



**CONDOR RESOURCES INC.**

**Annual General Meeting  
to be held on September 13, 2017**

**Notice of Annual General Meeting  
and  
Information Circular**

**August 15, 2017**



**CONDOR RESOURCES INC.**  
**SUITE 520, 800 W. PENDER STREET**  
**VANCOUVER, B.C. V6C 2V6**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of the shareholders of Condor Resources Inc. (the “**Company**”) will be held at Suite 2600 - 1066 West Hastings Street, Vancouver, British Columbia on Wednesday, September 13, 2017 at 11:00 a.m. (Vancouver time). At the Meeting, the shareholders will receive the financial statements for the year ended February 28, 2017, together with the auditor’s report thereon, and consider resolutions to:

1. elect directors for the ensuing year;
2. appoint DeVisser Gray LLP as auditor of the Company for the ensuing year;
3. authorize the directors to determine the remuneration to be paid to the auditor;
4. confirm the Company’s stock option plan, as required annually by the policies of the TSX Venture Exchange;
5. transact such other business as may properly be put before the Meeting.

All shareholders are entitled to attend and vote at the Meeting in person or by proxy. The Board of Directors (the “**Board**”) requests that all shareholders who will not be attending the Meeting in person read, date and sign the accompanying proxy and deliver it to Computershare Investor Services Inc. (“**Computershare**”). If a shareholder does not deliver a proxy to Computershare, Attention: Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, by 11:00 a.m. (Vancouver, British Columbia time) on September 11, 2017 (or before 48 hours, excluding Saturdays, Sundays and holidays before any adjournment of the meeting at which the proxy is to be used) then the shareholder will not be entitled to vote at the Meeting by proxy. Only shareholders of record at the close of business on August 8, 2017 will be entitled to vote at the Meeting.

An information circular and a form of proxy accompany this notice.

DATED at Vancouver, British Columbia, the 15<sup>th</sup> day of August, 2017

**ON BEHALF OF THE BOARD**

*“Lyle Davis”*

Lyle Davis  
President and Chief Executive Officer

**CONDOR RESOURCES INC.  
SUITE 520, 800 W. PENDER STREET  
VANCOUVER, B.C. V6C 2V6**

**INFORMATION CIRCULAR**

(as at August 8, 2017 except as otherwise indicated)

**SOLICITATION OF PROXIES**

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the Management of Condor Resources Inc. (the “**Company**”). The form of proxy which accompanies this Circular (the “**Proxy**”) is for use at the annual general meeting of the shareholders of the Company to be held on Wednesday, September 13, 2017 (the “**Meeting**”), at the time and place set out in the accompanying notice of Meeting (the “**Notice of Meeting**”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

**APPOINTMENT AND REVOCATION OF PROXY**

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person’s name in the blank space provided.** The completed Proxy should be delivered to Computershare Investor Services Inc. (“**Computershare**”) by 11:00 a.m. (local time in Vancouver, British Columbia) on September 11, 2017 or before 48 hours (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it to Computershare, or by transmitting a revocation by telephonic or electronic means, to Computershare, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or delivering a written notice of revocation and delivering it to the Chairman of the Meeting on the day of the Meeting or adjournment of it; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

**Provisions Relating to Voting of Proxies**

**The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as**

**such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

#### **Advice to Beneficial Holders of Common Shares**

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name.** Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who

do not object to their identity being made known to the issuers of the securities which they own (“NOBOs”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

Pursuant to the provisions of NI 54-101, the Company is providing the Notice of Meeting, Circular and Proxy or VIF, as applicable, to both registered owners of the securities and non-registered owners of the securities. If you are a non-registered owner, and the Company or its agent has sent these materials 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 on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding common shares on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the VIF. As a result, if you are a non-registered owner of the securities, you can expect to receive a scannable VIF from Computershare. Please complete and return the VIF to Computershare in the envelope provided or by facsimile. In addition, telephone voting and internet voting instructions can be found on the VIF. Computershare will tabulate the results of the VIFs received from the Company’s NOBOs and will provide appropriate instructions at the Meeting with respect to the common shares represented by the VIFs they receive.

The Company’s OBOs can expect to be contacted by Broadridge or their brokers or their broker’s agents as set out above. The Company does not intend to pay for intermediaries to deliver the Notice of Meeting, Circular and VIF to OBOs and accordingly, if the OBO’s intermediary does not assume the costs of delivery of those documents in the event that the OBO wishes to receive them, the OBO may not receive the documentation.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 11:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company

as maintained by the registrar and transfer agent of the Company, Computershare, unless specifically stated otherwise.

### **Financial Statements**

The audited financial statements of the Company for the year ended February 28, 2017 together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

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

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares of which 102,057,308 common shares are issued and outstanding. All common shares in the capital of the Company carry the right to one vote.

Shareholders registered as at August 8, 2017, are entitled to attend and vote at the Meeting. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of the date of this Circular, no persons beneficially own, directly or indirectly, or exercise control or direction over, 10% or more of the issued and outstanding common shares of the Company:

### **ELECTION OF DIRECTORS**

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. The Management of the Company proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by the Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The following table sets out the names of the nominees for election as directors, the offices they hold within the Company, their occupations, the length of time they have served as directors of the Company, and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular.

Name, province or state and country of residence and position, if any, held in the Company	Principal occupation during the past five years	Served as director of the Company since	Number of common shares of the Company beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>
<b>Robert T. Boyd</b> <sup>(2)(3)</sup> British Columbia, Canada <i>Director</i>	President, CEO and Director of Endurance Gold Corporation since 2010, President and CEO of Cooper Jack Investments Ltd. since 1996 (a private corporation).	May 9, 2008	907,000
<b>Lyle Davis</b> <sup>(3)</sup> British Columbia, Canada <i>President, CEO and Director</i>	President and CEO of the Company since 2013.	February 2, 2004	1,188,500
<b>Francisco de Undurraga</b> Santiago, Chile <i>Director</i>	Self-Employed Civil-Industrial Engineer since 2000.	March 10, 2014	8,000,000
<b>Paul Larkin</b> <sup>(2)(3)</sup> British Columbia, Canada <i>Director</i>	President of New Dawn Group since 1983. Executive.	August 15, 2006	654,000
<b>Graham H. Scott</b> British Columbia, Canada <i>Corporate Secretary and Director</i>	Lawyer; Partner, VECTOR Corporate Finance Lawyers from July 1, 2001 to April 30, 2016; Lawyer: MOI Solicitors from May 1, 2016 to present.	December 1, 2003	6,078,500

Notes:

- (1) The information as to common shares beneficially owned or controlled has been provided by the nominees themselves.
- (2) A member of the compensation nominating and corporate governance committee.
- (3) A member of the audit committee.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company.

### Corporate Cease Trade Orders or Bankruptcies

No director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or

instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

### **Individual Bankruptcies**

No director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or 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.

### **Penalties or Sanctions**

None of the proposed directors have been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder making a decision about whether to vote for the proposed director.

## **EXECUTIVE COMPENSATION**

### **Named Executive Officers**

During the financial year ended February 28, 2017, the Company had two Named Executive Officers (“NEOs”) being, Lyle Davis, the Chief Executive Officer (“CEO”) and Jonathan Younie, the Chief Financial Officer (“CFO”) of the Company.

“Named Executive Officer” means: (a) each CEO, (b) each CFO, (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, 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; and (d) each individual who would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

## **COMPENSATION DISCUSSION AND ANALYSIS**

### **Compensation Discussion and Analysis**

The Company has a Compensation Nominating and Corporate Governance Committee (the “**Compensation Committee**”) consisting of Paul Larkin and Robert T. Boyd, of which both are independent. The Company’s compensation policies and programs are designed to be competitive with comparable resource companies and to recognize and reward executive performance consistent with the success of the Company’s business. These policies and programs are intended to attract and retain capable and experienced people. The Compensation Committee’s role and philosophy is to ensure that the Company’s compensation goals and objectives, as applied to the actual compensation paid to the Company’s CEO and other executive officers, are aligned with the Company’s overall business objectives and with shareholder interests.

## **Philosophy and Objectives**

The compensation program for the senior management of the Company is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective 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.

## **Elements of the Compensation Program for the Fiscal Year 2017**

The significant elements of compensation awarded to the NEOs are a cash salary and stock options. The Company does not presently have a long-term incentive plan for its Named Executive Officers. There is no policy or target regarding allocation between cash and non-cash elements of the Company's compensation program. The board of directors (the "**Board**") reviews annually the total compensation package of each of the Company's executives on an individual basis, against the backdrop of the compensation goals and objectives described above.

### **Cash Salary**

As a general rule, the Company seeks to offer its NEOs a compensation package that is in line with that offered by other companies in the industry, and as an immediate means of rewarding the Named Executive Officer for efforts expended on behalf of the Company. However, the Company is still in the exploration and development stage. In the absence of cash flow from operations, the Board has recommended that on a temporary basis, the cash salary component to be paid the CEO and the CFO shall be such amounts that are currently below industry standards. The Board acknowledges that payment of such salary may impact on other elements of the compensation package to a particular Named Executive Officer; for example, the lower annual salary may be a factor when considering and granting stock options.

### **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 senior executives taking into account a number of factors, including the amount and term of options previously granted and base salaries and competitive factors. Options are generally granted to senior executives and vest on terms established by the Board.

### **Stock Options**

The Company's Stock Option Plan is intended to emphasize management's commitment to the growth of the Company and the enhancements of shareholders' equity through, for example, improvements in its resource base and share price increments.

## Perquisites and Other Personal Benefits

The Company's NEOs are not generally entitled to significant perquisites or other personal benefits not offered to the Company's other employees.

## SUMMARY COMPENSATION TABLE

Set out below is a summary of compensation paid or accrued during the Company's three most recently completed financial years to the Company's NEOs.

### Summary Compensation Table

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards <sup>(1)</sup> (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual Incentive plans	Long-term incentive plans			
Lyle Davis CEO	2017	54,000	Nil	33,416	Nil	Nil	Nil	Nil	87,416
	2016	54,000	Nil	Nil	Nil	Nil	Nil	Nil	54,000
	2015	62,000	Nil	37,549	Nil	Nil	Nil	Nil	99,549
Jonathan Younie <sup>(2)</sup> CFO	2017	26,400	Nil	16,785	Nil	Nil	Nil	Nil	43,185
	2016	26,400	Nil	Nil	Nil	Nil	Nil	Nil	26,400
	2015	2,200	Nil	15,158	Nil	Nil	Nil	Nil	17,358

Notes:

- (1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	2017	2016	2015
Risk-free interest rate:	0.60%	N/A	0.81%
Expected dividend yield:	0.00%	N/A	0.00%
Expected volatility:	139.95%	N/A	129.50%
Expected life of option:	5 years	N/A	5 years

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

- (2) Mr. Younie was appointed CFO on January 27, 2015.

## INCENTIVE PLAN AWARDS

### Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a NEO. The following table sets forth the outstanding option-based awards held by the NEOs of the Company at the end of the most recently completed financial year:

**Outstanding Share -Based Awards and  
Option-Based Awards**

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$) <sup>(1)</sup>	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Lyle Davis <i>CEO</i>	380,000	\$0.08	Aug-11-2021	3,800	Nil	Nil
	70,000	\$0.05	Mar-9-2021	2,800		
	370,000	\$0.12	Jul-28-2019	Nil		
Jonathan Younie <i>CFO</i>	200,000	\$0.08	Aug-11-2021	2,000	Nil	Nil
	100,000	\$0.05	Mar-9-2021	16,000		

Note:

(1) “In-the-Money Options” means the excess of the market value of the Company’s shares on February 28, 2017 over the exercise price of the options. The market price for the Company’s common shares on February 28, 2017 was \$0.09.

**Incentive Plan Awards – Value Vested or Earned During the Year**

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each NEO:

**Value Vested or Earned for Incentive Plan Awards During the Most  
Recently Completed Financial Year**

Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
Lyle Davis <i>CEO</i>	33,416	Nil	Nil
Jonathan Younie <i>CFO</i>	16,785	Nil	Nil

**Narrative Discussion**

The following information is intended as a brief description of the Company’s stock option plan (the “**Stock Option Plan**”) and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the Discounted Market Price (as defined in the policies of the Exchange).
2. The board of directors shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.



Paul Larkin	6,400	Nil	20,590	Nil	Nil	Nil	26,990
Robert T. Boyd	6,400	Nil	20,590	Nil	Nil	Nil	26,990

Notes:

(1) The fair value of option-based awards is determined by the Black-Scholes Option Pricing Model with the following assumptions:

	<u>2017</u>
Risk-free interest rate:	0.60%
Expected dividend yield:	0.00%
Expected volatility:	139.95%
Expected life of option:	5 years

The Company has chosen the Black-Scholes methodology to calculate the grant date fair value of option-based awards as it is the methodology used in the Company's financial statements.

(2) Amounts paid in legal fees to firms where Mr. Scott acted as a partner and associate counsel respectively.

### INCENTIVE PLAN AWARDS

#### Outstanding Share-Based Awards and Option-Based Awards

The Company does not have any share-based awards held by a director. The following table sets forth details of all awards granted to directors of the Company which are outstanding at the end of the most recently completed financial year.

#### Outstanding Option-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$) <sup>(1)</sup>	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Graham Scott	250,000	\$0.05	Mar-9-2021	10,000	Nil	Nil
	200,000	\$0.05	Jan-27-2020	8,000		
Francisco de Undurraga	80,000	\$0.05	Jan-27-2020	3,200	Nil	Nil
	280,000	\$0.12	Jul-28-2019	Nil		
	200,000	\$0.12	Jan-23-2019	Nil		
Paul Larkin	200,000	\$0.08	Aug-11-2021	2,000	Nil	Nil
	250,000	\$0.05	Mar-9-2021	10,000		
	200,000	\$0.05	Jan-27-2020	8,000		
Robert T. Boyd	200,000	\$0.08	Aug-11-2021	2,000	Nil	Nil
	250,000	\$0.05	Mar-9-2021	10,000		

Note:

(1) "In-the-Money Options" means the excess of the market value of the Company's shares on February 28, 2017 over the exercise price of the options. The market price for the Company's common shares on February 28, 2017 was \$0.09.

#### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each director:

**Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year**

<b>Name</b>	<b>Option-based awards - Value vested during the year (\$)</b>	<b>Share-based awards - Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation - Value earned during the year (\$)</b>
Graham Scott	6,350	Nil	Nil
Francisco de Undurraga	Nil	Nil	Nil
Paul Larkin	20,590	Nil	Nil
Robert T. Boyd	20,590	Nil	Nil

**EQUITY COMPENSATION PLAN INFORMATION**

The following table sets out those securities of the Company which have been authorized for issuance under equity compensation plans, as at the end of the most recently completed financial year:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by the securityholders	5,285,000	0.08	4,562,490
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
<b>Total</b>	5,285,000		4,562,490

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

None of the current or former directors, executive officers, employees of the Company, the proposed nominees for election to the Board, or their respective associates or affiliates, are or have been indebted to the Company since the beginning of the most recently completed financial year of the Company.

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

No director or executive officer of the Company or any proposed nominee of Management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors, the appointment of auditors and the confirmation of the Stock Option Plan.

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

None of the persons who were directors or executive officers of the Company or a subsidiary at any time during the Company's last completed financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor the associates or affiliates of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company.

## **APPOINTMENT OF AUDITOR**

### **Auditor**

Management intends to nominate DeVisser Gray LLP for re-appointment as auditor of the Company. Forms of proxies given pursuant to this solicitation will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of DeVisser Gray LLP as the auditor of the Company to hold office for the ensuing year with remuneration to be fixed by the directors.

DeVisser Gray LLP was first appointed auditor of the Company on December 15, 2011.

## **MANAGEMENT CONTRACTS**

Other than as disclosed elsewhere in this Circular, no Management functions of the Company are to any substantial degree performed by a person or company other than the directors or NEOs of the Company.

## **AUDIT COMMITTEE**

The Company is required to have an audit committee (the "**Audit Committee**") comprised of not less than three directors, a majority of whom are not officers, control persons or employees of the Company or an affiliate of the Company.

### **Audit Committee Charter**

The text of the Audit Committee's charter is attached as Schedule "A" to this Circular.

### **Composition of Audit Committee and Independence**

The Company's current Audit Committee consists of Lyle Davis, Paul Larkin and Robert Boyd.

National Instrument 52-110 - *Audit Committees* ("**NI 52-110**") provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Company's Board, reasonably interfere with the exercise of the member's independent judgment. Of the Company's current Audit Committee members, Paul Larkin and Robert Boyd are "independent" within the meaning of NI 52-110. Lyle Davis is not "independent" as he is also the President and CEO of the Company.

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. All of the members of the Audit Committee

are “financially literate” as that term is defined. The following sets out the Audit Committee members’ education and experience that is relevant to the performance of his responsibilities as an audit committee member.

### **Relevant Education and Experience**

#### *Robert T. Boyd*

Mr. Boyd graduated in 1975 from the University of Western Ontario with a BA. in Geology and Biology (Deans Honour list). Mr. Boyd has been involved in the mining and related corporate finance business for over 38 years and has served on association and company Boards for over twenty years. Mr. Boyd was President CEO and Director of Athabasca Potash Inc. (acquired by BHP Billiton) in 2009. From 2000 to 2006, Mr. Boyd held the position of President, CEO and Director of Ashton Mining of Canada Inc., until acquired by Stornoway Diamond Corp. Mr. Boyd is currently President CEO and Director of Endurance Gold Corporation (TSX-V), and Lead Independent Director of Peregrine Diamonds Ltd (TSX-V). He also currently serves as a Director of the Prospectors and Developers Association of Canada (from 2002).

#### *Lyle Davis*

Mr. Davis holds an MBA, with a finance major, from the University of British Columbia. He is a former corporate finance associate with CM Oliver and Ernst & Young. Mr. Davis has been the chair of the audit committee of another listed issuer for more than five years.

#### *Paul Larkin*

Mr. Larkin is President of the New Dawn Group, an investment and financial consulting firm located in Vancouver, British Columbia. New Dawn is primarily involved in corporate finance, merchant banking and administrative management of public companies. Mr. Larkin held various accounting and banking positions for over a decade before founding New Dawn in 1983. He is currently President of Tyner Resources Ltd. (TSX-V NEX), and Gstaad Capital Corp. (TSX-V NEX) and is a director and member of the audit committees of U.S. Geothermal Inc. (NYSE), Esrey Energy Ltd. (TSX-V), and Westbridge Energy Corporation (TSX-V).

### **Audit Committee Oversight**

Since the commencement of the Company’s most recently completed financial year, the Audit Committee of the Company has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

### **Reliance on Certain Exemptions**

Since the commencement of the Company’s most recently completed financial year, the Company has not relied on:

- (a) the exemption in section 2.4 (De Minimis Non-audit Services) of NI 52-110; or
- (b) an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

## Pre-Approval Policies and Procedures

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

## Audit Fees

The following table sets forth the fees paid by the Company and its subsidiaries to DeVisser Gray LLP for services rendered in the last two fiscal years:

	<u>2017</u>	<u>2016</u>
	(\$)	(\$)
Audit fees <sup>(1)</sup>	15,000	12,400
Audit related fees <sup>(2)</sup> .....	Nil	Nil
Tax fees <sup>(3)</sup> .....	2,900	2,500
All other fees <sup>(4)</sup> .....	Nil	Nil
<b>Total</b>	<b><u>\$17,900</u></b>	<b><u>\$14,900</u></b>

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited related fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit fees" above. The services provided 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 the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning. The services provided include 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 the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

## Exemption in Section 6.1

The Company is a "venture issuer" as defined in NI 52-110 and is relying on the exemption in section 6.1 of NI 52-110 relating to Parts 3 (*Composition of Audit Committee*) and 5 (*Reporting Obligations*).

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "**Guidelines**") adopted in National Policy 58-201. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance practices. The Board and Management consider good corporate governance to be an integral part of the effective and efficient operation of Canadian corporations. The Company's approach to corporate governance is set out below.

## **Board of Directors**

The Board is currently comprised of five directors Graham Scott, Lyle Davis, Paul Larkin, Robert Boyd and Francisco de Undurraga, of which three members, Robert Boyd, Paul Larkin and Francisco de Undurraga, are independent as defined in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Graham H. Scott is not independent because he is a partner in the law firm, which provides legal services to the Company. Lyle Davis is not independent as he is an executive officer.

## **Directorships**

The following directors of the Company are also directors of other reporting issuers as stated:

- Robert Boyd is a director of Endurance Gold Corporation and Peregrine Diamonds Ltd.;
- Lyle Davis is a director of Hard Creek Nickel Corporation and Claren Energy Corp.; and
- Paul Larkin is a director of Tyner Resources Ltd., Esrey Energy Ltd., U.S. Geothermal Inc., Westbridge Energy Corporation, and Gstaad Capital Corp.

## **Orientation and Continuing Education**

The Company does not have a formal orientation and continuing education program. However, the Company ensures that new board members are properly trained and oriented as part of the Boards’ overall stewardship responsibility. The Board is responsible for supervising management in carrying on the business and affairs of the Company. Directors are required to act and exercise their powers with reasonable prudence in the best interests of the Company. The Board discharges the following responsibilities as part of its overall stewardship responsibility:

- the strategic planning process of the Company;
- identification and management of the principal risks associates with the business of the Company;
- planning for succession of management;
- the Company’s policies regarding communications with its shareholders and others; and
- the integrity of the internal controls and management information systems of the Company.

## **Ethical Business Conduct**

The directors of the Company encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility.

## **Nomination of Directors**

There is no formal procedure for the nomination of directors of the Company. However, the Board of Directors considers potential future members as part of its succession planning.

### **Compensation, Nominating and Corporate Governance Committee**

The Company has a Compensation Nominating and Corporate Governance Committee (the "Committee") consisting of Paul Larkin and Robert T. Boyd, of which both are independent.

The Committee is responsible to assist the Board of the Company by:

- in conjunction with the CEO, reviewing the Company's compensation philosophy and programs for the Company's executive officers and directors, and making recommendations to the Board regarding such philosophy and programs;
- in conjunction with the CEO, reviewing the compensation plans in effect for the Company's employees, officers and directors, and reviewing and approving compensation plans, arrangements and awards proposed for the Company's employees, officers and directors;
- recommending candidates for nomination, appointment, and re-election to the Board and its committees and assessing director and Board performance;
- assessing executive officer performance and assisting with establishing criteria to assess such performance;
- assisting with the administration of the Company's Code of Ethics for Directors, Officers and Employees; and
- assessing and recommending changes to the Company's corporate governance procedures and policies.

All compensation decisions regarding the Company's non-employee directors shall be made by the Board upon recommendations made by the Committee.

### **Other Board Committees**

Except for the Committee, the Board has formally appointed only an Audit Committee and has no other committees, in place at this time.

### **Assessments**

The Board of the Company does not conduct any formal evaluation of the performance and effectiveness of the members of the Board, the Board as a whole or any committee of the Board.

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

### **Confirming Stock Option Plan**

Shareholders are being asked to confirm approval of the Stock Option Plan. There have been no changes to the Stock Option Plan since it was last confirmed by shareholders at the Company's annual general meeting held on September 13, 2016. The Stock Option Plan is subject to approval by the Exchange.

The following information is intended as a brief description of the Stock Option Plan and is qualified in its entirety by the full text of the Stock Option Plan, which will be available for review at the Meeting.

1. The maximum number of shares that may be issued upon the exercise of stock options granted under the Stock Option Plan shall not exceed 10% of the issued and outstanding common shares of the Company at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the Discounted Market Price (as defined in the policies of the Exchange).
2. The board of directors shall not grant options to any one person in any 12 month period which will, when exercised, exceed 5% of the issued and outstanding shares of the Company or to any one consultant or to those persons employed by the Company who perform investor relations services which will, when exercised, exceed 2% of the issued and outstanding shares of the Company.
3. Upon expiry of an option, or in the event an option is otherwise terminated for any reason, the number of shares in respect of the expired or terminated option shall again be available for the purposes of the Stock Option Plan. All options granted under the Stock Option Plan may not have an expiry date exceeding ten years from the date on which the board of directors grant and announce the granting of the option.
4. If the option holder ceases to be a director of the Company or ceases to be employed by the Company (other than by reason of death), or ceases to be a consultant of the Company as the case may be, then the option granted shall expire on no later than the 90th day following the date that the option holder ceases to be a director, ceases to be employed by the Company or ceases to be a consultant of the Company, subject to the terms and conditions set out in the Stock Option Plan.

In accordance with the policies of the Exchange, a plan with a rolling 10% maximum must be confirmed by shareholders at each annual general meeting.

Accordingly, at the Meeting, the shareholders will be asked to pass the following resolution:

**“IT IS RESOLVED THAT the Stock Option Plan is hereby approved and confirmed.”**

### **General Matters**

It is not known whether any other matters will come before the Meeting other than those set forth above and in the Notice of Meeting, but if any other matters do arise, the person named in the Proxy intends to vote on any poll, in accordance with his or her best judgement, exercising discretionary authority with respect to amendments or variations of matters set forth in the Notice of Meeting and other matters which may properly come before the Meeting or any adjournment of the Meeting.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided in the Company's comparative annual financial statements to February 28, 2017, a copy of which, together with Management's Discussion and Analysis thereon, can be found on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com). Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company, as follows:

CONDOR RESOURCES INC.  
Suite 520, 800 W. Pender Street  
Vancouver, British Columbia V6C 2V6  
Telephone: (604) 642-5707

### **BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 15<sup>th</sup> day of August, 2017.

### **ON BEHALF OF THE BOARD**

"Lyle Davis"

Lyle Davis  
President and Chief Executive Officer

**CONDOR RESOURCES INC.**  
**SCHEDULE "A"**

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**CHARTER OF THE AUDIT COMMITTEE**

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***Purpose***

The purpose of the Audit Committee (the “Committee”) is to act as the representative of the Board of Directors in carrying out its oversight responsibilities relating to:

- The audit process;
- The financial accounting and reporting process to shareholders and regulatory bodies; and
- The system of internal financial controls.

***Composition***

The Committee shall consist of three Directors, the majority of whom are “independent” within the meaning of Multilateral Instrument 52-110, *Audit Committees*, for so long as the Company is a “venture issuer”, as defined therein. The Committee shall be appointed annually by the Board of Directors immediately following the Annual General Meeting of the Company. Each member of the Committee shall be financially literate, meaning that he must be able to read and understand financial statements. One member of the Committee must have accounting and financial expertise, meaning that he possesses financial or accounting credentials or has experience in finance or accounting.

***Duties***

The Committee’s duty is to monitor and oversee the operations of Management and the external auditor. Management is responsible for establishing and following the internal controls, financial reporting processes and for compliance with applicable laws and policies. The external auditor is responsible for performing an independent audit of the Company’s financial statements in accordance with generally accepted auditing standards, and for issuing its report on the statements. The Committee should review and evaluate this Charter on an annual basis.

The specific duties of the Committee are as follows:

- Management Oversight:
  - Review and evaluate the Company’s processes for identifying, analyzing and managing financial risks that may prevent the Company from achieving its objectives;
  - Review and evaluate the Company’s internal controls, as established by Management;
  - Review and evaluate the status and adequacy of internal information systems and security;
  - Meet with the external auditor at least one a year in the absence of Management;
  - Request the external auditor’s assessment of the Company’s financial and accounting personnel;
  - Review and evaluate the adequacy of the Company’s procedures and practices relating to currency exchange rates; and
  - Review and evaluate the Company’s banking arrangements.

- External Auditor Oversight
  - Review and evaluate the external auditor's process for identifying and responding to key audit and internal control risks;
  - Review the scope and approach of the annual audit;
  - Inform the external auditor of the Committee's expectations;
  - Recommend the appointment of the external auditor to the Board;
  - Meet with Management at least once a year in the absence of the external auditor;
  - Review the independence of the external auditor on an annual basis;
  - Review with the external auditor both the acceptability and the quality of the Company's accounting principles; and
  - Confirm with the external auditor that the external auditor is ultimately accountable to the Board of Directors and the Committee, as representatives of the shareholders.
  
- Financial Statement Oversight
  - Review the quarterly reports with both Management and the external auditor;
  - Discuss with the external auditor the quality and the acceptability of the generally accepted accounting principles applied by Management;
  - Review and discuss with Management the annual audited financial statements; and
  - Recommend to the Board whether the annual audited financial statements should be accepted, filed with the securities regulatory bodies and publicly disclosed.