially owned or controlled is not within the knowledge of the management of the Corporation and has been furnished by the respective nominees.
- (2) Of these Common Shares, 643,900 are held in Broad Leaf Consultant Inc., a company controlled by Mr. Rigg.
- (3) Of these Common Shares, 470,900 are held by Antoinette Carrier, a relative of Marc Carrier.
- (4) Mr. Levy holds options to purchase 250,000 Common Shares at an exercise price of \$0.22 expiring July 5, 2017.
- (5) Member of the Audit Committee.

Cease Trade Orders and Bankruptcy

Other than as set out below, to the knowledge of the Corporation, no director of the Corporation, is, or has been within the past 10 years, a director or officer of any other company that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied such company access to any exemptions under Canadian securities legislation for a period of more than 30 consecutive days, or, while such person was acting in that capacity or within one year thereafter, was declared bankrupt or made a voluntary assignment in bankruptcy, 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.

To the knowledge of the Corporation, no director of the Corporation has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, nor has any director of the Corporation been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

To the knowledge of the Corporation, no director of the Corporation, nor any personal holding company of any such person, has, within the past 10 years, been declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been 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 that individual.

Conflicts of interest may arise as a result of the directors of the Corporation also holding positions as directors and/or officers of other companies. Some of the directors have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors will be in direct competition with the Corporation. Conflicts, if any, will be subject to the procedures and remedies under applicable corporate and securities legislation.

In 2011 Mr. Durst was subject to a 37-day cease trade order in connection with Saratoga Electronic Solutions Inc. for failure to timely file a quarterly financial statement.

Unless otherwise advised, the Shares represented in the form of proxy approving the nominee named by the Corporation will be voted FOR the election of the five nominees whose names are set forth above.

APPOINTMENT OF AUDITOR

MNP SENCRL srl (formerly Meyers Norris Penny LLP) ("MNP") of Suite 2010, 1150 René-Lévesque Boulevard West, Montreal, Quebec H3B 2J8, is the current Auditor of the Corporation and will be nominated at the Meeting for appointment as the auditor of the Corporation for the ensuing year at a remuneration to be fixed by the directors. On January 11, 2011 MNP merged with WSBG LLP, Chartered Accountants. WSBG LLP was the auditor of the Corporation from June 28, 1995 until the aforementioned merger.

Unless otherwise advised, the Shares represented in the form of proxy approving the nominee named by the Corporation will be voted FOR the appointment of MNP, as the auditor of the Corporation at a remuneration authorized by the Board.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR

National Instrument 52-110 “*Audit Committees*” (“NI 52-110”) requires the Corporation, as a venture issuer, to disclose annually in its Management Proxy Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor. Such disclosure is set forth below.

The Audit Committee’s Charter

The responsibilities and duties of the Audit Committee are set out in the Audit Committee’s charter, the text of which is set forth in Appendix A to the Management Proxy Circular for the June 30, 2008 annual meeting and filed on www.sedar.com.

Composition of the Audit Committee

The Audit Committee of the Corporation is currently composed of the following three members: Bruce Robbins (Chairman), George Durst and Jamie Levy, all of whom are both independent and financially literate.

Relevant Education and Experience

Bruce Robbins holds a M.Sc.A from McGill University and has 26 years experience as a geologist managing the budgets of multi-million dollar exploration programs. He has also served as a board member of several public companies.

Jamie Levy holds a B.A. in Economics from Concordia University, and has experience in managing financial management programs.

George Durst is the former President & CEO of Saratoga from 2004 to March 2015. He has over fifty years’ experience in the restaurant business as founder of the House of Jazz Montreal Inc. and House of Jazz Laval Inc. and is also founder and former Chief Executive Officer of Sportscene Group Inc., a public company listed on the TSX Venture Exchange (the “TSXV”). Through these years, he has compiled financial literacy and developed business strategy knowledge. Additionally, Mr. Durst has served different public companies as a director and a board committee member.

Each member of the audit committee has adequate education and experience that is relevant to their performance as an audit committee member and, in particular, the requisite education and experience that have provided the member with:

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

Audit Committee Oversight

The audit committee has not made any recommendations to the Board to nominate any auditor other than MNP or compensate any auditor other than MNP.

Reliance on Certain Exemptions

The Corporation’s auditor, MNP, has not provided any material non-audit services.

Pre-Approval Policies and Procedures

The audit committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Auditor Service Fees

The audit committee has reviewed the nature and amount of the non-audited services provided by MNP for each of the years ended December 31, 2016 and 2015 to the Corporation to ensure auditor independence. Fees incurred with MNP for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table:

Nature of Services	Fees Paid to Auditor in Year Ended December 31, 2016	Fees Paid to Auditor in Year Ended December 31, 2015
Audit Fees ⁽¹⁾	\$31,565	\$31,000
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	Nil	Nil
Total	\$31,565	\$31,000

Notes:

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

Exemption

The Corporation is a venture issuer as defined in NI 52-110 and as such, where necessary, relies upon section 6.1 of NI 52-110 which allows venture issuers to be exempt from the requirements of Parts 3 (*Composition of the Audit Committee*) and 5 (*Reporting Obligations*).

CORPORATE GOVERNANCE

This statement of corporate governance practices is made pursuant to National Instrument 58-101 "*Disclosure of Corporate Governance Practices*" of the Canadian Securities Administrators and reflects the requirements set forth in Form 58-101F2 thereof.

General

Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognizes the principles of good management. The Board is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

Board of Directors

The Board of Directors reviews on an annual basis the independence of each of the directors of the Corporation. Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independence.

After having examined the roles and relationships of each of the directors, the Board has determined that three of its members are independent. Specifically, the Board has determined that each of Bruce Robbins, Jamie Levy, and George Durst are independent and that each of Marc A. Carrier and David M. Rigg are not, given their positions as remunerated officers of the Corporation. The Board believes that it is able to act independently of management due to the ability of its independent members to meet separately and the ability of each of its members to engage outside advisors, as appropriate.

Other Directorships

The following directors hold offices with other publicly traded companies:	Name of Reporting Issuer	Exchange Listed
Jamie Levy	Darnley Bay Resources Limited	TSXV

Board Mandate

The Board assumes responsibility for the stewardship of the Corporation and the enhancement of shareholder value. The Board establishes overall policy for the Corporation through consultation with management and generally oversees the business affairs of the Corporation.

The Board's mandate specifically includes the identification and management of risks, strategic planning, succession planning, external communications, director nominations and governance. Responsibility for day-to-day operations is delegated to management with the Board retaining responsibility for evaluating management's performance.

Orientation and Continuing Education

The Corporation has not adopted a formal policy with respect to the development of education and orientation programs for recruited directors. When required, orientation for new directors is provided through a review of past Board materials and other private and public documents concerning the Corporation.

Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Corporation. Therefore, the Board has not determined it to be necessary at this time to formulate and implement a formal Code of Business Conduct and Ethics.

Nomination of Directors

The Corporation has not adopted a formal policy with respect to the selection of new nominees to the Board. Historically, new nominees have been the result of recruitment efforts by Board members, including both formal and informal discussions among Board members and the President.

Compensation

The Corporation does not have a compensation committee. The Board as a whole determines compensation for the Corporation's directors and officers, which compensation is based on appropriate

and customary compensation for comparative organizations, having regard for such matters as time commitment, responsibility and trends in compensation.

Other Board Committees

At the present time, the only standing Board committee is the Audit Committee. As the Corporation grows, and its operations and management structure becomes more complex, the Board will consider the advisability of constituting other formal standing committees, such as a corporate governance committee, a compensation committee and a nominating committee.

Assessments

The Board, its Audit Committee and individual directors are subject to on-going assessment by the Board as a whole with respect to their effectiveness and contribution.

STATEMENT OF EXECUTIVE COMPENSATION

The Corporation has two executive officers. During the Corporation's financial year ended December 31, 2016, the aggregate direct remuneration paid or payable to the Corporation's executive officers by the Corporation was \$154,500. David M. Rigg, the Corporation's Chief Executive Officer, and Marc A. Carrier, the Corporation's President and Chief Financial Officer, are the "**Named Executive Officers**" of the Corporation for the purposes of the following disclosure.

GENERAL PROVISIONS

"Named Executive Officer" (a "NEO") means each of the following individuals:

1. a Chief Executive Officer ("CEO");
2. a Chief Financial Officer ("CFO");
3. each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
4. each individual who would be a 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 December 31, 2016.

Compensation Discussion and Analysis

The Corporation's compensation policies and programs are designed to be competitive with other junior mining companies and to recognize and reward executive performance consistent with the success of the Corporation's business.

The Corporation relies primarily on the discussions of the Board, without any specifically quantified objectives for determining executive compensation. The compensation payments reflect the development stage status of the Corporation and difficult markets for junior mining issuers.

The Board of Directors believes that the Corporation's executive compensation is in aggregate at or below market rates for executives doing similar functions in other junior resource companies. While, the Company did not retain any compensation consultants it was privy to a compensation survey done by a major accounting firm and their involvement in the resource industry makes them generally aware of industry compensation practices.

Mr Rigg holds formal geological credentials and shares his time providing services to two other issuers. Mr Carrier is a financial and administration executive who serves the Company on a substantially full time basis. In 2015 the compensation was renegotiated to reflect more difficult financing conditions (see *Deferred Compensation and Termination and Change of Control Benefits* below)

The Board has assessed the Company's compensation plans and programs for its two executive officers to ensure alignment with the Company's business plan and to evaluate the potential risks associated with

those plans and programs. The Board has concluded that the compensation policies and practices do not create any unusual risks that are reasonably likely to have a material adverse effect on the Company as a result of a misalignment of compensation criteria and corporate goals. The Board considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Company has not adopted a policy restricting its executive officers or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its executive officers or directors. To the knowledge of the Company, none of the executive officers or directors has purchased such financial instruments and none are likely to be available given the modest share price and the current market for junior mining company shares.

Philosophy and Objectives

The Company is a small, junior natural resource company with limited resources. The compensation program for the senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining qualified executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning their interests with those of the Company's shareholders.

In compensating its senior management, the Company has employed a combination of base salary and equity participation through its stock option plan. Recommendations for senior management compensation are presented to the Board of Directors for review.

Base Salary

In the Board's view, paying base salaries which are reasonable in relation to the level of service expected while remaining competitive in the markets in which the Company operates is a first step to attracting and retaining qualified and effective executives.

Bonus Incentive Compensation

The Company's objective is to achieve certain strategic objectives and milestones. The Board will consider executive bonus compensation dependent upon the Company meeting those strategic objectives and milestones and sufficient cash resources being available for the granting of bonuses. Such recommendations are generally based on information provided by issuers that are similar in size and scope to the Company's operations.

Equity Participation

The Company believes that encouraging its executives and employees to become shareholders is the best way of aligning their interests with those of its shareholders. Equity participation is accomplished through the Company's stock option plan. Stock options are granted to executives and employees taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. The amounts and terms of options granted are determined by the Board based on recommendations put forward by the CEO. Due to the Company's limited financial resources, the Company emphasises the provisions of option grants to maintain executive motivation.

Actions, Decisions or Policies Made After December 31, 2016

Given the evolving nature of the Company's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above but has made no changes since December 31, 2016.

Option Based Awards

The Corporation has in place a share option plan dated for reference June 17, 2004 as amended June 30, 2008 (the "Option Plan"). The Option Plan is a "fixed" plan and an aggregate of 7,834,191 Shares are available for option pursuant to the Option Plan. The Option Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Option Plan is administered by the directors of the Corporation. The Option Plan provides that options will be issued pursuant to option agreements to directors, officers, employees or consultants of the Corporation or a subsidiary of the Corporation. All options expire on a date not later than five years after the issuance of such option. Previous grants of option-based awards are taken into account when considering new grants of options. Subject to the requirements of the policies of the TSX Venture Exchange ("TSXV") and the prior receipt of any necessary regulatory approval, the Board may, in its absolute discretion, amend or modify the Option Plan or any outstanding option granted under the Option Plan, as to the provisions set out in the Option Plan. As of the date of this Information Circular there were options outstanding to purchase an aggregate of 250,000 Shares .

The Board approves base salaries and stock options at the same time to facilitate consideration of target direct compensation to executive officers. Options are granted at other times of the year to individuals commencing employment with the Corporation. The exercise price for the options is the closing price of the stock on the date of grant or the day after the grant if the grant day falls on a weekend or non-market day. See "Securities Authorized Under Equity Compensation Plans" for further information on the Option Plan of the Corporation.

SUMMARY COMPENSATION TABLE

The compensation paid to the NEOs during the Corporation's three most recently completed financial years ended December 31, 2014, 2015 and 2016 is as set out below and expressed in Canadian dollars unless otherwise noted:

Name and principal position	Year	Salary (\$) ⁽¹⁾	Share based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
David M. Rigg CEO	2016	39,500	Nil	Nil	Nil	Nil	Nil	Nil	39,500
	2015	3,000	Nil	Nil	Nil	Nil	Nil	Nil	3,000
	2014	20,000	Nil	Nil	Nil	Nil	Nil	Nil	20,000
Marc A. Carrier President and CFO	2016	115,000	Nil	Nil	Nil	Nil	Nil	Nil	115,000
	2015	30,000	Nil	Nil	Nil	Nil	Nil	Nil	30,000
	2014	65,000	Nil	Nil	Nil	Nil	Nil	Nil	65,000

Notes:

- (1) Includes the dollar value of cash and non-cash base salary earned during a financial year covered. The compensation includes consulting fees received by private companies controlled by Mr. Rigg and Mr. Carrier.

INCENTIVE PLAN AWARDS

Outstanding Share-based Awards and Option-based Awards

The following table sets out all share-based awards and option-based awards outstanding as at December 31, 2016, for each NEO:

Option-based Awards					Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
David M. Rigg	nil	-	-	Nil	Nil	Nil	Nil
Marc A. Carrier	nil	-	-	Nil	Nil	Nil	Nil

Notes:

There were no outstanding incentive plan awards (value vested or earned) during the year ended December 31, 2016 on behalf of any NEO.

Pension Plan Benefits

The Corporation does not have a pension plan for its directors, officers or employees.

Deferred Compensation and Termination and Change of Control Benefits

During the year ended December 31, 2013, the Corporation entered into an amended service agreement with Marc A. Carrier, President and CFO,

The President's agreement provides that from January 1, 2013, the historical compensation of \$145,000 year is reduced to a base fee of \$65,000 unless and until the Company has a minimum of \$100,000 in unallocated working capital. The \$80,000 portion which is conditional on the minimum working capital balance, is not accrued during any period when the minimum working capital is not in-hand but would be accrued if the agreement is terminated without cause by the Company before its 5 year term expires. There is a 24 month payment for termination for convenience by the Company and a 36 month change of control severance based on the \$145,000 historical level reflective of 23 years of service to the Company. The Presidents agreement has a five year term from January 1, 2013, subject to the Company's 2 year severance termination right, reduced to one year in the final two years of the contract) and severance amounts payable may be taken in shares the prevailing 5 day volume weighted average price (VWAP) subject to TSX Venture Exchange acceptance. The amended agreements received TSX Venture Exchange acceptance in 2014.

DIRECTOR COMPENSATION

Summary Compensation Table

Each independent director would normally receive \$10,000 as annual compensation, however, in 2016 no director fees were paid except for minimal amounts expensed.

The following table sets out all share-based awards and option-based awards outstanding as at December 31, 2016, for each director, excluding a director who is already set out in disclosure for a NEO for the Corporation:

Option-based Awards					Share-based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date (M/D/Y)	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards not paid out or distributed (\$)
Bruce Robbins	Nil	-	-	Nil	Nil	Nil	Nil
Jamie Levy	250,000	0.22	July 5, 2017	Nil	Nil	Nil	Nil
George Durst	Nil	-	-	Nil	Nil	Nil	Nil

Note:

- (1) The Common Shares were trading at a value of \$0.06 per Common Share on December 31, 2016. There were no incentive plan awards (value vested or earned) during the year ended December 31, 2016 on behalf of any directors.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth certain details as at the end of the Corporation's financial year ended December 31, 2016 with respect to the Option Plan, in which an aggregate of 7,584,191 Common Shares are available for issuance as options, being the sole compensation plan pursuant to which equity securities of the Corporation are authorized for issuance. A description of such plan can be found earlier in this Management Proxy Circular under the heading "*Compensation of Executive Officers – Option Based Awards*".

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Plan Category	(a)	(b)	(c)
Equity compensation plans approved by securityholders - (the Option Plan)	250,000	\$0.22	7,334,191
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	250,000	\$0.22	7,334,191

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No directors, proposed nominees for election as directors, senior officers or their respective associates or affiliates, or other management of the Corporation were indebted to the Corporation as of the end of the most recently completed financial year or as at the date hereof.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Corporation, no insider or nominee for election as a director of the Corporation had any interest in any material transaction of the Corporation during the year ended December 31, 2016, or has any interest in any material transaction of the Corporation in the current year except as disclosed herein or in a document previously disclosed to the public:

- (a) Management and administration fees of \$149,500 (2015: \$33,000) were paid to private companies controlled by insiders. The amount of \$115,000 (2015: \$30,000) was paid to a company controlled by Marc A. Carrier, President and Chief Financial Officer of the Corporation. An amount of \$34,500 was paid to a company controlled by David Rigg, Chief Executive Officer of the Company.
- (b) Exploration expenditures of \$5,000 (2015: \$3,000) was paid to a private company controlled by David M. Rigg and capitalized to exploration and evaluation assets. The directors are of the view that these expenditures do not exceed the fair value of the services provided.

MANAGEMENT CONTRACTS

All management services for the Corporation are performed by the senior officers and directors of the Corporation.

PARTICULARS OF MATTERS TO BE ACTED UPON

As of the date of this Management Proxy Circular, there are no other matters that the Corporation intends to submit to the shareholders for approval at the Meeting. However, the Meeting is authorized to consider any permitted amendment to or variation of any matter identified in the accompanying Notice of Meeting and to transact such other business as may properly come before the Meeting or any adjournment thereof.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Financial information in respect of the Corporation's most recently completed financial year is provided in the Corporation's comparative financial statements and management discussion and analysis available on SEDAR. A shareholder may contact the Corporation at 3608 Blvd. St-Charles, Suite 16, Kirkland, Quebec H9H 3C3, attention: President, to obtain a copy of the Corporation's most recent financial statements and management discussion and analysis.

SHAREHOLDER PROPOSALS

Pursuant to Canadian law, shareholder proposals to be considered for inclusion in the management proxy circular for the 2018 annual meeting of the Corporation (expected to be held in June 2018) must be received by Marc A. Carrier, President of the Corporation, on or before the close of business on March 31, 2018.

OTHER MATTERS

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

The contents of this Management Proxy Circular and its distribution have been approved by the Board of Directors of the Corporation.

Dated at Kirkland, Quebec, May 19, 2017.

“Marc A. Carrier”

Marc A. Carrier
President and Chief Financial Officer

“David M. Rigg”

David M. Rigg
Chief Executive Officer

