

**TEUTON RESOURCES CORP.**  
2130 Crescent Road  
Victoria, BC V8S 2H3

**INFORMATION CIRCULAR**

(all information as at May 26, 2018 unless otherwise noted)

**This Information Circular is furnished in connection with the solicitation of proxies being made by the management of Teuton Resources Corp. (the "Company") for use at the Annual General Meeting of the Company's shareholders (the "Meeting") to be held on June 27th, 2018, at the time and place and for the purposes set forth in the accompanying Notice of Meeting.** Proxies may also be solicited personally by regular employees of the Company. The Company does not reimburse shareholders, nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy. No solicitation will be made by agents. The cost of solicitation will be borne by the Company.

**APPOINTMENT AND REVOCATION OF PROXIES**

The individuals named in the accompanying form of Proxy are directors or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR THE SHAREHOLDER AND ON THE SHAREHOLDER'S BEHALF AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S NAME IN THE BLANK SPACE PROVIDED IN THE FORM OF PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER FORM OF PROXY.** A Proxy will not be valid unless the completed, dated and signed form of Proxy is delivered to the Company at 2130 Crescent Road, Victoria, BC, Canada, V8S 2H3, Fax: 1-250-598-3117 (if fax does not work email a scanned copy to [dino@teuton.com](mailto:dino@teuton.com)), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting.

A shareholder who has given a Proxy may revoke it by an instrument in writing executed by the shareholder or by the shareholder's attorney authorized in writing or, if the shareholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the registered and records office of the Company, at 2130 Crescent Road, Victoria, British Columbia, Canada, V8S 2H3, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it or to the Chair of the Meeting on the day of the Meeting or any adjournment of it.

A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

**EXERCISE OF DISCRETION**

If the instructions in a Proxy are certain, the shares represented thereby will be voted on any poll by the persons named in the Proxy and, where a choice with respect to any matter to be acted upon has been specified in the Proxy, the shares represented thereby will, on a poll, be voted or withheld from voting in accordance with the specifications so made.

Where no choice has been specified by the shareholder, such shares will, on a poll, be voted in accordance with the notes to the form of Proxy.

The enclosed form of Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Information Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

## **INFORMATION FOR NON-REGISTERED SHAREHOLDERS**

**The information set out in this section is important to many shareholders as a substantial number of shareholders do not hold their common shares in their own name.**

This Information Circular and the accompanying materials are being sent to registered shareholders and unregistered shareholders, that is shareholders who hold common shares through a broker, agent, nominee or other intermediary (collectively, the “Beneficial Shareholders”). Beneficial Shareholders should note that only proxies deposited by shareholders whose names appear on the share register of the Company will 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 such shareholder’s name on the records of the Company. 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 the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the beneficial Shareholders. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares of the brokers’ clients.

### **Additional Information for Beneficial Holders**

Beneficial Shareholders fall into two categories – those who object to their identity being known to the issuers of securities which they own (“Objecting Beneficial Owners”, or “OBOs”) and those who do not object to their identity being made known to the issuers of the securities they own (“Non-Objecting Beneficial owners”, or “NOBOs”). Subject to the provision of National Instrument 54-101, communication with Beneficial Owners of Securities of a Reporting Issuer (“NL 54-101”), issuers may request and obtain a list of their NOBOs from intermediaries via their transfer agent.

Securities regulatory policies require brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ 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. Often the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders. However, its purpose is limited to instructing the registered shareholder (ie. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder.

Pursuant to NI 54-101, issuers may obtain and use the NOBO list for distribution of proxy-related materials directly 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.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (formerly ADP Investor Communications Services) (“Broadridge”) Broadridge typically prepares a machine-readable voting instruction form, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the forms 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 common shares to be represented at the Meeting.

**A Beneficial Shareholder who received a Broadridge voting instruction form cannot use that form to vote common shares directly at the Meeting. The voting instruction form must be returned to Broadridge (or instructions respecting the voting of common shares must be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted.**

**Accordingly, each Beneficial Shareholder should:**

- a. carefully review the voting procedures that the shareholder's broker, agent, nominee or other intermediary has furnished with this Information Circular; and**
- b. Provide instructions as to the voting of the shareholder's common shares in accordance with those instructions.**

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his/her broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. Beneficial shareholders who wish to attend 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 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. All references to shareholders in this Information Circular and the accompanying form of Proxy and Notice of Meeting are to shareholders of record unless specifically stated otherwise.

### **INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, since the commencement of the last completed fiscal year, no insider of the Company, nominee for director, or any associate or affiliate of an insider or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

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

Except as disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. For the purpose of this paragraph, "Person" shall include each person: (a) who has been a director, senior officer or insider of the Company at any time since the commencement of the Company's last fiscal year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in subparagraphs (a) or (b).

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

The Company is authorized to issue an unlimited number of common shares without par value. As at the date hereof, the Company has issued and outstanding 39,116,881 fully paid and non-assessable common shares without par value, each share carrying the right to one vote. The Company has no other classes of voting securities.

Any shareholder of record at the close of business on May 25, 2018, who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting.

To the knowledge of the directors and senior officers of the Company, no person or corporation beneficially owns, directly or indirectly, or exercises control or direction over, shares carrying more than 10% of the voting rights attached to all outstanding shares of the Company.

### **FINANCIAL STATEMENTS**

The audited financial statements of the Company for the year ended December 31, 2017, and the auditor's report thereon accompanying this Information Circular will be placed before the Meeting for consideration by the shareholders.

## EXECUTIVE COMPENSATION

Set out below are particulars of compensation paid to the following persons (the "Named Executive Officers"):

- (a) the Company's chief executive officer;
- (b) each of the Company's four most highly compensated executive officers who were serving as executive officers at the end of the most recently completed financial year and whose total salary and bonus exceeds \$150,000 per year; and
- (c) any additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as an executive officer of the Company at the end of the most recently completed financial year.

As at December 31, 2017, the end of the most recently completed fiscal year of the Company, the Company had two Named Executive Officers: Dino Cremonese, P. Eng., President and Chief Executive Officer (CEO), and Edward Kruchkowski, Chief Financial Officer (CFO). Their positions within the Company are set out in the summary of compensation table below.

### Summary of Compensation

The following table is a summary of compensation paid to the Named Executive Officers for each of the Company's three most recently completed fiscal years.

Name and Principal Position of Named Executive Officer	Fiscal Year Ending	Annual Compensation			Long Term Compensation			All Other Compensation
		Salary	Bonus	Other Annual Compensation	Awards		Payouts	
					Securities Under Options / SARs <sup>(1)</sup> Granted	Restricted Shares or Restricted Share Units	LTIP <sup>(2)</sup> Pay-Outs	
<b>Dino Cremonese P.Eng.</b> , President, CEO & Director	2017	\$120,000	Nil	Nil	Nil	Nil	Nil	\$ 24,000 <sup>3</sup>
	2016	\$111,600	Nil	Nil	Nil	Nil	Nil	\$ 29,700 <sup>3</sup>
	2015	\$ 72,000	Nil	Nil	Nil	Nil	Nil	\$ 43,400 <sup>3</sup>
<b>Edward Kruchkowski</b> CFO & Director	2017	\$ Nil	Nil	Nil	Nil	Nil	Nil	\$ Nil
	2016	\$ Nil	Nil	Nil	Nil	Nil	Nil	\$ Nil
	2015	\$ Nil	Nil	Nil	Nil	Nil	Nil	\$ 11,429

(1) Stock appreciation rights.

(2) Long term incentive plans.

(3) Consulting Fees, Long-Term Incentive Plans, Options and SARs - Awards in Most Recently Completed Fiscal Year

The Company has no long-term incentive plans in place and therefore there were no awards made under any long-term incentive plan to the Named Executive Officers during the Company's most recently completed fiscal year. A "Long-Term Incentive Plan" is a plan under which awards are made based on performance over a period longer than one fiscal year, other than a plan for options, SARs (stock appreciation rights) or restricted share compensation.

**Aggregated Option/SAR Exercises During the Most Recently Completed Fiscal Year and Fiscal Year End Option/SAR Values**

During the year ended December 31, 2015, all outstanding options previously granted to the Named Executive Officers were voluntarily given up for cancellation. New options were announced during the year ended December 31, 2016 and also the year ended December 31, 2017, but were subsequently cancelled.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at Fiscal Year-End Exercisable/Unexercisable (#)	Value of Unexercised In-the-Money Options at Fiscal Year-End (\$) Exercisable / Unexercisable
<b>Dino Cremonese, P.Eng.</b>	Nil	Nil	Nil/Nil	Nil/Nil
<b>Edward Kruckowski</b>	Nil	Nil	Nil/Nil	Nil/Nil

**Option and SAR Repricings**

During the most recently completed fiscal year no stock options or SARs were repriced.

**Defined Benefit or Actuarial Plan Disclosure**

During the most recently completed fiscal year, there were no benefit or actuarial plans under which benefits were determined for the Named Executive Officer.

**Termination of Employment, Change in Responsibilities and Employment Contracts**

There are no other compensatory plans or arrangements with respect to the Named Executive Officers resulting from the resignation, retirement or other termination of employment or from a change of control of the Company.

**Compensation of Directors**

Compensation for the Named Executive Officers has already been disclosed above. No cash compensation was paid to any director of the Company for the director's services as a director during the year ended December 31, 2017. During the year ended December 31, 2017, the Company paid Dino Cremonese, P.Eng., \$120,000 (\$116,000 in 2016 and \$72,000 in 2015).

During the year ended December 31, 2017, Dino Cremonese, P.Eng., also received \$24,000 for consulting fees (\$29,700 in 2016 and \$43,400 in 2015).

The Company has no standard arrangement pursuant to which directors are compensated by the Company for their services in their capacity as directors, except for the granting of incentive stock options in accordance with the policies of the TSX Venture Exchange. During the year ended December 31, 2015, all outstanding options previously granted to the Named Executive Officers were voluntarily given up for cancellation. New options were granted during the year ended December 31, 2016 and the year ended December 31, 2017 but were subsequently cancelled.

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at Fiscal Year-End Exercisable/Unexercisable (#)	Value of Unexercised In-the-Money Options at Fiscal Year-End (\$) Exercisable / Unexercisable
<b>Amanda Mullin</b>	Nil	Nil	Nil/Nil	Nil/Nil
<b>Alexandra Cremonese</b>	Nil	Nil	Nil/Nil	Nil/Nil
<b>Robert Smiley</b>	Nil	Nil	Nil/Nil	Nil/Nil

### **Securities Authorized for Issuance Under Equity Compensation Plans**

The following table sets forth the Company's compensation plans under which equity securities were authorized for issuance as at the end of the most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights  (a)	Weighted average exercise price of outstanding options, warrants and rights.  (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities in column (a))  (c)
Equity compensation plans approved by security holders.	Nil	N/A	Nil
Equity compensation plans not approved by security holders	N/A	N/A	Nil
Total	Nil	N/A	Nil

### **AUDIT COMMITTEE**

The Audit Committee assists the Board in fulfilling its responsibilities in respect of the Company's accounting and reporting practices. Pursuant to the charter of the Audit Committee, the committee is responsible for various matters, including: reporting to the Board of Directors after each meeting of the committee and on a quarterly basis; recommending to the Board the independent auditor and establishing its compensation; ensuring that the independent auditor reports directly to the committee; determining the extent of involvement of the independent auditor in reviewing unaudited quarterly financial results; meeting with the independent auditor prior to the annual audit to discuss the planning, scope and staffing of the audit; approving the selection of the senior audit partner and providing for their periodic rotation; evaluating the qualifications, performance and independence of the independent auditor and its senior audit partner; reviewing reports from the independent auditor at least annually regarding its internal quality-control procedures and any material issues raised by various internal reviews, any hesitation to deal with any issues and all relationships between the independent auditor and the Company; obtaining confirmation from management that the Company has not hired employees or former employees of the independent auditor who have participated in any capacity in the audit of the Company for the immediately previous 12 month period; pre-approving all auditing services and permitted non-audit services (including fees and terms thereof) to be provided by the independent auditor; reviewing and discussing with management and the independent auditor the Company's annual and quarterly financial results and related material prior to public release; reviewing and recommending approval to the Board of the Company's annual and quarterly financial results; issuing any reports required of the committee to be included in the Company's annual proxy statement; reviewing and recommending to the Board the approval of all material documents filed with securities regulatory agencies;

reviewing all related-party transactions and all material off-balance sheet structures; reviewing the audited financial statements of the Company's pension plans; considering the effectiveness of the Company's internal controls over financial reporting and related information technology security and control; discussing with management the Company's major financial risk exposures; reviewing and approving the internal audit charter and annual work plan of the Company's internal auditor; reviewing with management and, if necessary, the Company's counsel any legal matter that could have a material impact on the Company's financial statements or accounting policies and the status of all material lawsuits; reviewing and recommending to the Board whether any changes to the Company's capital structure should be approved; reviewing and approving the Company's investment and cash management policy and disclosure policy; overseeing the establishment of "whistle-blower" and related procedures; reviewing and assessing annually the adequacy of the committee's charter and performance. The Audit Committee also has the authority to retain independent legal, accounting or other advisors.

The Audit Committee is currently composed of the following three directors: Robert Smiley, Edward Kruchkowski and Alexandra Cremonese. All of the members of the Audit Committee are financially literate, in that they have the ability to read and understand a balance sheet, an income statement, a cash flow statement and the notes attached thereto. Additionally, all of the members of the Audit Committee have accounting or related financial experience and are able to analyze and interpret a full set of financial statements, including the notes attached thereto, in accordance with International Financial Reporting Standards. The Audit Committee met four times in the 2017 fiscal year.

### **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.

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

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 during the year ended December 31, 2017.

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

#### **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 appointed. In the absence of instructions to the contrary, a properly executed and returned proxy will be voted for the nominees herein listed.

Management of the Company proposes that the number of directors for the Company be determined at four (4) for the ensuing year subject to such increases as may be permitted by the Articles of the Company.

Management of the Company proposes to nominate each of the following for election as a director of the Company.

Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Present Office held, and Province and Country of Residence	Director Since	Principal Occupation during the Past Five (5) Years	Number of Common Shares held <sup>(1)</sup>
Alexandra Cremonese <sup>2</sup> , B. Comm., Director	2014	Marketing—Yelp Inc., Turnstyle Solutions, Rumble Drinks, Toto Ventures, University Student	4,000
Dino Cremonese, P.Eng. President, CEO and Director British Columbia, Canada	1981	Mineral Property Consultant—Self-Employed; Director of Silver Grail Resources Ltd.	1,985,006
Edward R. Kruchkowski <sup>2</sup> , P.Geo, Director and CFO Alberta, Canada	2014	Contract Geologist Director of Decade Resources Ltd., Mt. Boy Minerals Ltd. and Rotation Minerals Ltd.	400,000
Robert Smiley British Columbia, Canada	1985 to 2014	Retired lawyer. Director of Silver Grail Resources Ltd., Sterling Group Ventures Inc.	5,000

- (1) Includes shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the date of this Information Circular, as reported on SEDI (www.sedi.ca).
- (2) Member of the Company's Audit Committee.

The Company has an audit committee composed of Robert Smiley, Alexandra Cremonese and Edward Kruchkowski.

#### **Appointment and Remuneration of Auditor**

Shareholders will be asked to approve, by ordinary resolution, the re-appointment of Manning Elliott LLP, Chartered Accountants, as the auditor of the Company to hold office until the next annual general meeting of the shareholders at remuneration to be fixed by the directors.

The table below provides for greater disclosure of the services provided by the Company's external auditor, dividing the services into the four categories of work performed.

Type of Work	Fiscal 2017 Fees	Fiscal 2016 Fees
Audit fees	\$21,750	\$21,750
Audit related fees	Nil	Nil
Tax fees	\$4,250	\$4,250
All other fees	Nil	Nil
<b>Total</b>	<b><u>\$26,000</u></b>	<b><u>\$26,000</u></b>

Dependent upon market conditions and the Company's asset base, the auditors may be rotating the lead audit partner responsible for the Company's audit.

#### **Audit Services**

Audit fees were paid for professional services rendered by the auditors for the audit of the Company's annual financial statements as well as services provided in connection with statutory and regulatory filings.

### **Audit-Related Services**

Audit-related fees were paid for assurance and related services that are reasonably related to the performance of the audit or review of the annual financial statements or interim financial statements, and are not reported under the audit services category above. These services included consultations on GAAP and financial statement disclosures, and discussion with management and audit committee members on internal controls and account procedures.

### **Tax Services**

Tax fees were paid for tax compliance, tax advice and tax planning professional services. These services consisted of providing advice regarding transfer pricing issues, intellectual property, commodity and tax reviews, reviewing tax returns, providing advice regarding corporate structure, and assisting in responses to government tax authorities.

### **Other Services**

Other fees were paid for products and services other than the audit services, audit-related services and tax services described above.

### **OTHER BUSINESS**

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

### **CERTIFICATE**

*The foregoing contains no untrue statements of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.*

**ON BEHALF OF THE BOARD**

***“Dino Cremonese”***

**President, CEO and Director**

## Schedule “A” to the Information Circular of Teuton Resources Corp.

### AUDIT COMMITTEE CHARTER

#### Introduction and Purpose

Teuton Resources Corp. (the “Company”) is a publicly-held company and operates in a highly competitive and regulated environment. The Company’s business involves an environment that is highly regulated at the provincial level in Canada.

The Audit Committee is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities to the shareholders, potential investors and to the investment community. The Audit Committee will assist the Board in the oversight of (1) the integrity of the financial statements of the Company, (2) the independent auditor’s qualifications and independence, and (3) the compliance by the Company with legal and regulatory requirements.

#### Composition and Membership

The Audit Committee shall be comprised of at least three (3) members, a majority of whom shall meet the independence requirements as established by the TSX Venture Exchange, applicable laws and the rules and regulations of the British Columbia Securities Commission. Audit Committee members shall fully comply with the requirements of the British Columbia Securities Commission’s regulations. At least one member of the Audit Committee shall be an “audit committee financial expert” as that term is defined in applicable rules. Members and a Chair of the Audit Committee are appointed by the full Board of Directors.

#### Meetings

The Audit Committee shall meet at least four (4) times annually, in person, telephonically, or electronically and more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting.

#### Responsibilities and Duties

The Audit Committee shall:

- Make regular reports to the Board of Directors of the Company.
- Appoint the independent auditors to be engaged by the Company, establish the audit fees of the independent auditors, pre-approve any non-audit services provided by the independent auditors, including tax services, before the services are rendered.
- Review the scope of the independent auditor’s audit examination, including their engagement letter, prior to the annual audit of the Company’s financial statements.
- Instruct the independent auditors to report directly to the Audit Committee any serious difficulties or disputes with management, and ensure they are appropriately resolved.
- Review and evaluate the performance of the independent auditors and review with the Board of Directors all proposed discharges of the independent auditors.
- Review each annual audit with the independent auditor at the conclusion of the audit. The review shall include all comments or recommendations of the independent auditor, all audit problems or difficulties and management’s response.
- Review and discuss with management the procedures undertaken in connection with the required certifications for regulatory filings and other reports including their evaluation of the Company’s disclosure controls and procedures and internal controls, as well as any and all fraud, whether or not material, that involves management or others who have a significant role in the Company’s internal controls.
- Review management’s assessment of the effectiveness of the Company’s internal controls over financial reporting and disclosure, and the independent auditor’s related attestation. Consider with management and the independent auditors whether any changes to such internal controls are appropriate.
- Review with management the Company’s quarterly and annual financial results prior to regulatory filings and the issuance of related press releases.

- Produce the report of the Audit Committee to the shareholders in the Company's annual proxy statement on those matters required by regulatory agencies.
- Be authorized to hire outside counsel or other consultants as necessary.
- Perform such other duties as are assigned by the Board of Directors.
- Review the Audit Committee's charter annually and recommend all proposed changes to the Board of Directors.
- Periodically evaluate and take steps to improve the effectiveness of the Audit Committee in meeting its responsibilities under this Charter.

#### Public Disclosure

This Charter is available to investors upon request to the Company's Corporate Secretary.

## Schedule “B” to the Information Circular of Teuton Resources Corp.

### CORPORATE GOVERNANCE DISCLOSURE

The following is a summary of the Company’s corporate governance disclosure required by Form 58-101F2 of National Instrument 58-101 Disclosure of Corporate Governance Practices.

#### Board of Directors

The Board, at present, is composed of four directors, two of whom are executive officers of the Company and two of whom are considered to be “independent”, as that term is defined in applicable securities legislation. Mr. Robert Smiley and Ms. Alexandra Cremonese are considered to be independent directors. Mr. Dino Cremonese, by reason of his being the CEO of the Company and Mr. Edward Kruchkowski, by reason of his being the CFO of the Company, are not. In determining whether a director is independent, the Board chiefly considers whether the director has a relationship which could be perceived to interfere with the director’s ability to objectively assess the performance of management.

The Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company’s business in the ordinary course, managing the Company’s cash flow, evaluating new business opportunities, recruiting staff and complying with applicable regulatory requirements. The Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans and annual operating plans.

#### Directorships

Certain of the directors of the Company are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Other reporting issuer (or equivalent in a foreign jurisdiction)
Dino Cremonese, P.Eng.	Silver Grail Resources Ltd.
Robert Smiley	Silver Grail Resources Ltd., Sterling Group Ventures Inc.
Edward Kruchkowski	Decade Resources Ltd., Rotation Minerals Ltd. and Mt. Boy Minerals Ltd.
Alexandra Cremonese	none

#### Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board.

## Ethical Business Conduct

The Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

## Nomination of Directors

The Board has not appointed a nominating committee because the Board fulfils these functions.

## Compensation

The Company does not have a compensation committee as the Board of Directors is responsible for determining all forms of compensation, including long-term incentive in the form of stock options, to be granted to the Chief Executive Officer, the Chief Financial Officer and the directors, and for reviewing the Chief Executive Officer's recommendations respecting compensation of the other officers of the Company, to ensure such arrangements reflect the responsibilities and risks associated with each position. When determining the compensation of its officers, the Board considers: i) recruiting and retaining executives critical to the success of the Company and the enhancement of shareholder value; ii) providing fair and competitive compensation; iii) balancing the interests of management and the Company's shareholders; and iv) rewarding performance, both on an individual basis and with respect to operations in general.

## Committees of the Board of Directors

The Board has appointed an Audit Committee the members of which are the following: Robert Smiley, Edward Kruchkowski and Alexandra Cremonese. A description of the function of the Audit Committee can be found in this Circular under Audit Committee.

## Assessments

The Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Board, its Audit Committee or individual directors.