

**ALTAMIRA GOLD CORP.**

1500 -409 Granville Street  
Vancouver, BC V6C 1T2  
Tel: 604 676 5660

**INFORMATION CIRCULAR**

**INTRODUCTION**

This Information Circular accompanies the Notice of Annual General Meeting and is furnished to shareholders holding common shares (the “**Common Shares**”) in the capital of Altamira Gold Corp. (the “**Company**” or “**Altamira**”) in connection with the solicitation by the management of the Company of proxies to be voted at the annual general and special meeting (the “**Meeting**”) of the shareholders to be held at 10:00 a.m. (Vancouver time) on **August 25, 2017** at the offices of the Company, Suite 1500 – 409 Granville Street, Vancouver, BC V6C 1T2 or at any adjournment or postponement thereof.

**Date and Currency**

The date of this Information Circular is **July 12, 2017**. Unless otherwise stated, all amounts herein are in Canadian Dollars.

In this Information Circular, references to “**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.

**PROXIES AND VOTING RIGHTS**

**Management Solicitation**

The solicitation of proxies by the Company will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

The Company has 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). The Company has 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.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Information Circular. This Information Circular does not

constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

#### **NOTICE AND ACCESS PROCESS**

The Company has decided to use the notice and access model (“**Notice and Access**”) provided for under amendments to National Instrument 54-101 for the delivery of the Information Circular, audited financial statements and Management’s Discussion and Analysis for the financial years ending February 29, 2016 and February 28, 2017 (collectively, the “**Circular and Financials**”) to shareholders for the Meeting. The Company has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Circular and Financials, shareholders receive a notice (“**Notice**”) with information on the Meeting date, location and purpose, as well as information on how they may access the Circular and Financials electronically.

Shareholders with existing instructions on their account to receive printed materials and those shareholders with addresses outside of Canada and the United States will receive a printed copy of the Circular and Financials with the Notice.

#### **Appointment of Proxy**

Registered Shareholders are entitled to vote at the Meeting. A shareholder is entitled to one vote for each common share that such shareholder holds on the record date of **July 12, 2017** (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting.

The persons named as proxyholders (the “**Designated Persons**”) in the enclosed form of proxy are directors and/or officers of the Company.

**A SHAREHOLDER HAS THE RIGHT TO APPOINT A PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR OR ON BEHALF OF THAT SHAREHOLDER AT THE MEETING, OTHER THAN THE DESIGNATED PERSONS NAMED IN THE ENCLOSED FORM OF PROXY.**

**TO EXERCISE THE RIGHT, THE SHAREHOLDER MAY DO SO BY STRIKING OUT THE PRINTED NAMES AND INSERTING THE NAME OF SUCH OTHER PERSON AND, IF DESIRED, AN ALTERNATE TO SUCH PERSON, IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY. SUCH SHAREHOLDER SHOULD NOTIFY THE NOMINEE OF THE APPOINTMENT, OBTAIN THE NOMINEE’S CONSENT TO ACT AS PROXY AND SHOULD PROVIDE INSTRUCTION TO THE NOMINEE ON HOW THE SHAREHOLDER’S COMMON SHARES SHOULD BE VOTED. THE NOMINEE SHOULD BRING PERSONAL IDENTIFICATION TO THE MEETING.**

In order to be voted, the completed form of proxy must be received by the Company’s registrar and transfer agent, Computershare Investor Services Inc. (the “**Computershare**”) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) prior to the scheduled time of the Meeting, or any adjournment or postponement thereof. Registered Shareholders electing to submit a proxy may do so by:

- (i) Completing, dating and signing the enclosed form of Proxy and returning it to the Computershare by mail or hand delivery at 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Canada;
- (ii) Using a touch-tone phone to transmit voting choices to the toll-free number given in the Proxy. Registered Shareholders who choose this option must follow the instructions of the voice response system and refer to the enclosed Proxy for the toll-free number, the holder’s account number and the Proxy Control Number;  
or

(iii) Using the internet through the website of Computershare at [www.investorvote.com](http://www.investorvote.com). Registered Shareholders who choose this option must follow the instructions that appear on the screen and refer to the enclosed Proxy for the holder's account number and the Proxy Control Number.

A proxy may not be valid unless it is dated and signed by the shareholder who is giving it or by that shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

#### **Revocation of Proxies**

A shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Company at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law. Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

#### **Voting of Common Shares and Proxies and Exercise of Discretion by Designated Persons**

A shareholder may indicate the manner in which the Designated Persons are to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. **The Common Shares represented by a proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.**

**IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY CONFERS DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER UPON THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PERSONS WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY.**

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to other matters which may properly come before the Meeting, including any amendments or variations to any matters identified in the Notice, and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company is not aware of any such amendments, variations, or other matters to come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Common Shares on any matter, the Common Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

#### **VOTING BY NON-REGISTERED SHAREHOLDERS**

**The information set out in this section is of significant importance to those shareholders who do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this**

**Information Circular as “Non-Registered Shareholders”)** should note that **only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.** If Common Shares are listed in an account statement provided to a shareholder by a broker, 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 names of the shareholder’s broker or an agent of that broker. In the United States, the vast majority of such Common 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). Non-Registered Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person well in advance of the Meeting. In accordance with securities regulatory policies, the Company has distributed copies of the Notice of Meeting and the form of proxy (or voting instructions form) and made the Circular and Financials available (collectively, the “**Meeting Materials**”) to the clearing agencies, directly to the Intermediaries and/or directly to non-objecting Non-Registered Holders using Notice and Access.

The Company does not have access to names of Non-Registered Shareholders. Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Non-Registered Shareholders in advance of shareholders’ meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Non-Registered Shareholder by its broker (or the agent of the broker) is similar to the Form of Proxy provided to Registered Shareholders by the Company. However, its purpose is limited to instructing the Registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Non-Registered Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”) in the United States and in Canada. Broadridge typically prepares a special voting instruction form, mails this form to the Non-Registered Shareholders and asks for appropriate instructions regarding the voting of Common Shares to be voted at the Meeting. Non-Registered Shareholders are requested to complete and return the voting instructions to Broadridge by mail or facsimile. Alternatively, Non-Registered Shareholders can call a toll-free number and access Broadridge’s dedicated voting website (each as noted on the voting instruction form) to deliver their voting instructions and to vote the Common Shares held by them. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Non-Registered Shareholder receiving a Broadridge voting instruction form cannot use that form as a proxy to vote Common Shares directly at the Meeting – the voting instruction form must be returned to Broadridge well in advance of the Meeting in order to have its Common Shares voted at the Meeting.**

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

Alternatively, a Non-Registered Shareholder may request in writing that his or her broker send to the Non-Registered Shareholder a legal proxy which would enable the Registered Shareholder to attend at the Meeting and vote his or her Common Shares.

The Meeting Materials are made available to both Registered Shareholders and Non-Registered Shareholders using Notice and Access. If you are a Non-Registered Shareholder and the Company or its agent has sent the Notice and Proxy directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares

on your behalf, or the agent of such Intermediary. By choosing to send the Notice and Proxy to you directly, the Company (and not the Intermediary holding shares on your behalf) has assumed responsibility for (i) delivering the Notice and Proxy to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

All references to shareholders in this Information Circular are to Registered Shareholders, unless specifically stated otherwise.

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

Except as disclosed elsewhere in this Information Circular, no director or executive officer of the Company who was a director or executive officer since the beginning of the Company's last financial year, each proposed nominee for election as a director of the Company, or any associate or affiliates of any such directors, executive officers or nominees, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

#### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

The Company is authorized to issue an unlimited number of Common Shares without par value. As of the Record Date, determined by the Company's board of directors (the "**Board**") to be the close of business on July 12, 2017, a total of **38,446,487** Common Shares were issued and outstanding. Each Common Share carries the right to one vote at the Meeting.

Only Registered Shareholders as of the Record Date are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment or postponement of the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company.

#### **RECEIPT OF FINANCIAL STATEMENTS**

The directors will place before the Meeting the audited consolidated financial statements for the financial year ended February 29, 2016 and February 28, 2017 together with the auditors' reports thereon.

#### **ELECTION OF DIRECTORS**

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are elected or appointed, unless his or her office is earlier vacated in accordance with the articles of the Company (the "**Articles**") or with the provisions of applicable corporate legislation. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the Board.

At the Meeting, shareholders will be asked to pass an ordinary resolution to set the number of directors for the ensuing year at five (5). The number of directors will be approved if the affirmative vote of the majority of Common Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at five (5).

Management of the Company proposes to nominate the persons named in the table below for election by the shareholders as directors of the Company. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province or State, Country of Residence and Position(s) with the Company <sup>1</sup>	Director Since	Present Principal Occupation, Business or Employment of each Director and Proposed Director	Number of Voting Securities of the Company Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>1</sup>
<b>Alan Carter</b> British Columbia, Canada  <i>Director, President and CEO</i>	October 28, 2016	President, Chief Executive Officer and Director of the Company. Director of Peregrine Diamonds Ltd., Director of Anfield Gold Corp., former Director and CEO of Magellan Minerals Ltd.	1,144,933
<b>Michael Bennett</b> Rondônia, Brazil  <i>Director</i>	August 31, 2016	Director of the Company and Director of Alta Floresta Gold Ltd., General Manager of Brazil Manganese Corp. Mr. Bennett has worked as chief geologist and country manager for mining and exploration projects in Mexico and Brazil.	2,039,569
<b>Christopher Harris</b> <sup>2</sup> Surrey, United Kingdom  <i>Director</i>	April 27, 2016	Director of the Company and Director of Castara Resources Ltd.	1,386,999
<b>Ian Talbot</b> <sup>2</sup> British Columbia, Canada  <i>Director</i>	April 7, 2017	Director of the Company and Chief Operating Officer of ATAC Resources Ltd., Strategic Metals Ltd., Silver Range Resources Ltd. and Rockhaven Resources Ltd.	Nil
<b>Ioannis Tsitos</b> <sup>2</sup> British Columbia, Canada  <i>Director</i>	April 7, 2017	Director of the Company, President of Goldsource Mines Inc.; and President of Laurium Mining Services Inc., a management consulting company; Director of several publicly listed mineral exploration companies.	Nil

1 The information as to country of residence and principal occupation, and Common Shares beneficially owned or over which a director exercises control or direction, not being within the knowledge of the Company, has been furnished by the respective nominees as at the date of this Information Circular.

2 Member of the Audit Committee.

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual general meeting or at such time when their successors are duly elected or appointed in accordance with the Articles, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

**Management recommends the approval of each of the nominees listed above for election as directors of the Company for the ensuing year.**

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the Designated Persons intend to exercise discretionary authority to vote the Common Shares represented by proxy for the election of any other persons as directors.

#### **Orders**

No proposed director of the Company is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed 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.

For the purposes of the above, “**order**” means:

- (a) a cease trade order;
- (b) an order similar to a cease trade order; or
- (c) an order that denied the relevant company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days.

#### **Bankruptcies**

No proposed director of the Company is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the 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.

No proposed director of the Company 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 became 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.

The above information was provided by individual directors and officers of the Company.

#### **Penalties or Sanctions**

No proposed director of the Company has been subject to:

- (a) 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
- (b) 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.

The above information was provided by individual directors of the Company.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **General**

For the purpose of this Information Circular:

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Company or any of its subsidiaries (if any);

“**CEO**” of the Company means each individual who acted as chief executive officer of the Company or acted in a similar capacity for any part of the most recently completed financial year;

“**CFO**” of the Company means each individual who acted as chief financial officer of the Company or acted in a similar capacity for any part of the most recently completed financial year; and

“**Named Executive Officer**” or “**NEO**” means each of the following individuals:

- (a) each individual who served as CEO of the Company,
- (b) each individual who served as CFO of the Company,
- (c) the most highly compensated executive officer of the Company or any of its subsidiaries (if any) other than 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 an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

### **Director and Named Executive Officer Compensation, Excluding Compensation Securities**

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in the two most recently completed financial years:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission (\$)	Bonus (\$)	Committee or Meeting Fees (\$)	Value of Perquisites <sup>(1)</sup> (\$)	Value of All Other Compensation (\$)	Total Compensation (\$)
Alan Carter <sup>(2)</sup> <i>President, CEO, and Director</i>	2017 2016	\$62,500 N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$62,500 N/A
Christopher Harris <sup>(3)</sup> <i>Former President, former CEO and Director</i>	2017 2016	\$165,000 N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$165,000 N/A
Kyler Hardy <sup>(4)</sup> <i>Former President, former CEO, and former Director</i>	2017 2016	\$112,500 \$142,500	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$112,500 \$142,500
Michael O'Brien <sup>(5)</sup> <i>CFO and Corporate Secretary</i>	2017 2016	\$43,750 N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$43,750 N/A
Michael Bennett <sup>(6)</sup> <i>Director</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Jody Bellefleur <sup>(7)(10)</sup> <i>Former CFO</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Everett Makela <sup>(8)</sup> <i>Former VP, Exploration and former Director</i>	2017 2016	\$116,561 N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$Nil N/A	\$116,561 N/A
David Hodge <sup>(9)(10)</sup> <i>Former Director</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Tim Fernback <sup>(11)</sup> <i>Former Director</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Raymond Goldie <sup>(12)</sup> <i>Former Director</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Qianjie Wang <sup>(13)</sup> <i>Former Director</i>	2017 2016	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	\$Nil \$Nil	Nil Nil	Nil Nil
Jay Roberge <i>Former Director</i>	2016	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil

(1) "Perquisites" include perquisites provided to an NEO or director that are not generally available to all employees and that, in aggregate, are: (a) \$15,000, if the NEO or director's total salary for the financial year is \$150,000 or less, (b) 10% of the NEO or director's salary for the financial year if the NEO or director's total salary for the financial year is greater than \$150,000 but less than \$500,000, or (c) \$50,000 if the NEO or director's total salary for the financial year is \$500,000 or greater.

(2) Alan Carter served as a director of the Company from April 27, 2016 to August 31, 2016. On October 28, 2016, he was re-appointed a director of the Company and was appointed President and CEO of the Company.

(3) Christopher Harris has been a director of the Company since April 27, 2016 and served as the interim President and CEO for the period from April 27, 2016 until October 28, 2016.S

(4) Kyler Hardy was a director of the Company from November 24, 2014 until June 1 2017. He served as President and CEO from November 24, 2014 until April 27, 2016, and served as Chairman from April 27, 2017 until June 1, 2017.

(5) Michael O'Brien has been the CFO and Corporate Secretary of the Company since November 17, 2016.

(6) Michael Bennett has been a director of the Company since April 27, 2016.

- (7) Jody Bellefleur was the CFO of the Company from February 6, 2014 until November 17, 2016.
- (8) Everett Makela was a director of the Company from August 31, 2016 until April 7, 2017 and served as the VP, Exploration of the Company from April 27, 2016 until April 7, 2017.
- (9) David Hodge was a director of the Company from February 26, 2014 until March 24, 2017 and served as President and CEO of the Company from February 6, 2014 to November 24, 2014.
- (10) Jody Bellefleur and David Hodge acted as executive officers or directors of the Company and were employed by an external management company - see Management Contracts below.
- (11) Tim Fernback was appointed as a director of the Company on February 3, 2015 and resigned as a director of the Company on April 27, 2016.
- (12) Raymond Goldie was appointed as a director of the Company on June 24, 2015 and resigned as a director of the Company on April 27, 2016.
- (13) Qianjie Wang was appointed as a director of the Company on November 20, 2012 and resigned as a director of the Company on April 27, 2016.
- (14) Jay Roberge was appointed as a director of the Company on December 8, 2006 and resigned as a director of the Company on May 26, 2015.

### Stock Options and Other Compensation Securities

The Company granted the following compensation securities to each director and NEO in the financial year ended February 28, 2017 for services provided or to be provided, directly or indirectly, to the Company.

Compensation Securities <sup>(1)</sup>							
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 <i>President, CEO, and Director</i>	Stock option	89,800	April 27, 2016	\$1.50	\$0.70	\$0.28	April 27, 2019
Michael Bennett <i>Director</i>	Stock Options	99,494	April 27, 2016	\$1.50	\$0.70	\$0.28	April 27, 2019
Christopher Harris <i>Former President, former CEO and Director</i>	Stock options	99,484	April 27, 2016	\$1.50	\$0.70	\$0.28	April 27, 2019

<sup>(1)</sup> Adjusted for the effect of a 1 for 10 rollback completed on January 3, 2017.

As at February 28, 2017:

- (a) Kyler Hardy, a former director and Chairman of the Company, owned an aggregate of 80,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 40,000 are exercisable at a price of \$1.00 per Common Share until February 17, 2020 and 40,000 are exercisable at a price of \$1.50 per Common Share until November 19, 2020;

- (b) Alan Carter, the President and CEO, and a director of the Company, owned an aggregate of 89,800 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share at a price of \$1.50 per Common Share until April 27, 2019;
- (c) Michael Bennett, a director of the Company, owned an aggregate of 99,484 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share. a price of \$1.50 per Common Share until April 27, 2019;
- (d) Christopher Harris, a director of the Company, owned an aggregate of 99,484 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share at an exercisable price of \$1.50 per Common Share until April 27, 2019;
- (e) Everett Makela, a former director of the Company and its VP Exploration, owned an aggregate of 55,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 25,000 are exercisable at a price of \$1.00 per Common Share until February 17, 2020 and 30,000 are exercisable at a price of \$1.50 per Common Share until November 19, 2020;
- (f) David Hodge, a former director and former President and CEO of the Company, owned an aggregate of 50,833 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share. Of these, 10,833 are exercisable at a price of \$1.00 per Common Share until February 26, 2019, 15,000 are exercisable at a price of \$1.00 until February 17, 2020 and 25,000 are exercisable at a price of \$1.50 per Common Share until November 19, 2020;

#### **Stock Option Plans and Other Incentive Plans**

The Company's current stock option plan (the "Plan"), which it adopted in 2012, is a "rolling" stock option plan, whereby the aggregate number of Common Shares reserved for issuance, together with any other Common Shares reserved for issuance under any other plan or agreement of the Company, shall not exceed ten (10%) percent of the total number of issued Common Shares (calculated on a non-diluted basis) at the time an option is granted. The Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Company and its subsidiaries or affiliates, options to purchase Common Shares. The Company's shareholders approved the Plan at the Company's annual general meeting held on August 30, 2016.

For additional details regarding the terms of the Plan, see below under the heading "Ratification of Stock Option Plan".

#### **Employment, Consulting and Management Agreements**

On November 1, 2016, the Company entered into an employment agreement with Michael O'Brien to provide full time services as its CFO at a salary of \$12,500 per month. The agreement provides for Mr. O'Brien to be given 3 months' notice of termination, which period will increase by one month for each completed year worked to a maximum of 12 months.

On October 1, 2016, the Company entered into an agreement with Alan Carter to fulfil the position of President and CEO. Mr. Carter will receive \$12,500 per month and is also entitled to receive stock options as determined by the Board. Mr. Carter may receive an annual bonus as determined by the Board and will be tied to key annual or strategic targets or exceptional performance. The agreement includes termination or change of control provisions whereby Mr. Carter would receive a lump sum payment equal to 12 months fee and 90 days to exercise stock options granted to him.

On April 27, 2016, the Company entered into an agreement with Christopher Harris to provide full-time services as President and CEO. Pursuant to the agreement, Mr. Harris will receive \$15,000 per month, payable as to \$10,000

cash and \$5,000 accrued until the Company reaches positive cash flow. The contract includes a one-time \$40,000 bonus payable 50% upon signing, and 50% in six months from signing. The bonus to be invested in Common Shares of the Company which will be held for at least one year from the acquisition. Mr. Harris is also entitled to receive stock options as determined by the Board. Mr. Harris may receive an annual bonus as determined by the Board and will be tied to key annual or strategic targets or exceptional performance. The agreement includes termination or change of control provisions whereby Mr. Harris would receive a lump sum payment equal to 12 months fee and 90 days to exercise stock options granted to him. Upon a change of management on October 1, 2016 the contract was mutually released. Agreement was reached to waive the \$40,000 bonus and Mr. Harris continued to be paid his salary and provided consulting services until April 30, 2017. He would also be paid the accrued fees.

On December 1, 2015 the Company entered into an agreement with Ridge Resources Ltd., a company controlled by Kyler Hardy to provide services as President and CEO for a fee of \$15,000 per month. Pursuant to the agreement, Mr. Hardy is entitled to receive stock options as granted by the Board and an annual performance bonus of 50% of the annual fee payable the 1<sup>st</sup> day of August each year. The agreement includes a termination and change of control provisions that require the payment of a lump sum equal to 12 month's fee. Upon change of management on April 27, 2016 the contract was mutually released and there is no regular compensation due other than stock options and fees as may be agreed from time to time.

On July 1, 2015 the Company entered into an agreement with EFMX Consulting Ltd., a company controlled by Everett Makela to provide services as the Vice President of Exploration for \$13,000 per month. Pursuant to the agreement, Mr. Makela is entitled to receive stock options as granted by the Board. The contract was terminated on August 31, 2016 and Mr. Makela continued to provide consulting services at \$10,000 per month until December 31, 2016.

### **Oversight and Description of Director and NEO Compensation**

The Board has not created or appointed a compensation committee given the Company's current size and stage of development. All tasks related to developing and monitoring the Company's approach to the compensation of the Company's NEOs and directors are performed by the members of the Board. The compensation of the NEOs, directors and the Company's employees or consultants, if any, is reviewed, recommended and approved by the Board without reference to any specific formula or criteria. NEOs that are also directors of the Company are involved in discussion relating to compensation, and disclose their interest in and abstain from voting on compensation decision relating to them, as applicable, in accordance with the applicable corporate legislation.

The overall objective of the Company's compensation strategy is to offer short, medium and long-term compensation components to ensure that the Company has in place programs to attract, retain and develop management of the highest calibre and has in place a process to provide for the orderly succession of management, including receipt on an annual basis of any recommendations of the CEO, if any, in this regard. The Company currently has a short term compensation component in place, which includes the accrual and/or payment of management fees to certain NEOs, and a long-term compensation component in place, which may include the grant of stock options under the Plan. The Company intends to further develop these compensation components. Although it has not to date, the Board may in the future consider, on an annual basis, an award of bonuses to key executives and senior management. The amount and award of such bonuses is expected to be discretionary, depending on, among other factors, the financial performance of the Company and the position of the executive. The Board considers that the payment of such discretionary annual cash bonuses may satisfy the medium term compensation component.

The objectives of the Company's compensation policies and procedures are to align the interests of the Company's employees with the interests of the shareholders. Therefore, a significant portion of total compensation granted by the Company, being the grant of stock options, is based upon overall corporate performance. The Company relies on Board discussion without a formal agenda for objectives, criteria and analysis, when determining

executive compensation. There are currently no formal performance goals or similar conditions that must be satisfied in connection with the payment of executive compensation.

#### **Pension Plan Benefits**

The Company does not have any pension plans that provide for payments or benefits to the NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Company does not have a deferred compensation plan with respect to any NEO.

#### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The only equity compensation plan which the Company has in place is the Plan. The Plan was established to assist the Company in attracting, retaining and motivating directors, executive officers, employees and consultants and to closely align the personal interests of those people with those of shareholders. The Board administers the Plan. The Plan provides that the Company may grant options, under option agreements and in accordance with the policies of the TSX Venture Exchange (the “Exchange”). Detailed information on the Plan can be found under “Ratification of Stock Option Plan”.

The following table sets out equity compensation plan information as at the end of the financial year ended February 28, 2017.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by securityholders	886,460	\$1.41	2,678,615
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	<b>886,460</b>	<b>\$1.41</b>	<b>2,678,615</b>

A copy of the Plan is available for review at the office of the Company during normal business hours up to and including the date of the Meeting.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

During the last completed fiscal year, no director, executive officer, senior officer or nominee for director of the Company or any of their associates has been indebted to the Company or any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

#### **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, no informed person of the Company nor any associate or affiliate of any informed person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in

any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company.

**"Informed person"** means

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution of it; and
- (d) the Company has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

#### **APPOINTMENT OF AUDITOR**

At the Meeting, shareholders will be asked to vote for the appointment of De Visser Gray LLP to serve as auditor of the Company for the fiscal year ending February 28, 2018, to hold such position until the next annual general meeting of the shareholders or until it is removed by the Board or resigns as provided by law, and to authorize the Board to fix the remuneration to be paid to De Visser Gray LLP.

**Management recommends that shareholders vote for the approval of the appointment of De Visser Gray LLP as the Company's auditor for the Company's fiscal year ending February 28, 2018 at remuneration to be fixed by the Board.**

#### **PARTICULARS OF MATTERS TO BE ACTED UPON**

##### **2017 Stock Option Plan**

In accordance with the policy of the Exchange, the directors of the Company have adopted the Plan, subject to shareholder and Exchange approval. The Plan complies with the requirements of Exchange for Tier 2 issuers. Under the Plan, a maximum of 10% of the issued and outstanding Common Shares of the Company are proposed to be reserved at any time for issuance on the exercise of stock options ("**Options**"). As the number of Common Shares reserved for issuance under the Plan increases with the issue of additional Common Shares by the Company, the Plan is considered to be a "rolling" stock option plan.

A copy of the Plan will be available at the Meeting for review by the shareholders at the Meeting.

##### Summary of Terms of the Plan

The Plan is in the form of a rolling stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Company at any time, less any shares required to be reserved with respect to options granted by the Company prior to the implementation of the Plan. The Plan is administered by the Administrator on the instructions of the Board. Subject to the provisions of the Plan, the Board in its sole discretion will determine all options to be granted pursuant to the Plan, the exercise price therefore and any special terms or vesting provisions applicable thereto. The Administrator will comply with all regulatory requirements in granting options and otherwise administering the Plan. A summary of some of the additional provisions of the Plan follows below. Capitalized terms not otherwise defined are defined in the Plan.

- Options may be granted to bona fide Directors, Employees and Consultants;
- the Board in its sole discretion, will determine which Directors, Employees and Consultants, if any, may be awarded Options and may, in its sole discretion, grant the majority of the Options to insiders of the Company;
- Option Holders will not be granted Options if their holdings will exceed 5% of the Company's issued and outstanding share capital and any Consultants will not be granted Options if their holdings will exceed 2% of the Company's issued and outstanding share capital;
- the maximum number or percentage of Common Shares that may be reserved under the Plan for issuance pursuant to the exercise of Options is 10% of the issued and outstanding number of Common Shares and any unexercised Options will be available to grant under the Plan;
- the expiry date of an Option shall be fixed by the Board at the time the Option is granted and shall be no later than the five years, or such later date as allowed by the policies of the Exchange;
- Unexercised Options shall terminate on the Expiry Date or earlier as applicable:
  - if the Option Holder dies while he or she is still a Director, an Employee, or a Consultant, the Options will expire one year from the Option Holder's death;
  - if the Option Holder ceases to be a Director other than by reason of death, the Options will expire 90 days after the Option Holder ceases to be a Director;
  - if the Option Holder is removed as a Director by ceasing to meet the qualifications of the *Business Corporations Act* (British Columbia) or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
  - if the Option Holder ceases to be an Employee other than by reason of death, the Options will expire 30 days after the Option Holder ceases to be an Employee;
  - if the Option Holder is removed as an Employee, or a Consultant by termination for cause or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
  - if the Option Holder is performing Investor Relations activities the Options will expire 30 days following termination of the Investor Relations activities;
  - if the Option Holder performing Investor Relations activities is removed as an Employee, or a Consultant by termination for cause or is removed pursuant to any Regulatory Authority, the Options will expire immediately;
- the Option Price will not be less than the Discounted Market Price (as that term is defined under Exchange policies) of the Company's Common Shares on the date of grant;
- Options are not assignable or transferrable except in the event of death of the Option Holder to executor or administrator of the deceased Option Holder or the person entitled by law to act on behalf of such Option Holder;
- Options may be subject to vesting provisions;
- Common Shares underlying the Options are subject to securities laws resale restrictions;

- the Board may amend the Stock Option Plan subject to applicable Exchange policies and securities laws; and
- amendments to the Exercise Price of Options held by insiders must have disinterested shareholder approval.

As at February 28, 2017 there were 886,460 Options issued and outstanding.

#### *Shareholder Approval*

In order to exercise Options granted under the Plan, the Plan must first be accepted by the Exchange. In order to obtain Exchange acceptance, the Exchange requires that “rolling” stock option plans receive shareholder approval at a company’s annual general meeting. For these reasons and also to ensure that the Plan is acceptable to the Company’s shareholders, the Board will ask the shareholders to approve the Plan at the Meeting. Accordingly, the shareholders will be asked to consider and, if thought fit, pass the following resolution.

“Resolved that, subject to TSX Venture Exchange Inc. (the “**Exchange**”) approval:

1. The Company adopt a 2017 stock option plan (the “**Stock Option Plan**”), including the reserving for issuance under the Stock Option Plan at any time of a maximum of 10% of the issued Common Shares of the Company;
2. The Company be and is hereby authorized to grant stock options under the Stock Option Plan, in accordance with its terms;
3. The Company be and is hereby authorized to prepare such disclosure documents and make such submissions and filings as the Company may be required to make with the Exchange to obtain Exchange acceptance of the Stock Option Plan; and
4. Authority be and is hereby granted to the Board of Directors of the Company to make such amendments to the Stock Option Plan as may be required by the Exchange to obtain Exchange acceptance of the Stock Option Plan.”

**It is the intention of the persons named in the enclosed instrument of proxy, if not expressly directed otherwise in such instrument of proxy, to vote such proxies FOR the ordinary resolution to approve the Plan. An ordinary resolution is a resolution passed by the shareholders of the Company at a general meeting by a simple majority of the votes cast in person or by proxy.**

**Management of the Company recommends that shareholders vote in favour of the above ordinary resolution.**

#### **CORPORATE GOVERNANCE**

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices with respect to the corporate governance guidelines adopted in NI 58-101. These guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Company’s approach to corporate governance is set out in this Information Circular attached as Schedule A.

#### **AUDIT COMMITTEE**

Under National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”), venture issuers are required to provide certain disclosure with respect to their audit committee, including the text of the audit committee’s charter, the

composition of the audit committee and the fees paid to the external auditor. This information with respect to the Company is provided in Schedule B.

#### **MANAGEMENT CONTRACTS**

Management functions of the Company are generally performed by directors and senior officers of the Company and not, to any substantial degree, by any other person to whom the Company has contracted. See Employment Consulting and Management Agreements above.

Effective November 1, 2015 the Company entered into a Management and Administrative Services Agreement with Zimtu Capital Corp. ("**Zimtu**"). The agreement is for one year and is renewable or terminated with 30 days' notice. Zimtu provides the Company with administrative and managerial services performed indirectly by directors and senior officers of the Company which includes corporate maintenance, continuous disclosure and corporate compliance services and office space and is paid a monthly fee of \$12,500. The agreement was terminated on October 31, 2016.

#### **OTHER MATTERS**

Other than the above, management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters that are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com) or on the Company's website at [www.Altamiraresources.com](http://www.Altamiraresources.com). To request copies of the Company's financial statements, shareholders can contact the Company at (604) 676 5661.

#### **APPROVAL OF THE BOARD OF DIRECTORS**

The contents of this Information Circular have been approved and the delivery of it to each shareholder of the Company entitled thereto and to the appropriate regulatory agencies has been authorized by the Company's Board of Directors.

DATED at Vancouver, British Columbia, this 12<sup>th</sup> day of July, 2017.

By Order of the Board of Directors

**ALTAMIRA GOLD CORP.**

*"Alan Carter"*

**Alan Carter**  
**President, Chief Executive Officer and Director**

**SCHEDULE A  
CORPORATE GOVERNANCE DISCLOSURE**

Corporate Governance is the process and structure used to direct and manage the business and affairs of an issuer with the objective of enhancing value for its owners. National Instrument 58-101 – Disclosure of Corporate Governance Practices (“NI 58-101”) of the Canada Securities Administrators requires the Company to disclose in this Information Circular a summary of the corporate governance policies that the Company has in place.

**Board of Directors**

Alan Carter is not an independent director as he is the President and CEO. Michael Bennett is not an independent director as he directs the exploration activities of the Company. Christopher Harris is not an independent director as he provides business development services to the Company. Ian Talbot and Ioannis Tsitos are independent directors of the Company.

**Directorships**

<b>Name of Director</b>	<b>Names of Other Reporting Issuers</b>
Alan Carter	Peregrine Diamonds Ltd Anfield Gold Corp. Fremont Gold Ltd.
Ian Talbot	Arcus Development Group Inc. Paramount Gold and Silver Corp. Rimfire Minerals Corp.
Ioannis Tsitos	Goldsource Mines Inc. Alexandra Capital Corp. Asia Base Metals Inc. Para Resources Inc.

**Orientation and Continuing Education**

While the Company does not have formal orientation or training programs for new Board members, new Board members are provided with full access to the Company’s records, including all publicly filed documents of the Company, technical reports, internal financial information, management & technical experts and consultants and a summary of significant securities disclosure obligations. Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management’s assistance and to attend related industry seminars.

**Ethical Business Conduct**

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The Board of Directors believes that the Company has in place corporate governance practices that are both effective and appropriate to the Company’s size and its business operations.

**Nomination of Directors**

The Board of Directors has the responsibility for identifying potential Board candidates. The Board assesses potential candidates to fill perceived needs on the Board for required skill, expertise, independence and other factors.

**Compensation**

Compensation is determined by the Board of Directors and is based on the compensation paid for directors and senior officers of companies of a similar size and stage of development. The appropriate compensation reflects the need to provide incentive and compensation for the time and effort expended by the directors and its management while taking into account the financial and other resources of the Company.

**Other Board Committees**

The Company has no other Board Committees, other than the audit committee.

**Assessments**

The Board of Directors conducts informal annual assessments of the Board's effectiveness, its individual directors and its committees.

**SCHEDULE B**  
**AUDIT COMMITTEE INFORMATION**

Pursuant to Multilateral Instrument 52-110 – *Audit Committees* (“**MI 52-110**”), the Company is required to include the following summary of the audit committee responsibilities, composition and authority. The Company’s Audit Committee is governed by an audit committee charter, the text of which follows:

*Mandate:* The primary function of the audit committee (the “**Committee**”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. The Committee’s primary duties and responsibilities are to serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements, review and appraise the performance of the Company’s external auditor; and provide an open avenue of communication among the Company’s auditor, financial and senior management and the Board of Directors.

*Composition:* The Committee shall be comprised of a minimum three directors as determined by the Board of Directors. If the Company ceases to be a “venture issuer” (as that term is defined in MI 52-110), then all of the members of the Committee shall be free from any material relationship with the Company that, in the opinion of the Board of Directors, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Company ceases to be a “venture issuer” then all members of the Committee shall also have accounting or related financial management expertise. For the purposes of the Company’s Audit Committee 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 reasonably 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 once annually, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor.

*Responsibilities and Duties:* To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review: review and update the Audit Committee Charter annually and review the Company’s financial statements, management discussion and analysis and any annual and interim earnings press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor.
2. External Auditor:
  - (a) review annually, the performance of the external auditor 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 auditor setting forth all relationships between the external auditor and the Company and review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;

- (c) take, or recommend that the Board of Directors take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval and to recommend to the Board of Directors the compensation to be paid to the external auditor;
- (e) at each meeting, where desired, consult with the external auditor, 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;
- (f) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company;
- (g) review with management and the external auditor the audit plan for the year-end financial statements and 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 auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:
  - (i) the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditor 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.

### 3. Financial Reporting Processes:

- (a) in consultation with the external auditor, review with management the integrity of the Company's financial reporting process, both internal and external;
- (b) consider the external auditor' 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 auditor and management;
- (d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;
- (e) following completion of the annual audit, review separately with management and the external auditor 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 auditor in connection with the preparation of the financial statements;
  - (g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;
  - (h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;
  - (i) review certification process;
  - (j) establish a procedure for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
  - (k) establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
4. Other - review any related-party transactions, engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay compensation for any independent counsel and other advisors employed by the Committee.

*Composition of the Audit Committee:* The Company's audit committee is comprised of three directors, Ian Talbot, Ioannis Tsitos and Christopher Harris. As defined in MI 52-110, Christopher Harris is not an independent director. Ian Talbot and Ioannis Tsitos are independent directors according to the policy. All of the audit committee members are "financially literate" as that term is defined in MI 52-110.

*Relevant Education and Experience:*

Below are biographies of the Company's Audit Committee members:

Ian Talbot – Ian Talbot is currently the President and CEO, and a Director of Arcus Development Group Inc. and has over 25 years of experience in the mineral exploration industry as both a lawyer and an exploration geologist. As a geologist, he has worked with both junior and major resource companies. As a lawyer, he has practiced exclusively in the areas of mining and securities law in private practice and as in-house counsel with BHP Billiton World Exploration Inc. Mr. Talbot is financially literate and is able to understand and evaluate the financial statements of the Company at the current level of complexity.

Ioannis Tsitos - Mr. Tsitos is currently the President and a Director of Goldsource Mines Inc. and has over 26 years of experience in the mining industry, having spent 19 years with the global resources company BHP Billiton. A physicist-geophysicist, since leaving BHP Billiton he has been instrumental in the identification, negotiation and execution of numerous exploration agreements with juniors, majors, as well as with state exploration and mining companies. Mr. Tsitos is financially literate and is able to evaluate and understand the financial statements of the Company at the current level of complexity.

Christopher Harris – Mr. Harris is a Chartered Accountant (UK) who has 30 years' experience working in energy, commodity trading & mining finance (Ernst & Young, CIBC, Enron UK, BHP Billiton, GMI Resources UK). Mr. Harris is actively engaged in multiple principal investments & director roles. Mr. Harris is financially literate and is able to understand and evaluate the financial statements of the Company at the current level of complexity.

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

*Reliance on Certain Exemptions:* At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of MI 52-110 (De Minimis Non-audit

Services), the exemption in subsection 6.1.1(4) of MI 52-110 (*Circumstance Affecting the Business or Operations of the Venture Issuer*), the exemption in subsection 6.1.1(5) of MI 52-110 (*Events Outside Control of Member*), the exemption in subsection 6.1.1(6) of MI 52-110 (*Death, Incapacity or Resignation*) or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110.

*Pre-approval Policies and Procedures:* The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services to the extent set forth in the Company’s Audit Committee Charter (see under the heading “External Auditor”).

*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 the last two fiscal years, by category, are as follows:

<b>Financial Year Ending</b>	<b>Audit Fees</b>	<b>Audit Related Fees</b>	<b>Tax Fees</b>	<b>All Other Fees</b>
2017	\$19,000	\$Nil	\$1,500 <sup>(1)</sup>	\$Nil
2016	\$19,000	\$Nil	\$1,000	\$2,000

<sup>(1)</sup> Not yet prepared or billed; estimate only.

The Company is a venture issuer and as such, is relying on section 6.1 of MI 52-110 which provides that a venture issuer is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of MI 52-110.