



Pure Gold Mining Inc.

Notice of the 2020 Annual General Meeting of Shareholders

Management Information Circular

Dated May 1, 2020



May 1, 2020

Dear Shareholders,

To protect the health and well-being of Pure Gold's employees, directors and shareholders, the Corporation has made the decision to hold its Annual General Meeting of Shareholders (the "**Meeting**") in a virtual only format. The physical location of the meeting, as required by the *Business Corporations Act* (British Columbia), will be designated as Pure Gold's head office (Suite 1900, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 Canada), but the meeting will be held in a virtual only format. Shareholders will not be able to attend the Meeting in person. Further details on how to join the virtual Meeting are included in this Management Information Circular.

At the Meeting you will be able to ask questions of the Board of Directors and senior management. Shareholders will have an equal opportunity to participate at the Meeting online, regardless of their geographic location.

The enclosed Management Information Circular describes the business to be conducted at the Meeting. It is important that you exercise your vote, either online at the Meeting or by completing and returning your proxy form.

We look forward to speaking with you at the Meeting.

Sincerely,

(Signed) "*Darin Labrenz*"

Darin Labrenz
President and Chief Executive Officer

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NOTICE AND ACCESS NOTICE OF THE VIRTUAL ANNUAL GENERAL MEETING OF SHAREHOLDERS AND AVAILABILITY OF MEETING MATERIALS

NOTICE is hereby given that Pure Gold Mining Inc. (the “**Corporation**”) is conducting a virtual Annual General Meeting of the holders of common shares of the Corporation (the “**Shareholders**”) by live audio stream to be held on Thursday, June 25, 2020 at 10:00 a.m. Pacific Time (the “**Meeting**”).

You are receiving this notification as the Corporation is using the notice and access procedures adopted by the Canadian Securities Administrators for electronic delivery of its Notice of Meeting and Information Circular (the “**Circular**”) for the Company’s 2020 Annual General Meeting (the “**Meeting Materials**”) instead of mailing out paper copies. Under this delivery method, companies can, instead of mailing out paper copies, post their meeting materials on a website and send a notification to shareholders with access details.

This notification provides details of the date and time of the Meeting, including the matters to be voted on, and instructions on how to access an electronic copy, or request a paper copy of the Meeting Materials. Accompanying this notice is a form of Proxy or Voting Instruction form. Notice and access will not be used for registered Shareholders as a result of certain restrictions in the Corporation’s articles that do not allow for the use of notice and access as a delivery method for registered Shareholders. Registered Shareholders will receive a paper copy of this Circular and all proxy-related materials.

HOW TO ACCESS THE MEETING MATERIALS

The Meeting Materials can be viewed online under the Corporation’s profile at www.sedar.com or on the Corporation’s website at www.puregoldmining.ca/agm.

You can obtain a paper copy of the Meeting Materials free of charge, by

1. calling the Corporation at 604-646-8000 or toll free at 1-844-683-7790 by providing your name and mailing address; or
2. sending an email to info@puregoldmining.ca, by providing your name and mailing address.

If you wish to receive a paper copy of the Meeting Materials, they will be sent within three business days of your request, if such requests are made before the meeting date. To ensure you receive the material in advance of the voting deadline and meeting date, your request should be provided to the Corporation as soon as possible.

MEETING DATE

The Corporation’s virtual Annual General Meeting of Shareholders will be held on Thursday, June 25, 2020, at 10:00 a.m. Pacific Time.

MATTERS TO BE VOTED ON AT THE MEETING

At the Meeting, Shareholders will be asked to receive the annual financial statements of the Corporation for the year ended December 31, 2019 and the auditor’s report thereon and will be asked to vote on the following:

1. set the number of directors of the Corporation at seven;
2. elect those directors who will serve until the next annual meeting of Shareholders;

3. appoint auditors that will serve until the next annual meeting of Shareholders and authorize the directors to fix their remuneration;
4. consider, and if thought fit, approve an ordinary resolution approving the Corporation's stock option plan, as described in the Circular;
5. consider, and if thought fit, approve an ordinary resolution approving the Corporation's restricted share unit plan, as described in the Circular;
6. consider, and if thought fit, approve an ordinary resolution approving the Corporation's deferred share unit plan, as described in the Circular; and
7. transact such other business as may properly be brought before the Meeting and any postponement or adjournment thereof.

QUESTIONS ABOUT NOTICE AND ACCESS

Shareholders with questions about Notice and Access can contact the Corporation at 604-646-8000, or by email at info@puregoldmining.ca.

VOTING

You cannot vote by returning this notice. Registered Shareholders (as described in the Circular under the heading "Voting at the Meeting"), and duly appointed proxyholders can attend the Meeting online at <https://web.lumiagm.com/269091824> where they can participate, vote, or submit questions during the Meeting's live audio stream.

Shareholders who wish to appoint a third party proxyholder to represent them at the Meeting **must submit their proxy or voting instruction form (as applicable) prior to registering their proxyholder. Registering the proxyholder is an additional step once a shareholder has submitted their proxy/voting instruction form. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving a username to participate in the Meeting.** To register a proxyholder, shareholders **MUST** visit <http://www.computershare.com/PureGold> by 10:00 a.m. Pacific Time on Tuesday, June 23, 2020 and provide Computershare Investor Services Inc. ("Computershare") with their proxyholder's contact information, so that Computershare may provide the proxyholder with a Username via email.

It is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences.

In order to participate online, shareholders must have a valid 15-digit control number and proxyholders must have received an email from Computershare containing a username. The password to the Meeting is puregold2020 (case sensitive).

To vote your common shares, you must vote online at the Meeting, by telephone, by fax or by mailing the enclosed Proxy or Voting Instruction Form for receipt by 10:00 a.m. Pacific Time, on Tuesday June 23, 2020 using the enclosed Business Reply Envelope. If you ask for the Meeting Materials to be mailed to you, please note that another Proxy or Voting Instruction Form will not be sent; please retain your current one for voting purposes.

Please review the Meeting Materials before voting.

MANAGEMENT INFORMATION CIRCULAR

This management information circular, including all schedules hereto (the “**Circular**”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Pure Gold Mining Inc. (the “**Corporation**”, or “**Pure Gold**”) to be used at the Annual General meeting of the holders of (the “**Shareholders**”) common shares of Pure Gold (“**Common Shares**”), or any adjournment(s) or postponement(s) thereof (the “**Meeting**”) to be held virtually on Thursday, June 25, 2020 at 10:00 am. (Pacific Time) for the purposes set forth in the Notice of Virtual Annual General Meeting of Shareholders of the Corporation accompanying this Circular.

General Information

Except as otherwise stated, the information contained herein is given as of May 1, 2020. Figures in this Circular are expressed in Canadian dollars (“\$”), the same currency that the Corporation uses in its annual financial statements for the year ended December 31, 2019 (the “**Annual Financial Statements**”), unless otherwise stated.

The Corporation’s principal activity is the acquisition, exploration and development of mineral properties predominantly located in the Red Lake Gold Camp of Ontario, Canada. The Corporation’s material project is the Pure Gold Red Lake Mine project in Madsen, Ontario.

Corporate Background

Pure Gold was incorporated on November 14, 2005 pursuant to the provisions of the *Business Corporations Act* (British Columbia) (“**BCBCA**”) under the name "Capo Resources Ltd.". Effective May 15, 2008, the Corporation acquired 0785531 B.C. Ltd. through a reverse takeover, which completed its Qualifying Transaction requirement under TSX Venture Exchange (the “**TSX-V**”) Policy 2.4. The acquisition was accounted for according to the accounting guidelines for reverse takeover transactions that do not constitute a business combination, with 0785531 B.C. Ltd. being the deemed accounting acquirer for financial statement purposes.

The Qualifying Transaction described above involved the amalgamation of a wholly-owned subsidiary of the Corporation with 0785531 B.C. Ltd. These two entities were amalgamated as one corporation under the name Laurentian Exploration Ltd. The amalgamation was completed in accordance with the terms of a statutory Plan of Arrangement under the BCBCA. The amalgamated entity was a wholly-owned subsidiary of the Corporation at that time.

On January 22, 2009, the Corporation completed an amalgamation with its wholly owned subsidiary, Laurentian Exploration Ltd. These two entities were amalgamated as one corporation under the name Laurentian Goldfields Ltd. The amalgamation was completed in accordance with the terms of a statutory Plan of Arrangement under the BCBCA.

On June 24, 2014, the Corporation filed articles of amendment to change its name to Pure Gold Mining Inc.

The registered and records office of the Corporation is c/o McMillan LLP, Suite 1500, PO Box 11117 Vancouver, British Columbia Canada V6E 4N7 and the head office and principal place of business of the Corporation is located at 1900 – 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9.

The Corporation’s principal activity is the exploration and development of the Pure Gold Red Lake Mine Project (formerly the Madsen Gold Project) located in Red Lake, Ontario Canada.

VOTING INFORMATION

Solicitation of Proxies

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by telephone, e-mail, internet, facsimile or other means of communication by regular officers, employees and agents of the Corporation at nominal cost. The cost of solicitation by management will be borne directly by the Corporation. The Corporation will reimburse investment dealers, brokers, banks, custodians, nominees and other fiduciaries for permitted fees and costs incurred by them in mailing soliciting materials to the non-registered Shareholders. Invoices for such permitted fees and costs should be directed to the attention of the Chief Financial Officer of the Corporation at Suite 1900, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

Notice to Shareholders in the United States

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

The enforcement by Shareholders of civil liabilities under United States federal or United Kingdom securities laws may be affected adversely by the fact that the Corporation is incorporated under the BCBCA certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States or United Kingdom. Shareholders may not be able to sue a foreign corporation or its officers or directors in a foreign court for violations of United States federal or United Kingdom securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States or United Kingdom court.

Notice-and-Access

The Corporation is availing itself of the “Notice-and-Access” provisions in Canadian securities laws that permit the Corporation to forego mailing paper copies of this Circular and proxy-related materials to Shareholders and instead make them available for review, print and download via the Internet. Non-registered Shareholders have received a Notice Package (as defined below) but will not receive a paper copy of this Circular or the proxy-related materials unless they request one as described in the Notice Package. Notice-and-Access will not be used for Shareholders who are the registered holders of Common Shares (“**Registered Shareholders**”) as a result of certain restrictions in the Corporation’s articles that do not allow for the use of Notice-and-Access as a delivery method for Registered Shareholders. Registered Shareholders will receive a paper copy of this Circular and all proxy-related materials.

In accordance with the requirements of National Instrument 54-101, *Communication With Beneficial Owners of Securities of a Reporting Issuer, of the Canadian Securities Administrators* (“**NI 54-101**”), the Corporation has distributed a notice (the “**Notice Package**”), in the form prescribed by NI 54-101 to the clearing agencies and intermediaries for onward distribution to non-registered Shareholders, of the Internet website location where such non-registered Shareholders may access the notice of Meeting, this Circular and the instrument of proxy (collectively, the “**Meeting Materials**”). The Corporation will pay for intermediaries to forward the Meeting Materials to objecting beneficial owners (as defined in NI 54-101).

Intermediaries are required to forward the Notice Package to non-registered Shareholders unless a non-registered Shareholder has waived the right to receive Meeting Materials. Typically, intermediaries will use a service corporation to forward the Notice Package to non-registered Shareholders.

Meeting Materials can be accessed directly online at www.puregoldmining.ca/agm.

Appointment and Revocation of Proxies

The proxy nominees named in the accompanying Proxy are officers and/or directors of the Corporation (the “**Directors**”). Shareholders who wish to appoint a third-party proxyholder to represent them at the online Meeting **must submit their proxy or voting instruction form (as applicable) prior to registering your proxyholder. Registering your proxyholder is an additional step once you have submitted your proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a Username to participate in the Meeting.** To register a proxyholder, shareholders MUST visit <https://www.computershare.com/PureGold> by June 23, 2020 at 10:00 a.m. (Pacific Time) and provide Computershare with their proxyholder’s contact information so that Computershare may provide the proxyholder with a Username via email. **Without a Username, proxyholders will not be able to vote at the Meeting.**

A proxy can be submitted to Computershare either in person, or by mail or courier, to 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or via the internet at www.investorvote.com. The proxy must be deposited with Computershare by no later than 10:00 a.m. (Pacific Time) on June 23, 2020 or if the Meeting is adjourned or postponed, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, before the commencement of such adjourned or postponed meeting. If a Shareholder who has submitted a proxy attends the Meeting via the live audio stream and has accepted the terms

and conditions when entering the Meeting online, you will be revoking any and all previously submitted proxies. In such case, you will be provided the opportunity to vote by ballot on the resolutions put forth at the Meeting.

A proxy given by Shareholders for use at the Meeting may be revoked at any time prior to its use: (i) by attending the Meeting and voting online if you were a Registered Shareholder at May 11, 2020 (the “**Record Date**”), (ii) signing a proxy bearing a later date and returning such form at any time before the proxy cut-off time, (iii) by signing a written statement which indicates, clearly, that the Shareholder wants to revoke his, her or its proxy and delivering this signed written statement to the registered office of the Corporation by email to [insert email address] at any time up and including the last business day prior to the Meeting (or any adjournment or postponement thereof), or (iv) in any other manner permitted by law.

Advice to Beneficial Shareholders

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Many Shareholders may be “non-registered” Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares. More particularly, a person is not a Registered Shareholder in respect of Common Shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESPs and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “**NOBOs**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as “**OBOs**”.

In accordance with the requirements of NI 54-101, the Corporation has elected to send the Meeting Materials directly to the NOBOs.

Also, in accordance with the requirements of NI 54-101, the Corporation has distributed copies of the Meeting Materials to the Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless, in the case of certain proxy-related materials, the OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs with a voting instruction form (“**VIF**”) which, when properly completed and signed by such OBO and returned to the Intermediary or its service corporation, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the Common Shares that they beneficially own.

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Corporation 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. Meeting Materials will be sent electronically to those beneficial owners from whom consent has been obtained.

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

Meeting Materials sent to beneficial owners who have not waived the right to receive Meeting Materials are accompanied by a VIF to be used instead of a Proxy. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the Registered Shareholder how to vote on behalf of the Non-Registered Holder. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the Common Shares which they beneficially own. **Non-Registered Holders receiving a VIF cannot use that form to vote Common Shares directly at the Meeting. Non-Registered Holders should carefully follow the instructions set out in the VIF including**

those regarding when and where the VIF is to be delivered. Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his/her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder or his/her nominee the right to attend and vote at the Meeting.

Voting of Proxies

A Registered Shareholder or a Non-Registered Holder, who has appointed themselves or a third-party proxyholder to represent them at the Meeting, will appear on a list of Shareholders prepared by Computershare, the transfer agent and registrar for the Meeting. To have their Common Shares voted at the Meeting, each Registered Shareholder or proxyholder will be required to enter their control number or Username provided by Computershare at <http://web.lumiagm.com/269091824> prior to the start of the Meeting. In order to vote, Non-Registered Holders who appoint themselves as a proxyholder MUST register with Computershare at <https://www.computershare.com/PureGold> after submitting their voting instruction form in order to receive a Username (please see the information under the heading “Attending and Participating at the Meeting” below for details).

Common Shares represented by properly completed and executed proxies that are received in the manner prescribed herein will be voted (or withheld from voting) in accordance with the instructions of the Shareholder, including on any ballot votes that may take place at the Meeting. If you have not specified how to vote on a particular matter, then your proxy holder can vote your Common Shares as he or she sees fit. **Where no choice is specified, Common Shares represented by properly completed and executed proxies in favour of the management proxy nominees named in the printed portion of the enclosed proxy will be voted “FOR” each of the matters to be voted on by Shareholders, as follows:**

- **“FOR” setting the number of Directors at seven;**
- **“FOR” the election as Directors of the seven nominees (each, a “Nominee”) listed in this Circular for the ensuing year;**
- **“FOR” the appointment of PricewaterhouseCoopers LLP as independent auditors of the Corporation for the ensuing year and the authorization of the Directors to fix their remuneration;**
- **“FOR” the Corporation’s Stock Option Plan, attached as Schedule “D” (the “Stock Option Plan”);**
- **“FOR” the restricted share unit plan of the Corporation attached as Schedule “E” (the “RSU Plan”); and**
- **“FOR” the deferred share unit plan of the Corporation attached as Schedule “F” (the “DSU Plan”).**

The accompanying proxy also confers discretionary authority upon the proxy nominees named therein with respect to amendments or variations to matters identified in the Notice of Meeting, or other matters as may properly come before the Meeting. At the date of this Circular, management of the Corporation (“**Management**”) knows of no such amendments, variations or other matters to come before the Meeting. However, if any amendments, variations or other matters which are not now known to management should properly come before the Meeting, the Common Shares represented by proxies in favour of the management nominees named in the accompanying form of proxy will be voted on such matters in accordance with the best judgment of such proxy nominees.

Attending and Participating at the Meeting

The meeting will be hosted online by way of a live audio stream. Shareholders will not be able to attend the meeting in person. A summary of the information Shareholders will need to attend the online Meeting is provided below. The Meeting will begin at 10:00 a.m. (Pacific Time) on June 25, 2020

- **Registered Shareholders and Appointed Proxyholder:** Registered Shareholders that have a 15-digit control number, along with duly appointed proxyholders who were assigned a Username by Computershare will be able to vote and submit questions during the Meeting. To do so, please go to <https://web.lumiagm.com/269091824> prior to the start of the Meeting to login. Click on “I have a login” and enter your 15-digit control number or Username along with the password “**puregold2020**”. Non-Registered Holders who have not appointed themselves to vote at the Meeting, may login as a guest, by clicking on “I am a Guest” and complete the online form.

- **United States Beneficial Shareholders:** To attend and vote at the Meeting, you must first obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the Meeting. Follow the instructions from your broker or bank included with these proxy materials or contact your broker or bank to request a legal proxy form. After first obtaining a valid legal proxy from your broker, bank or other agent, you must submit a copy of your legal proxy to Computershare in order to be registered to attend the Meeting. Requests for registration should be directed to:

Computershare
 100 University Avenue
 8th Floor
 Toronto, Ontario
 M5J 2Y1
 OR
 Email at uslegalproxy@computershare.com

Requests for registration must be labeled as “Legal Proxy” and be received no later than June 23, 2020 by 10:00 a.m. (Pacific Time). You will receive a confirmation of your registration by email after we receive your registration materials. You may attend the Meeting and vote your Common Shares at <https://web.lumiagm.com/269091824> during the Meeting. Please note that you are required to register your appointment at www.computershare.com/PureGold

- **Non-Registered Holders:** If you are a Non-Registered Holder and have not obtained a 15-digit control number or Username, you will only be able to attend as a guest. You will be able to listen to the Meeting; however you will not be able to vote or submit questions. Please see the information under the heading “*Advice to Beneficial Shareholders*” for an explanation of why certain shareholders may not receive a form of proxy.

If you are using a 15-digit control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. In such case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. If you **DO NOT** wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.

If you are eligible to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting.

Voting Securities and Principal Holders Thereof

Only Shareholders of the Corporation who are listed on its Register of Shareholders on the Record Date are entitled to receive notice of and to attend and vote at the Meeting (See “*Voting of Proxies*” above).

At May 1, 2020, the Corporation had 359,233,359 Common Shares issued and outstanding. Each Common Share outstanding on the Record Date carries the right to one vote.

To the knowledge of the Directors and executive officers of the Corporation, as of May 1, 2020, AngloGold Ashanti International Exploration Holdings Limited (“**AngloGold**”) and Mr. Eric Sprott own in excess of 10% of the Common Shares.

AngloGold directly holds 50,021,251 Common Shares or approximately 13.9% of the Corporation’s issued and outstanding Common Shares and 12,325,000 Common Share purchase warrants, that if exercised would bring AngloGold’s ownership percentage to 16.8%, on a partially diluted basis.

Mr. Eric Sprott directly holds 36,000,000 Common Shares or approximately 10.0% of the Corporation’s issued and outstanding Common Shares and 18,000,000 Common Share purchase warrants, that if exercised would bring Mr. Eric Sprott’s ownership percentage to 14.3%, on a partially diluted basis.

AngloGold and Mr. Eric Sprott are Pure Gold’s single largest shareholders. As a result, AngloGold or Mr. Eric Sprott may have the ability to influence the outcome of matters submitted to the Pure Gold Shareholders for approval, which could include the election and removal of directors, amendments to Pure Gold’s corporate governance documents and business combinations. Pure Gold’s interests and those of AngloGold or Mr. Eric Sprott may at times conflict, and this conflict might

be resolved against Pure Gold's interests. The concentration of 13.9% and 10.0%, respectively, of Pure Gold's issued and outstanding shares in the hands of two shareholder may discourage an unsolicited bid for the Common Shares, and this may adversely impact the value and trading price of the Common Shares. AngloGold's and Mr. Eric Sprott's participation in, or failure to participate in any issuance of additional Pure Gold securities may have a material impact on the value and trading price of the Common Shares.

BUSINESS OF THE MEETING

Receipt of Financial Statements

The Annual Financial Statements of Pure Gold and accompanying auditor's report thereon will be presented at the Meeting and will be mailed to those registered and beneficial Shareholders of the Corporation who requested them. The Annual Financial Statements are available under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com and at www.puregoldmining.ca.

Number of Directors

The Articles of the Corporation set out that the number of directors of the Corporation will be a minimum of three and (i) the number of directors elected by ordinary resolution and (ii) the number of Directors set in the event that the places of any retiring Directors are not filled by election at a meeting of Shareholders. At the Meeting, the Shareholders will be asked to pass an ordinary resolution setting the number of Directors of the Corporation at seven.

To be approved, the resolution must be passed by a majority of the votes cast by the Shareholders at the Meeting. **In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote "FOR" the resolution setting the number of directors of the Corporation at seven.**

Election of Directors

The Board currently consists of seven Directors. Each Director is to hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless his or her office is earlier vacated in accordance with the articles of the Corporation.

Advance Notice Policy

On September 23, 2016, the Shareholders of the Corporation approved the adoption of an advance notice policy (the "**Advance Notice Policy**"). The Advance Notice Policy provides for advance notice to the Corporation in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the BCBCA or (ii) a shareholder proposal made pursuant to the provisions of the BCBCA.

No person will be eligible for election as a Director of the Corporation unless nominated in accordance with the Advance Notice Policy.


The foregoing is merely a summary of the Advance Notice Policy, is not comprehensive, and is qualified by the full text of such policy, a copy of which is attached to this Circular as Schedule "C".

Nominees and Qualifications

The following tables sets out the name of Management's Nominees for election as Director, and other information including: the place in which each is ordinarily resident, principal occupations held in the last five years, the number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by each Nominee, the number of outstanding options to purchase Common Shares ("**Options**") held by each Nominee, the period or periods during which each has served as a Director, current membership on committees of the Board, record of attendance at meetings of the Board and its committees through December 31, 2019, and whether or not the Board has determined each Nominee to be independent. There are no contracts, arrangements or understandings between any Director or executive officer or any other person pursuant to which any of the Nominees has been nominated for election as a Director of the Corporation.

Management of the Corporation does not anticipate that any of the proposed Nominees will be unable to serve as a Director; however, if for any reason any of the proposed Nominees do not stand for election or are unable to serve as such, the Common Shares represented by proxies given in favour of Management's Nominee(s) may be voted by the person designated by Management of the Corporation in the enclosed Proxy, in their discretion, in favour of another Nominee.

In the absence of a contrary instruction, the persons designated by Management of the Corporation in the enclosed form of proxy intend to vote "FOR" the election of the Directors set out in the following tables. The total value of Common Shares has been calculated using the market price of the Common Shares of Pure Gold on the TSX-V on December 31, 2019 (\$0.81). The number of Common Shares of Pure Gold owned by each Director, are as at May 1, 2020.

| | | | |
|---|-----------|---|---------------------------|
| <i>Darin Labrenz, P. Geo</i> | | | |
|  | | Squamish, British Columbia, Canada | |
| | | Non-Independent Director since February 15, 2011 | |
| President & CEO | | | |
| President & CEO and director of the Corporation since February 15, 2011. Formerly with Terrane Metals Corp. (2006-2010), as Chief Geologist and subsequently VP Business Development. Prior to Terrane, senior geologist and management within Placer Dome Group (1996 – 2006). | | | |
| Areas of Expertise | | | |
| Finance and Management; Financial markets; Exploration and Geology; Mergers and Acquisitions; and Shareholder Communications. | | | |
| Board / Committee Membership | | | Meeting Attendance |
| Board | | | 12 of 12 100% |
| Health, Safety & Sustainability Committee | | | 0 of 0 N/A |
| Common Shares and Options (as at May 1, 2020) | | | |
| Common Shares | Options | Total Value of Common Shares | |
| 1,500,000 | 2,700,000 | \$1,215,000 | |

Notes:

Graeme Currie⁽¹⁾

**West Vancouver,
British Columbia,
Canada**

**Independent Director
since March 4, 2014**

Chair of the Board

Formerly Director, Investment Banking at Canaccord Genuity Limited from 1983 until retirement in August 2012. Prior to his role in Investment Banking he was employed in the Research Department for over 22 years, beginning in 1983, achieving the position of Senior Mining Analyst, specifically focused on coverage of the junior mining sector.

Areas of Expertise

Finance and Management; Financial markets; Exploration and Geology; Mergers and Acquisitions; and Shareholder Communications.

| Board / Committee Membership | Meeting Attendance | |
|-------------------------------------|---------------------------|------|
| Board (Chair) | 12 of 12 | 100% |
| Audit Committee | 3 of 4 | 75% |
| Compensation Committee (Chair) | 1 of 1 | 100% |

Common Shares and Options (as at May 1, 2020)

| Common Shares⁽²⁾ | Options | Total Value of Common Shares | |
|------------------------------------|----------------|-------------------------------------|--|
| 2,300,000 | 1,750,000 | \$1,863,000 | |

Notes:

- (1) Mr. Currie is a member of the board of directors of Balmoral Resources Inc.
- (2) Includes 150,000 shares owned by the spouse of Mr. Currie.

Mark O’Dea, , Ph.D., P.Geo.



**North Vancouver,
British Columbia,
Canada**

Independent Director since March 4, 2014

Dr. O’Dea is a mining industry entrepreneur. A seasoned geologist and deal maker, Dr. O’Dea has built, and financed international mining companies from Canada to Africa, taking them from exploration and discovery to development and operations. Most recently, Dr. O’Dea co-founded and served as Executive Chairman of True Gold Mining Inc. After building the Karma Heap Leach Gold Mine in Burkina Faso, West Africa, True Gold was sold to Endeavour Mining Corp. in 2016. As co-founder and CEO of Fronteer Gold, Dr. O’Dea grew the company from start-up to its 2011 sale to Newmont Mining Corp., a deal which included the spin-out of Liberty Gold. He also co-founded and served as Chairman of True North Nickel Inc. and CEO of Aurora Energy Resources Inc., sold to RNC Minerals and Paladin Energy Ltd in 2014 and 2011, respectively. Dr. O’Dea is founder of Oxygen Capital Corp. (“**Oxygen**”)¹, and co-founder and director of each of Pure Gold Mining Inc., Liberty Gold (Chairman), Discovery Metals Corp. and Sun Metals Corp. His honours include EY’s Entrepreneur of the Year™ for 2014 in the Pacific mining and metals category, the Globe and Mail’s Top 40 Under 40, and the Association for Mineral Exploration British Columbia’s Murray Pezim Award for perseverance and success in financing mineral exploration.

Areas of Expertise

Finance and Management; Development, Exploration and Geology; Mergers and Acquisitions; Capital markets; Human Resources and Compensation; and Public Reporting and Shareholder Communications.

| Board / Committee Membership | Meeting Attendance | |
|-------------------------------------|---------------------------|------|
| Board | 12 of 12 | 100% |
| Compensation Committee | 1 of 1 | 100% |
| Corporate Governance Committee | 0 of 0 | N/A |

Common Shares and Options (as at May 1, 2020)

| Common Shares⁽²⁾ | Options | Total Value of Common Shares |
|------------------------------------|----------------|-------------------------------------|
| 5,379,800 | 1,650,000 | \$4,357,638 |

Notes:

- (1) There is no management or administrative fee paid to Oxygen in connection with the services it provides or those provided by Dr. O’Dea to Pure Gold. Dr. O’Dea does not receive any additional remuneration or compensation from Pure Gold relating to his position as director of Oxygen.
- (2) Includes 1,830,000 shares owned by a corporation controlled by Dr. O’Dea.

Troy Fierro



**Mesa,
Arizona,
USA**

Independent Director since May 12, 2014

Mining engineer with over 35 years of industry experience. Formerly held executive positions with Fronteer Gold Inc., Metallica Resources Inc., and Coeur d'Alene Mines, where he has overseen the development, construction or management of mines in Nevada, Idaho, Mexico, Argentina, Chile, and Alaska. Formerly director of Grayd Resources, Timberline Resources, Gold Canyon Resources and ORLA Mining.

Areas of Expertise

Engineering, development and operations; Finance and Management; Mergers and Acquisitions; and Capital markets.

| Board / Committee Membership | Meeting Attendance | |
|---|---------------------------|------|
| Board | 12 of 12 | 100% |
| Audit Committee | 4 of 4 | 100% |
| Compensation Committee | 1 of 1 | 100% |
| Health, Safety & Sustainability Committee | 0 of 0 | N/A |

Common Shares and Options (as at May 1, 2020)

| Common Shares | Options | Total Value of Common Shares | |
|----------------------|----------------|-------------------------------------|--|
| 900,000 | 1,200,000 | \$729,000 | |

Robert Pease ⁽¹⁾, B. Sc., P. Geo,



**White Rock,
British Columbia,
Canada**

**Independent Director since
June 25, 2014**

Mr. Pease held the position of interim President and CEO of Liberty Gold Inc. from November 2015 through February 2016. Mr. Pease holds a B.Sc. degree in Earth Sciences from the University of Waterloo, a Professional Geologist (British Columbia) certification and is a Fellow of the Geological Association of Canada. He is a Past-Chair of the AME BC, and a member of the Health & Safety Committee of the AME BC. In 2010, he was named "BC Mining Person of the Year" by the Mining Association of BC, and in 2015 he was a co-recipient of the E.A. Scholz Award for Excellence in Mine Development by the AME BC. From November 2011 to February 2015, Mr. Pease was President and Chief Executive Officer of Sabina Gold & Silver Corp., a mineral exploration corporation. Mr. Pease was also President and Chief Executive Officer of Terrane Metals Corp. from its inception in 2006 until its acquisition in 2010 by Thompson Creek Metals Company; and was a director and strategic advisor of Richfield Ventures Corp., a publicly-traded exploration-stage mining corporation acquired by New Gold Inc. in 2011. Mr. Pease was employed by Placer Dome Inc. for twenty five years, and held the position of General Manager (Canada Exploration and Global Major Projects) toward the end of his time with that corporation. At Placer Dome he was responsible for managing all aspects of that corporation's Canadian exploration and oversaw the geological aspects of its world-wide, advanced, major exploration and development projects.

Areas of Expertise

Construction (mining); Operations and Development (mining); Exploration and Geology; Health and Safety; Mergers and Acquisitions; Corporate Governance; and Shareholder Communications.

| Board / Committee Membership | Meeting Attendance | |
|---|---------------------------|-----|
| Board | 11 of 12 | 92% |
| Health, Safety & Sustainability Committee (Chair) | 0 of 0 | N/A |
| Corporate Governance Committee | 0 of 0 | N/A |

Common Shares and Options (as at May 1, 2020)

| Common Shares | Options | Total Value of Common Shares | |
|----------------------|----------------|-------------------------------------|--|
| 451,818 | 1,100,000 | \$365,973 | |

Notes:

(1) Mr. Pease is also on the Board of Liberty Gold Corp., Libero Copper Corp., FPX Nickel Corp. and Endurance Gold Corporation.

Lenard Boggio ⁽¹⁾, FCPA, FCA



**North Vancouver,
British Columbia,
Canada**

Independent Director since March 4, 2014

Formerly Partner with PricewaterhouseCoopers LLP (and prior Coopers & Lybrand LLP) from 1982 until retirement from PwC in May 2012. During that time he was Leader of the B.C. Mining Group of PwC, a senior member of PwC's Global Mining Industry Practice and an audit practitioner for publicly listed Canadian, U.S. and U.K. mineral resource and energy clients.

Areas of Expertise

Accounting, Audit and Finance; International and Business Tax; Mergers and Acquisitions; Corporate Governance; Human Resources and Compensation; Public Reporting and Shareholder Communications.

| Board / Committee Membership | | Meeting Attendance | |
|--|---------|------------------------------|------|
| Board | | 12 of 12 | 100% |
| Audit Committee (Chair) | | 4 of 4 | 100% |
| Corporate Governance Committee (Chair) | | 0 of 0 | N/A |
| Common Shares and Options (as at May 1, 2020) | | | |
| Common Shares | Options | Total Value of Common Shares | |
| 850,000 ⁽²⁾ | 850,000 | \$688,500 | |

Notes:

- (1) Mr. Boggio is also on the Board of Equinox Gold Corp., Titan Mining Corporation, and Sprott Resource Holdings Inc.
- (2) 300,000 Common Shares are owned by the spouse of Mr. Boggio.

Maryse Belanger ⁽¹⁾,



**West Vancouver,
British Columbia,
Canada**

Independent Director since February 14, 2020

President of the America for St. Barbara Ltd. from July 2019 to February 2020. COO and Director of Atlantic Gold from July 2016 to July 2019.

Areas of Expertise

Mining studies, mine design, project development and operations management.

Board / Committee Membership

Meeting Attendance

Board

N/A

N/A

Common Shares and Options (as at May 1, 2020)

Common Shares

Options

Total Value of Common Shares

Nil

350,000

Nil

Notes:

(1) Ms. Belanger is also on the Board of Sheritt International Corporation, Sigma Lithium and Plateau Energy Metals.

Cease Trade Order, Bankruptcy, Penalties and Sanctions

Except as set out below, to the knowledge of the Corporation, as of the date of this Circular: (a) no proposed director of Pure Gold is, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any corporation (including Pure Gold) that, (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant corporation access to any exemption under securities legislation, in each case in effect for a period of more than 30 consecutive days (each an “**order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or (ii) was subject to an order that was issued after the 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; (b) no proposed director of Pure Gold is, or has been within 10 years before the date of this Circular, a director or executive officer of any corporation (including Pure Gold) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (c) no proposed director of Pure Gold has, within the 10 years before the date of this 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 director, officer or shareholder; and (d) no proposed director of Pure Gold has been subject to: (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable Shareholder in deciding whether to vote for a proposed director. To the knowledge of Pure Gold, no personal holding corporation of any proposed director is or has been, as applicable, subject to the foregoing during the applicable time periods.

Mr. Lenard Boggio was a director of Great Western Minerals Group Ltd. (“**GWMG**”) from January 2013 until his resignation together with all the then current directors in July 2015. In April 2015, GWMG announced that a support agreement was entered into with the holders of a majority of GWMG’s secured convertible bonds and GWMG was granted protection from its creditors under the Companies’ Creditors Arrangements Act upon receiving an initial order from the Ontario Court of Justice Commercial List. In May 2015, an order was issued by the Financial and Consumers Affairs Authority of the Province

of Saskatchewan that all trading in the securities of GWMG be ceased due to its failure to file financial statements for the year ended December 31, 2014. In December 2015, the Monitor of GWMG issued a press release announcing that it had filed an assignment in bankruptcy on behalf of GWMG.

Mr. Robert Pease was a director until November 8, 2018, of Red Eagle Mining Corp. (“**Red Eagle**”) which owned and operated the Santa Rosa mine in Colombia. Due to start up issues, Red Eagle had difficulty servicing its project debt and the mine was only able to commence commercial production on the basis of forbearances from the secured lenders. In August 2018, Red Eagle obtained a firm commitment from a third party to refinance the debt with substantial concessions and co-operation from the secured lenders. In October 2018, this third party defaulted on its commitment and as a result, the secured lenders withdrew their forbearances and appointed a receiver-manager over the assets of Red Eagle. It is expected that legal action will be commenced by Red Eagle against the third party who defaulted on the financing commitment.

Red Eagle is currently subject to a cease-trade order issued by the British Columbia Securities Commission on November 20, 2018, for failure to file interim financial statements, management’s discussion and analysis, and certification of interim filings for the period ended September 30, 2018.

Ms. Maryse Belanger was a director of Mirabela Nickel, an Australian Stock Exchange (ASX) listed company, until July 2016.

In September 2015 the directors of Mirabela made the decision to put the company into Voluntary Administration as it became apparent that the company was unable to continue as a going concern. Additional third-party financing was unable to be secured because of the decline in global nickel prices. This made it economically impossible for the company to continue trading on the ASX.

Appointment of Auditor

At the Meeting, Shareholders will be asked to vote for the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants (“**PwC**”), the present auditors of Pure Gold, as the auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders and to authorize the directors to fix their remuneration. A simple majority of the votes cast at the Meeting must be voted in favour thereof.

Auditor remuneration – Audit fees

The Corporation’s audit fees are negotiated with the auditors of the Corporation on an arm’s length basis in determining the fees to be paid to the auditors. In the preceding year, such fees were based on the nature and complexity of the matters in question and the time incurred by the auditors. The directors believe that the fees negotiated in the past with the auditors of the Corporation were reasonable and, in the circumstances, would be comparable to fees charged by other auditors providing similar services.

Auditor remuneration – Non-Audit fees

As part of the Corporation’s corporate governance practices, the Audit Committee has adopted a Policy on Pre-Approval of Audit and Non-Audit Services for the pre-approval of services performed by Pure Gold’s auditors. The objective of this policy is to specify the scope of services permitted to be performed by the Corporation’s auditors and to ensure that the independence of the Corporation’s auditors is not compromised through engaging them for other services. All services provided by the Corporation’s auditors are pre-approved by the Audit Committee as they arise or through an annual pre-approval of amounts for specific types of services. The Audit Committee has concluded that all services performed by the Corporation’s auditors comply with the Policy on Pre-Approval of Non-Audit Services, and professional standards and securities regulations governing auditor independence.

External Auditor Services Fees

Details of the fees paid to PwC relating to fiscal 2019 and 2018 can be found in the Corporation’s Annual Information Form for the fiscal year ended December 31, 2019, dated March, 26, 2020 (the “**2019 AIF**”); a copy of which is available on SEDAR at www.sedar.com.

Unless such authority is withheld, the management proxy nominees named in the accompanying proxy intend to vote “FOR” the appointment of PwC as auditors of the Corporation to hold office until the close of the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.

Ratification and Approval of the Stock Option Plan

The Board has established the Stock Option Plan as described under “*Executive Compensation – Description of Stock Option Plan*”.

The policies of the TSX-V require stock option plans which reserve for issuance up to 10% (instead of a fixed number) of a listed corporation’s shares be approved annually by its shareholders. That approval is being sought at the Meeting by way of an ordinary resolution.

Therefore, at the Meeting, Shareholders will be asked to pass a resolution in the following form:

"UPON MOTION IT WAS RESOLVED that the Corporation approve and ratify, subject to regulatory approval, the Stock Option Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Corporation and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Corporation’s issued and outstanding shares being reserved to any one person on a yearly basis."

Following the Meeting (assuming approval of the Stock Option Plan by the Shareholders), any options granted pursuant to the Option Plan will not require further shareholder or TSX-V approval unless the exercise price is reduced or the expiry date is extended for an option held by an insider of the Corporation.

The full text of the Stock Option Plan is attached hereto as Schedule “D”.

Approval of the Restricted Share Unit Plan

At the Meeting, Shareholders will be asked to vote for the confirmation and approval of the RSU Plan, a copy of which is attached as Schedule “E” to this Circular. In order for the resolution described herein to pass, a simple majority of affirmative votes cast at the Meeting excluding the votes cast by Shareholders eligible to receive grants pursuant to the RSU Plan and their affiliates and associates (the “**Disinterested RSU Shareholders**”) is required to pass the resolution. The Board adopted the RSU Plan dated effective April 22, 2020, the particulars of which are described below. The RSU Plan was submitted for acceptance to the TSX-V on May 5, 2020, and is subject to confirmation and approval by the Shareholders and the satisfaction of the requirements of the TSX-V, including the filing of applicable documentation. The purpose of the RSU Plan is to allow for certain discretionary bonuses and similar awards as an incentive and reward for selected eligible persons related to the achievement of long-term financial and strategic objectives of the Corporation and the resulting increases in shareholder value. This Plan is intended to promote a greater alignment of interests between the Shareholders and the selected eligible persons by providing an opportunity to participate in increases in the value of the Corporation. RSUs are akin to the DSUs and “phantom shares” that track the value of the underlying Common Shares but do not entitle the recipient to the actual underlying Common Shares until such RSUs vest.

As of the date hereof, no RSUs have been granted under the RSU Plan.

Particulars of the RSU Plan

A summary of certain provisions of the RSU Plan is set out below. This summary is qualified in its entirety by the full text of the RSU Plan attached as Schedule “E” to this Circular.

Eligible Participants

Participation in the RSU Plan is restricted to employees, consultants and officers of the Corporation (a “**RSU Eligible Person**”). Employees, including directors who are also employees, are eligible to participate in the Corporation’s RSU Plan.

Transferability

RSUs may not be sold, transferred, assigned, pledged or otherwise encumbered or disposed of (other than to the beneficiary or estate of an RSU Eligible Person, as the case may be, upon the death of the RSU Eligible Person granted RSUs (the “**RSU Grantee**”)).

Administration of the RSU Plan

The RSU Plan permits the Compensation Committee to grant awards of RSUs to an RSU Eligible Person. Upon vesting, the RSUs will be redeemed within 30 days of the applicable redemption date, for (i) the number of Common Shares equal to the numbers of RSUs vested on the redemption date, (ii) a cash amount equal to the number of Common Shares set out in (i) multiplied by the fair market value of the Common Shares on the redemption date or (iii) a combination of (i) and (ii). The redemption date in respect of any RSU is the date provided for in the agreement granting the RSUs or if no date is set, the third anniversary of the grant date, unless otherwise provided for in the RSU Plan. The Compensation Committee has the discretion to stipulate the length of time for vesting and to determine various performance objectives based on certain business criteria as a pre-condition to an RSU vesting. It is the Compensation Committee's intent that all RSUs will only vest upon achievement of performance objectives designed to advance the Corporation's business interests and increase the value of the Corporation. The performance objectives to be met are established by the Compensation Committee at the time of grant of the RSU.

If a RSU Eligible Person is involuntarily terminated for reasons other than cause and holds vested RSUs, the vested RSUs will be redeemed on the date the RSU Eligible Person's employment is terminated for an equal number of Common Shares or cash in lieu thereof or a combination of cash and Common shares, as determined by the Compensation Committee. If the RSU Grantee is terminated by the Corporation with cause or voluntary ends his or her employment with the Corporation, all RSUs granted to the RSU Eligible Person, whether vested or unvested will be forfeited and cancelled without payment. In the event of a change of control of the Corporation, all RSUs granted to RSU Eligible Persons and outstanding under the RSU Plan will immediately vest and will be paid out in cash, Common Shares or a combination of cash and Common Shares.

Amendments to the RSU Plan

The Board has the right, in its sole discretion, to amend, suspend or terminate the RSU Plan, provided that no such amendment, suspension or termination may be made without obtaining TSX-V or shareholder approvals or adversely affect the rights of any participant with respect to the RSUs to which the participant is entitled under the RSU Plan without the consent of the participant. No amendments may be made by the Board to the RSU Plan to effect any of the following without Shareholder approval or, if required under the TSX-V Corporate Finance Manual, Disinterested RSU Shareholder approval and TSX-V approval: (i) an increase in the maximum number or percentage of Common Shares reserved for issuance under the RSU Plan, (ii) a change in the method of calculation of redemption of RSUs held by RSU Grantees; (iii) an extension to the term of redemption of RSUs held by insiders, (iv) permitting the RSUs granted under the RSU Plan to be transferrable or assignable other than for normal estate settlement purposes, or (v) an amendment to the amendment provisions.

Maximum Number of Common Shares Issued

The maximum number of Common Shares available for issuance upon the vesting of RSUs under the RSU Plan will be fixed at 7,000,000 Common Shares, and in combination with all security-based compensation arrangements of the Corporation (including the Stock Option Plan and DSU Plan), will not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis. For so long as the Common Shares are listed on the TSX-V, the maximum number of Common Shares to be issued under the RSU Plan, within any one-year period: (i) to any RSU Eligible Person, will not exceed 5% of the total issued and outstanding Common Shares on the grant date on a non-diluted basis, (ii) to any insiders as a group, will not exceed 10% of the total number of issued and outstanding Common Shares on the grant date on a non-diluted basis and (iii) to any consultant, shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis. For so long as the Company's Common Shares are listed on the TSX-V, no Common Shares will be issued under the RSU Plan to any RSU Eligible Person whose role and duties primarily consist of Investor Relations Activities, as defined in the TSX-V Corporate Finance Manual. RSU Awards which vest will not be available for re-grant under the RSU Plan.

Shareholder Approval and Confirmation

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to approve, with or without variation, an ordinary resolution ratifying and approving the RSU Plan (the "**RSU Plan Resolution**"). Pursuant to the rules of the TSXV, the RSU Plan must be passed by a majority of the votes cast on the ordinary resolution by all Disinterested RSU Shareholders at the Meeting. Based on the present shareholdings of the insiders to whom RSUs may be granted under the RSU Plan and their associates, a total of up to 3,559,125 Common Shares will be excluded from voting on the resolution to approve the RSU Plan, representing 0.99% of the issued and outstanding common shares of the Corporation as of the Record Date. Should

the RSU Plan Resolution not receive the required Shareholder approval at the Meeting, the RSU Plan will not be adopted. The text of the resolution is set out below:

“**BE IT RESOLVED**, as an ordinary resolution of Disinterested RSU Shareholders that:

1. The RSU Plan as appended as Schedule “E” to the Corporation’s Management Information Circular dated May 1, 2020 in respect of the Corporation’s 2020 Annual General Meeting of Shareholders (the “**Meeting**”), is hereby authorized and approved as the restricted share unit plan of the Corporation.
2. Any one director or officer of the Corporation be and is hereby authorized and directed, on behalf of the Corporation, to do all such acts and things and to executed and deliver all such documents, instruments and assurances as in the opinion of such director or officer may be necessary or desirable to give effect to the foregoing resolutions.”

Unless otherwise directed, the management proxy nominees named in the accompanying form of proxy intend to vote the Common Shares represented thereby in respect of the Meeting “for” the approval of the RSU Plan Resolution.

Approval of the Deferred Share Unit Plan

At the Meeting, Shareholders will be asked to vote for the confirmation and approval of a DSU Plan, a copy of which is attached as Schedule “F” to this Circular. In order for the resolution described herein to pass, a simple majority of affirmative votes cast at the Meeting excluding the votes cast by Shareholders eligible to receive grants pursuant to the DSU Plan and their affiliates and associates (the “**Disinterested DSU Shareholders**”) is required to pass the resolution. The Board adopted the DSU Plan dated effective April 22, 2020, the particulars of which are described below. The DSU Plan was submitted for acceptance to the TSX-V on May 5, 2020, and is subject to confirmation and approval by the Shareholders and satisfaction of the requirements of the TSX-V, including the filing of applicable documentation. The purpose of the DSU Plan is to provide non-employee directors of the Corporation with the opportunity to acquire DSUs and enable them to participate in the long term success of the Corporation and to promote a greater alignment of interests between directors of the Corporation and its Shareholders. A DSU essentially tracks the value of the underlying Common Shares but does not entitle the recipient to the actual underlying Common Shares until such DSUs vest.

As of the date hereof, no DSUs have been granted under the DSU Plan.

Particulars of the DSU Plan

A summary of certain provisions of the DSU Plan is set out below. This summary is qualified in its entirety by the full text of the DSU Plan attached as Schedule “F” to this Circular.

Eligible Participants

Participation in the DSU Plan is restricted to non-employee directors of the Corporation (a “**DSU Eligible Person**”). Employees, including directors who are also employees, are eligible to participate in the DSU Plan.

Transferability

DSUs and all other rights, benefits or interests in the DSU Plan are non-transferrable and non-assignable (other than to the DSU participant’s beneficiary or estate, as the case may be, upon the death of the DSU participant).

Administration of the DSU Plan

The DSU Plan is administered by the Compensation Committee. Under the DSU Plan, the Compensation Committee may grant DSUs to DSU Eligible Persons (a “**DSU Award**”) to provide the non-employee director with appropriate equity-based compensation for the services he or she rendered to the Corporation. In addition, DSU Eligible Persons are entitled, to elect quarterly or for U.S. taxpayers, annually before compensation is earned, to elect to receive up to 100% of their annual cash compensation in DSUs. Each DSU Eligible Person who elects to receive their annual cash compensation in DSUs, will be credited with the number of DSUs determined by dividing the dollar amount of compensation payable in DSUs on the grant date by the Share Price (as defined below).

Payment of DSU Awards

Upon redemption, a non-U.S. taxpayer participant will be entitled to receive (i) the number of Common Shares equal to the number of DSUs in the participant's DSU account, subject to any applicable deductions and withholdings, (ii) the number of Common Shares purchased by an independent administrator under the DSU Plan in the open market for purposes of providing Common Shares to participant under the DSU Plan, subject to any applicable deductions and withholdings, (iii) the payment of a cash amount to a participant equal to the number of DSUs multiplied by the Share Price, subject to any applicable deductions and withholdings, or (iv) any combination of the foregoing, as determined by the Corporation in its sole discretion.

For a U.S. taxpayer participant, any DSUs issued to a U.S. taxpayer are only redeemable following the termination of participant's service with the Corporation (the "**Separation Date**") and may be redeemed in one or two tranches, with one redemption date occurring within 30 days of such Separation Date and in no event later than the last day of the calendar year in which such Separation Date occurs.

For the purposes of the DSU Plan, the "**Share Price**" of the Common Shares is determined, as at a particular date, as the closing price of the Common Shares on the TSX-V averaged over the five consecutive trading days immediately preceding the redemption date.

Amendments to the DSU Plan

The Board has the right, in its sole discretion, to amend, suspend or terminate the DSU Plan, provided that no such amendment, suspension or termination may be made without obtaining TSX-V or shareholder approvals or adversely affect the rights of any participant with respect to the DSUs to which the participant is entitled under the DSU Plan without the consent of the participant. No amendments may be made by the Board to the DSU Plan to effect any of the following without Shareholder approval or, if required under the TSX-V Corporate Finance Manual, Disinterested RSU Shareholder approval and TSX-V approval: (i) an increase in the maximum number or percentage of Common Shares reserved for issuance under the DSU Plan, (ii) a change in the method of calculation of redemption of DSUs held by participants; (iii) an extension to the term of redemption of DSUs held by participants, (iv) permitting the DSUs granted under the DSU Plan to be transferrable or assignable other than for normal estate settlement purposes, or (v) an amendment to the amendment provisions.

Maximum Number of Common Shares Issued

The maximum number of Common Shares that may be granted by the Corporation from treasury in connection with the redemption of DSUs under the DSU Plan will not exceed 3,000,000 Common Shares, and in combination with all security-based compensation arrangements of the Corporation (including the Corporation's Stock Option Plan and the RSU Plan), will not exceed 10% of the issued and outstanding Common Shares on a non-diluted basis. For so long as the Common Shares are listed on the TSX-V, (i) no Common Shares may be issuable to any DSU Eligible Person whose role and duties primarily consists of Investor Relations Activities, as defined in the TSX-V Corporate Finance Manual and (ii) the maximum number of Common Shares to be issued under the DSU Plan, within any one-year period: (a) to any one participant will not exceed 5% of the total issued and outstanding Common Shares on a non-diluted basis and (b) to insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis.

Shareholder Approval and Confirmation

At the Meeting, Shareholders will be asked to consider and, if thought appropriate, to approve, with or without variation, an ordinary resolution ratifying and approving the DSU Plan (the "**DSU Plan Resolution**"). Pursuant to the rules of the TSXV, the DSU Plan must be passed by a majority of the votes cast on the ordinary resolution by all Disinterested DSU Shareholders at the Meeting. Based on the present shareholdings of the insiders to whom DSUs may be granted under the DSU Plan and their associates, a total of up to 10,010,618 Common Shares will be excluded from voting on the resolution to approve the DSU Plan, representing 2.8% of the issued and outstanding common shares of the Corporation as of the Record Date. Should the DSU Plan Resolution not receive the required Shareholder approval at the Meeting, the DSU Plan will not be adopted. The text of the resolution is set out below:

"BE IT RESOLVED, as an ordinary resolution of Disinterested DSU Shareholders that:

1. The DSU Plan, as appended as Schedule “F” to the Corporation’s Management Information Circular dated May 1, 2020 in respect of the Corporation’s 2020 Annual General Meeting of Shareholders (the “**Meeting**”), is hereby authorized and approved as the deferred share unit plan of the Corporation.
2. Any one director or officer of the Corporation be and is hereby authorized and directed, on behalf of the Corporation, to do all such acts and things and to executed and deliver all such documents, instruments and assurances as in the opinion of such director or officer may be necessary or desirable to give effect to the foregoing resolutions.”

Unless otherwise directed, the management proxy nominees named in the accompanying form of proxy intend to vote the Common Shares represented thereby in respect of the Meeting “for” the approval of the DSU Plan Resolution.

REPORT ON EXECUTIVE COMPENSATION

Executive Compensation

Unless otherwise noted, the following information is for the Corporation’s last completed financial period (which ended December 31, 2018).

A. Named Executive Officers

For the purposes of this Circular, a Named Executive Officer (“**NEO**”) of the Corporation means each of the following individuals:

- (a) the chief executive officer (“**CEO**”) of the Corporation;
- (b) the chief financial officer (“**CFO**”) of the Corporation; and
- (c) the Corporation’s VP Operations, VP Exploration and Chief Geoscientist being the Corporation’s three most highly compensated executive officers, or individuals acting in a similar capacity, other than the CEO and CFO, at the end of, or during, the most recently completed financial year as their individual total compensation was more than \$150,000 for that financial year.

B. Compensation Discussion and Analysis

The Compensation Committee of the Corporation’s Board is responsible for ensuring that the Corporation has appropriate procedures for executive compensation and making recommendations to the Board with respect to the compensation of the Corporation’s executive officers. The Compensation Committee seeks to ensure that total compensation paid to all executive officers is fair and reasonable and is consistent with the Corporation’s compensation philosophy.

The Compensation Committee is also responsible for recommending compensation for the directors and granting stock options to the directors, officers and employees of, and consultants to, the Corporation pursuant to the Corporation’s Stock Option Plan.

The Compensation Committee is currently comprised of Mr. Graeme Currie (Chair), Dr. Mark O’Dea and Mr. Troy Fierro. All members of the Compensation Committee are independent.

The Board believes that each current member of the Compensation Committee possesses the skills and experience relevant to the mandate of the Compensation Committee. In addition, the members of the Compensation Committee each have skills and experience that enable them to make decisions on the suitability of the Corporation’s executive compensation policies and practices. Each member of the Compensation Committee has direct operational or functional experience overseeing compensation policies and practices in publicly listed organizations similar in complexity to Pure Gold. Specifically, relevant skills and experience have been developed as follows:

| Committee Member | Relevant Skills and Experiences |
|-------------------|---|
| Mr. Graeme Currie | Mr. Currie is a former mining analyst with over 22 years experience before moving into investment banking. He has extensive experience evaluating company performance. He currently serves on the Compensation Committee of Balmoral Resources. |
| Dr. Mark O’Dea | As former Executive Chair of True Gold, and former President & CEO of both Fronteer, Aurora, and Blue Gold, Dr. O’Dea has an extensive history in regularly consulting with external compensation specialists in making recommendations on compensation matters to boards of directors – including salaries, fees, bonuses and other benefits, and change-of-control packages. He is also a member of the compensation committee for Liberty Gold, Discovery Metals and Sun Metals, and was a member of the compensation committee of Blue Gold. He participates on an ongoing basis in compensation-related discussions with the boards of directors on which he holds a position. Through his experiences in the industry over the past nineteen (19) years he has developed significant knowledge in the area of executive compensation. |
| Mr. Troy Fierro | Mr. Fierro has more than three decades of leadership and governance experience, particularly with operating and exploration-stage mining companies. He has extensive experience evaluating suitable performance criteria for mining companies. He was formerly the Chief Executive Officer of Gold Canyon Resources where he had significant input in the compensation philosophy of the organization. He also served on the Compensation Committee of Orla Mining and Timberline Resources. |

During the fiscal period ended December 31, 2019, the Compensation Committee held one meeting on compensation matters.

The Compensation Committee does not specifically consider the implications of risks associated with the Corporation’s compensation policies and practices given that the payment on annual cash bonuses has been sporadic and heavily dependent upon the financial stability of the Corporation. The Corporation does not use a formal Bonus Plan with measurable metrics that may be manipulated by an NEO to achieve a compensation objective. Therefore, the Compensation Committee does not believe its compensation policies lead to any NEO taking excessive risks.

The Compensation Committee does not prohibit any NEO or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by any NEO or director, primarily because such instruments are not readily available for the Corporation’s equity securities.

The Corporation follows the practice of compensating its NEOs such that compensation is competitive with peer group companies, allows the Corporation to attract and retain its key employees, and allows the Corporation to compensate based on performance. Pure Gold has adopted a ‘pay for performance’ philosophy whereby fixed pay is positioned slightly below market-competitive levels while incentive programs are structured to provide above-market total compensation for high levels of performance. This philosophy is linked to the Corporation’s business strategy which includes increasing stakeholder value. In addition, the compensation programs aim for simplicity and responsiveness to market changes.

Compensation Philosophy and Principles

The complement of personnel currently assembled at Pure Gold has a successful track-record in the discovery and advancement of high-quality mineral exploration and development assets. The Corporation recognizes that its success will be driven primarily by its people and that its senior management and employees provide Pure Gold with a distinct advantage in a very competitive labour market. As Pure Gold’s near-term and long-term successes will depend on its ability to attract and retain highly qualified and motivated executives dedicated to the Corporation’s accomplishments, it is necessary to provide appropriate and competitive compensation arrangements.

When determining both compensation policies and individual compensation levels for executive officers, including the CEO, and those individuals employed by Oxygen fulfilling the role of executive officer of the Corporation (individually an “**Executive**” and together, the “**Executives**”), the Compensation Committee takes into consideration a variety of factors. These factors include the overall assessment by each of the Board and the Compensation Committee concerning the

Executive's individual performance and that individual's contribution towards meeting corporate objectives and performance goals, levels of responsibility and length of service, level of experience, and industry comparables. The compensation strategy recognizes the need to retain high-calibre executives, to reward performance in achieving annual objectives and to motivate them to remain with the Corporation and enhance Shareholder value.

The Corporation's agreement and relationship with Oxygen (the "**Oxygen Agreement**") also contemplates this need, and is predicated on providing the Corporation with a larger and more talented pool of personnel than Pure Gold alone might otherwise be able to attract and retain, at a total cost to the Corporation that is lower than if those personnel had been hired directly. The Corporation pays Oxygen for the cost of the Oxygen employees allocated to it (plus tax and applicable benefits) pro-rata to time spent on the business of the Corporation. There is no mark-up or additional direct charge to the Corporation from Oxygen under the Oxygen Agreement. The Corporation works closely with Oxygen in establishing the base salary compensation of personnel providing services to Pure Gold.

Unchanged from prior years, the Corporation's compensation philosophy for its Executives can be described as "pay for performance". To provide compensation that is 1) competitive with peer group companies, 2) allows the Corporation to attract and retain its key employees, and 3) allows the Corporation to compensate based on performance.

Executive compensation at Pure Gold is comprised primarily of the following components: (i) annual base salary; (ii) participation in the Stock Option Plan (iii) participation in bonus plans as may be implemented from time to time; and (iv) participation in Pure Gold's extended benefits plans for Executives and other perquisites (with a value less than \$50,000 per annum). The Board considers each component of Executive compensation, when assessing the total compensation package for the Corporation's NEOs. The Board relies heavily on the recommendations of the Compensation Committee and any independent consultants that it retains from time to time to provide analyses, recommendations and benchmarks, having regard to the total compensation levels among comparable companies, to ensure that the Corporation is compensating its Executives fairly and competitively and is able to attract and retain qualified individuals to help the Corporation continue to meet its business plan objectives.

Compensation Consultant

During the fiscal period ended December 31, 2018, the Compensation Committee engaged Lane Caputo Compensation Inc. ("**Lane Caputo**") to provide advice on compensation matters at Pure Gold, particularly to help the Corporation benchmark itself against its peers and provide an independent view of market trends in the industry by position. No compensation consultant was engaged during the fiscal year-ended December 31, 2019 as the Compensation Committee felt the information received from Lane Caputo in 2018, remained relevant.

Annual Base Salary

The base salary is based on a benchmark which was determined by a salary survey arranged by Lane Caputo with a selection of junior mining companies¹ at the same or similar stage of operations as the Corporation. The positions reviewed were Presidents, CEOs, CFOs, VP Operations, VP, Exploration and Chief Geoscientist for base salary, bonuses, other compensation and stock options.

After the above information is considered a target salary is determined. The target salary is the optimal salary paid to an individual who is proficient, experienced, has sufficient skills and potential and is performing at a high level. The initial salary granted is based on these factors and the Corporation's intention is that each individual will reach the target base salary after satisfactory annual reviews by the Compensation Committee.

As a result of the information from the salary survey and the ongoing transition of the Corporation to a developer / producer, salaries for the NEO's were increased effective January 1, 2019 as follows: Darin Labrenz, President & CEO from \$275,000 to \$400,000, Philip Smerchanski, VP, Exploration from \$210,000 to \$245,000, Sean Tetzlaff, CFO & Secretary from

¹ Peer group selection of mining companies as chosen by Lane Caputo consisted of: Atlantic Gold Inc., Barkerville Gold Mines Ltd., Bear Creek Mining Corp., Continental Gold Ltd., Equinox Gold Corp., Harte Gold Corp., Midas Gold Corp., Orezone Gold Corp., Roxgold Inc., Sabina Gold & Silver Inc., Victoria Gold Corp., and Wesdome Gold Mines Ltd.

\$210,000 to \$260,000, Ken Donner, VP Operations from \$210,000 to \$300,000 and Chris Lee, Chief Geoscientist from \$190,000 to \$220,000. No changes were yet made to these salary amounts for the fiscal year commencing January 1, 2020.

Annual Short-term Cash Incentives

Annual cash incentives are granted to individuals based on objectives determined by the Compensation Committee for effort “above and beyond” the ordinary circumstances. Given that the Corporation is a junior company with no source of cash flow other than financings, the objectives can be subjective to a certain degree. The objectives are often based more on the general improvement of the Corporation in terms of successful financings, property acquisitions, property option agreements, establishing control procedures, and other factors as determined by the Compensation Committee. These factors are assessed against the objectives of the Corporation considering the external environment and current business situation. The Compensation Committee meets annually to discuss these objectives with individuals and objectives will be aligned with the position of each individual. The Corporation may satisfy the annual incentives by payment of cash bonuses or stock awards. The Corporation takes into consideration the financial position of the Corporation, especially in when raising financing is difficult, before any cash bonuses are paid.

In November 2019, the Compensation Committee met to determine factors to use for calculating NEO bonuses for the fiscal period ended December 31, 2019. The Committee felt that share price performance and health, safety and sustainability and the completion of special projects were the factors, along with a degree of subjectivity, on which NEOs would be judged, in determining bonus entitlement.

To assess share price performance, it was determined that a comparison to a junior mining index or ETF would be appropriate and the GDXJ - VanEck Vectors Junior Gold Miners ETF (the “**GDXJ**”), was chosen. Health, safety and sustainability performance would be assessed based on the number of lost time accidents, safety incidents and reportable environmental incidents at the Madsen Gold Property, while Special Projects would be graded on management’s completion of a resource update, feasibility study on the main Madsen deposit, Preliminary Economic Assessment on certain satellite deposits, completion of Project financing, completion of an agreement with First Nations and listing of the Corporation’s common shares on the London Stock Exchange. The following chart outlines the weighting of each of these performance measures to the bonus entitlement for each NEO along with their relevant score in parenthesis, in each category.

| Name and principal position | Share price performance | Health, Safety & Sustainability | Special Projects | Max. bonus as a percentage of salary | Actual bonus awarded (\$) |
|---------------------------------------|--------------------------------|--|-------------------------|---|----------------------------------|
| Darin Labrenz President & CEO | 37.5% (0%) | 25% (20%) | 37.5% (37.5%) | 60% | 138,000 |
| Philip Smerchanski VP, Exploration | 30% (0%) | 40% (32%) | 30% (30%) | 40% | 59,520 |
| Sean Tetzlaff CFO & Secretary | 37.5% (0%) | 25% (20%) | 37.5% (37.5%) | 40% | 59,800 |
| Ken Donner VP, Operations | 25% (0%) | 50% (40%) | 25% (25%) | 40% | 78,000 |
| Chris Lee Chief Geoscientist | 37.5% (0%) | 25% (20%) | 37.5% (37.5%) | 40% | 50,600 |

For the fiscal period ended December 31, 2019, the Corporation’s share price performance was less than the performance of the GDXJ and therefore no bonus was awarded in this category.

The Corporation had a very good safety record for the year with only minor safety incidents reported and therefore 80% of the maximum score was achieved while the Corporation succeeded on all Special Projects, earning each NEO the maximum score in this category.

Stock options

Stock options are a particularly important component of compensation in the mining industry where executives and employees and directors need to be aligned with the risk/reward profile of shareholders through participation in share appreciation. The number of stock options granted annually to each position will be near the median levels in the peer group and should be sufficient that, when combined with each position's other elements of compensation, will allow total direct compensation to achieve above-market positioning for superior share price performance.

The granting of options is segregated into active officers and directors, non-active directors and officers, non-independent directors and independent directors. Non-independent directors are defined for this purpose as directors who also hold an officer position and therefore will not receive additional compensation for holding an office and directorship simultaneously.

The grant is then based on the level of involvement in the Corporation's affairs and target stock option grants are determined using relevant Compensation Committee member experience, peer comparisons and recommendations on compensation philosophy in the 2018 Lane Caputo report. The philosophy is to grant options based on the involvement, proficiency, experience and performance levels. This target grant is determined by individual and that individual is reviewed annually by the Compensation Committee. The Compensation Committee also assesses whether cash positions have allowed for other forms of compensation.

The Corporation grants overall options based on the total available stock option grant, which is determined by the rules of the TSX-V and described below under the heading "Description of Stock Option Plan". The Corporation does consider previous grants of option-based awards when considering new grants. During the fiscal period ended December 31, 2019, the Corporation granted 2,750,000 options to its NEOs.

RSUs

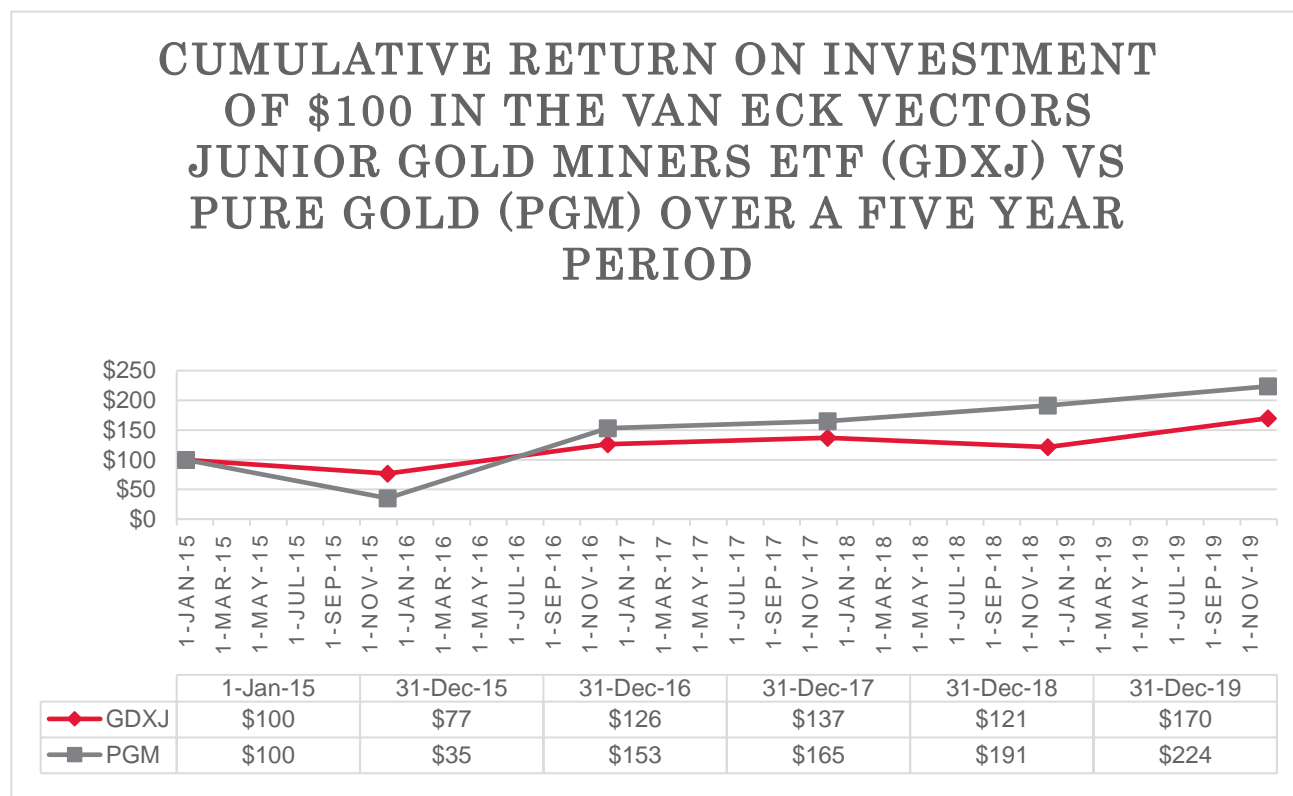
NEOs will also be entitled to participate in the RSU Plan if approved by Shareholders at the Meeting. The Board considers that RSUs granted under the RSU Plan are an appropriate way to attract and retain NEOs, as their value is tied to the performance of the Corporation relative to the wider industry over the applicable performance measurement periods.

The Compensation Committee is responsible for administering the RSU Plan. The Compensation Committee determines the vesting period for the RSUs. The RSUs settle in Common Shares, cash or a combination of Common Shares and cash at the discretion of the Compensation Committee.

The Corporation will grant overall RSUs based on the total RSUs available for grant as described under the heading "*Approval of the Restricted Share Unit Plan - Particulars of the RSU Plan*". The full text of the RSU Plan is attached as Schedule "E" this Circular.

Performance Graph

The following graph compares the cumulative Shareholder return on \$100 invested in Common Shares on the TSX-V on January 1, 2015, to the cumulative total return of the GDXJ for the five most recently completed financial years:



Since January 1, 2015, the Corporation's share price performance has outperformed or been consistent with that of the GDXJ except for 2015, which was a year of underwhelming financial economic news from many of the world's largest economies, with a significant impact on small junior exploration companies.

The Corporation bases a portion (from 25% - 37.5% depending upon the NEO) of its annual incentive compensation, in the form of a cash bonus, on the performance of the Corporation's share price compared to that of the GDXJ, while the Corporation's determines base salary for its NEO's by comparison to peer companies.

C. Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6) contains a summary of the compensation paid to the NEOs during the three most recently completed financial periods.

| Name and principal position | Fiscal Period Ended ¹ | Salary (\$) | Share-based awards (\$) | Option-based awards (\$) ² | Non-equity incentive plan compensation | | Pension value (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|---------------------------------------|----------------------------------|-------------|-------------------------|---------------------------------------|--|--------------------------------|--------------------|-----------------------------|-------------------------|
| | | | | | Annual incentive plans (\$) | Long term incentive plans (\$) | | | |
| Darin Labrenz President & CEO | Dec 31, 2019 | 400,000 | Nil | 263,771 | 138,000 | Nil | Nil | Nil | 801,771 |
| | Dec 31, 2018 | 206,250 | Nil | Nil | 165,000 | Nil | Nil | Nil | 371,250 |
| | Mar 31, 2018 | 275,000 | Nil | 255,131 | 50,000 | Nil | Nil | Nil | 580,131 |
| Philip Smerchanski VP, Exploration | Dec 31, 2019 | 245,000 | Nil | 175,847 | 59,520 | Nil | Nil | Nil | 480,367 |
| | Dec 31, 2018 | 157,500 | Nil | Nil | 84,000 | Nil | Nil | Nil | 241,500 |
| | Mar 31, 2018 | 210,000 | Nil | 170,089 | 42,000 | Nil | Nil | Nil | 422,089 |
| Sean Tetzlaff CFO & Secretary | Dec 31, 2019 | 260,000 | Nil | 175,847 | 59,800 | Nil | Nil | Nil | 495,647 |
| | Dec 31, 2018 | 157,500 | Nil | Nil | 84,000 | Nil | Nil | Nil | 241,500 |
| | Mar 31, 2018 | 210,000 | Nil | 170,089 | 25,000 | Nil | Nil | Nil | 405,089 |

| | | | | | | | | | |
|---------------------------------|--------------|---------|-----|---------|--------|-----|-----|-----|---------|
| Ken Donner VP, Operations | Dec 31, 2019 | 300,000 | Nil | 175,847 | 78,000 | Nil | Nil | Nil | 553,847 |
| | Dec 31, 2018 | 157,500 | Nil | Nil | 84,000 | Nil | Nil | Nil | 241,500 |
| | Mar 31, 2018 | 202,500 | Nil | 170,089 | 40,000 | Nil | Nil | Nil | 412,589 |
| Chris Lee Chief Geoscientist | Dec 31, 2019 | 220,000 | Nil | 175,847 | 50,600 | Nil | Nil | Nil | 446,447 |
| | Dec 31, 2018 | 142,500 | Nil | Nil | 76,000 | Nil | Nil | Nil | 218,500 |
| | Mar 31, 2018 | 190,000 | Nil | 170,089 | 20,000 | Nil | Nil | Nil | 380,089 |

Notes:

- (1) The Corporation changed its year end from March 31, to December 31, effective for the fiscal period ended December 31, 2018. Compensation amounts reported for the fiscal period ended December 31, 2018 represents compensation paid during the period of April 1, 2018 to December 31, 2018.
- (2) The Corporation uses the Black-Scholes Option Pricing Model to calculate the grant date fair value of option-based awards. The model requires six key inputs: risk-free interest rate, exercise price of the Option, market price of the Common Shares at date of grant, expected dividend yield, expected life of the Option and share price volatility, all of which, except for the exercise price of the Option and market price of the Common shares at date of grant, are estimates of management. There were no options granted during the nine-month period ended December 31, 2018. The estimates for awards made during prior financial years are described in the corresponding management information circulars of the Corporation for those years.

The total compensation shown in the last column is total compensation of each NEO reported in the other columns. The value of the in-the-money options currently held by each NEO (based on share price less option exercise price) is set forth in the 'Value of Unexercised in-the-money Options' column of the "Outstanding Share-Based and Option-Based Awards" table below.

Employment Agreements

The Corporation entered into an amended employment agreement with Darin Labrenz dated September 3, 2014, effective April 1, 2014 and amended October 22, 2018. The agreement provides that Mr. Labrenz will provide services to the Corporation in his role as President, CEO and a director of the Corporation for an annual salary of \$200,000. Prior to this date, Mr. Labrenz provided services to the Corporation as an employee at a salary of \$170,000 per annum. Mr. Labrenz's salary was increased by the Board to \$275,000 on January 1, 2017 and to \$400,000 on January 1, 2019.

The Corporation entered into an employment agreement with Mr. Donner dated September 29, 2016 and amended October 22, 2018. The agreement provided that Mr. Donner will provide services to the Corporation in his role as Vice President, Operations of the Corporation for an annual salary of \$200,000. Mr. Donner's salary was increased by the Board to \$210,000 per annum on January 1, 2018 and to \$300,000 on January 1, 2019.

Each of Messrs. Tetzlaff, Smerchanski and Lee are employees of Oxygen Capital Corp. and are allocated to the Corporation on a 100% basis. During the fiscal year ended March 31, 2017, Mr. Tetzlaff was paid a salary of \$150,000 which was increased by the Board to \$190,000 per annum on June 7, 2016 on his assumption of the role of Corporate Secretary and to \$210,000 on January 1, 2017 and to \$260,000 on January 1, 2019.

During the fiscal year ended March 31, 2017, Mr. Smerchanski was paid a salary of \$180,000, which was increased by the Board to \$190,000 on May 4, 2016 on his assumption of the role of Vice President, Exploration and then to \$210,000 on January 1, 2017 and to \$245,000 on January 1, 2019.

During the fiscal year ended March 31, 2017, Mr. Lee was paid a salary of \$180,000 which was increased by the Board to \$190,000 on January 1, 2017 and to \$220,000 on January 1, 2019.

The terms of the employment agreements were determined through negotiation between each of the respective NEOs and the Board, with advice from legal counsel, based on industry standards at the time the employment agreements were entered into.

D. Incentive Plan Awards

Outstanding Share-Based and Option-Based Awards

The following table sets out for each NEO, the incentive stock options to purchase common shares of the Corporation (option-based awards) held as of December 31, 2019. The closing price of the Corporation's shares on the TSX-V on December 31, 2019 was \$0.81.

| Name | Option-based Awards | | | | Share-based Awards | | |
|------|----------------------|-----------------------|------------------------|----------------------|---------------------------|------------------------|------------------------|
| | Number of securities | Option exercise price | Option expiration date | Value of unexercised | Number of shares or units | Market or payout value | Market or payout value |

| | underlying unexercised options (#) | (\$) | (m/d/y) | 'in-the-money' options (\$) | of shares that have not vested (#) | of share-based awards that have not vested (\$) | of vested share-based awards not paid out or distributed (\$) |
|---------------------------------------|------------------------------------|-----------|-----------|-----------------------------|------------------------------------|---|---|
| Darin Labrenz President & CEO | 750,000 | 0.74 | Dec/13/24 | 52,500 | Nil | Nil | Nil |
| | 750,000 | 0.49 | Dec/15/22 | 240,000 | Nil | Nil | Nil |
| | 750,000 | 0.44 | Dec/21/21 | 277,500 | Nil | Nil | Nil |
| | 450,000 | 0.11 | Dec/11/20 | 315,000 | Nil | Nil | Nil |
| | 350,000 | 0.28 | Mar/19/20 | 185,500 | Nil | Nil | Nil |
| Philip Smerchanski VP, Exploration | 500,000 | 0.74 | Dec/13/24 | 35,000 | Nil | Nil | Nil |
| | 500,000 | 0.49 | Dec/15/22 | 160,000 | Nil | Nil | Nil |
| | 500,000 | 0.44 | Dec/21/21 | 185,000 | Nil | Nil | Nil |
| | 200,000 | 0.63 | May/26/21 | 36,000 | Nil | Nil | Nil |
| | 250,000 | 0.11 | Dec/11/20 | 175,000 | Nil | Nil | Nil |
| | 150,000 | 0.28 | Mar/19/20 | 79,500 | Nil | Nil | Nil |
| 200,000 | 0.35 | Feb/10/20 | 92,000 | Nil | Nil | Nil | |
| Sean Tetzlaff CFO & Secretary | 500,000 | 0.74 | Dec/13/24 | 35,000 | Nil | Nil | Nil |
| | 500,000 | 0.49 | Dec/15/22 | 160,000 | Nil | Nil | Nil |
| | 500,000 | 0.44 | Dec/21/21 | 185,000 | Nil | Nil | Nil |
| | 250,000 | 0.11 | Dec/11/20 | 175,000 | Nil | Nil | Nil |
| | 150,000 | 0.28 | Mar/19/20 | 79,500 | Nil | Nil | Nil |
| Ken Donner VP, Operations | 500,000 | 0.74 | Dec/13/24 | 35,000 | Nil | Nil | Nil |
| | 500,000 | 0.49 | Dec/15/22 | 160,000 | Nil | Nil | Nil |
| | 500,000 | 0.44 | Dec/21/21 | 185,000 | Nil | Nil | Nil |
| | 300,000 | 0.72 | Oct 11/21 | 27,000 | Nil | Nil | Nil |
| Chris Lee Chief Geoscientist | 500,000 | 0.74 | Dec/13/24 | 35,000 | Nil | Nil | Nil |
| | 500,000 | 0.49 | Dec/15/22 | 160,000 | Nil | Nil | Nil |
| | 400,000 | 0.44 | Dec/21/21 | 148,000 | Nil | Nil | Nil |
| | 200,000 | 0.63 | May 26/21 | 36,000 | Nil | Nil | Nil |
| | 100,000 | 0.11 | Dec/11/20 | 70,000 | Nil | Nil | Nil |

Value of Share-Based and Option-Based Awards Vested or Earned During the Year

The following table sets forth, for each NEO, the values of all incentive plan awards which vested or were earned during the period ended December 31, 2019.

| Name | Option-based awards – Value vested during the year (\$) ⁽¹⁾ | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|---------------------------------------|--|--|--|
| Darin Labrenz President & CEO | 135,000 | N/A | Nil |
| Philip Smerchanski VP, Exploration | 90,000 | N/A | Nil |
| Sean Tetzlaff CFO & Secretary | 90,000 | N/A | Nil |
| Ken Donner VP, Operations | 90,000 | N/A | Nil |
| Chris Lee Chief Geoscientist | 80,333 | N/A | Nil |

Notes:

- (1) Represents the dollar value that would have been realized from Options if the Options that vested during the year ended December 31, 2019 had been exercised on the applicable vesting date. This is calculated by multiplying the number of Options that vested during the year ended December 31, 2019 by the difference between the closing price of the Common Shares on the TSX-V on the date of vesting and the exercise price of the Options.

Narrative Discussion of Option-based Awards

The following option-based awards were granted during the Corporation's last completed fiscal period to the NEOs. There have been no RSU's granted to NEO's.

| Named Executive Officers | Securities Under Options Granted (#) | Exercise Price (\$/Security) | Market Value of Securities Underlying Options on the Date of Grant (\$/Security) |
|--------------------------------------|---|---|---|
| Darin Labrenz President & CEO | 750,000 | 0.74 | 0.74 |
| Philip Smerchanski VP Exploration | 500,000 | 0.74 | 0.74 |
| Sean Tetzlaff CFO & Secretary | 500,000 | 0.74 | 0.74 |
| Ken Donner VP, Operations | 500,000 | 0.74 | 0.74 |
| Chris Lee Chief Geoscientist | 500,000 | 0.74 | 0.74 |

E. Pension Plan Benefits

The Corporation does not have a pension plan or deferred compensation plan.

F. Termination and Change of Control Benefits

The Corporation has entered into agreements directly with Darin Labrenz and Ken Donner. Messrs. Tetzlaff, Smerchanski and Lee are employed by Oxygen Capital Corp. a corporation that provides technical and administrative services to the Corporation. See “*Employment Agreements*” above.

Darin Labrenz

Under Mr. Labrenz’s employment agreement, termination of employment without cause entitles Mr. Labrenz to receive any unpaid salary, an additional lump sum amount equal to two (2) weeks plus one month per completed year of service calculated from the date of employment to a maximum of twelve (12) months. Any outstanding stock options shall remain in full force and effect in accordance with the original terms thereof, whether or not vested until the earlier of their normal expiry or such earlier time as determined by the Board of Directors. The Corporation would continue to pay benefits for Mr. Labrenz until the earlier of six months from termination or the date at which Mr. Labrenz obtained similar benefits through other employment. The Corporation would also pay Mr. Labrenz an amount equal to six months of his long term disability insurance premiums.

Termination with cause entitles Mr. Labrenz to receive only any unpaid salary plus an amount of any accrued unpaid vacation pay to the date of termination and the amount, if any, of any other compensation payable to him which has not been paid.

By way of an amendment to his employment agreement dated October 22, 2018, in the event of a “Change of Control” of the Corporation, Mr. Labrenz shall be entitled to a lump sum payment equal to 36 months of his base salary plus the cost of his benefits. Additionally, he shall be entitled to a bonus payment equal to three (3) times the average bonus paid in the previous two years.

Ken Donner

Under Mr. Donner’s employment agreement, termination of employment without cause entitles Mr. Donner to receive any unpaid salary, an additional lump sum amount equal to two (2) weeks plus one month per completed year of service calculated from the date of employment to a maximum of twelve (12) months. Any outstanding stock options shall remain in full force and effect in accordance with the original terms thereof, whether or not vested until the earlier of their normal expiry or such earlier time as determined by the Board of Directors. The Corporation would continue to pay benefits for Mr. Donner for the duration of the severance period.

Termination with cause entitles Mr. Donner to receive only any unpaid salary plus an amount of any accrued unpaid vacation pay to the date of termination and the amount, if any, of any other compensation payable to him which has not been paid.

By way of an amendment to his employment agreement dated October 22, 2018, in the event of a “Change of Control” of the Corporation, Mr. Donner shall be entitled to a lump sum payment equal to 24 months of his base salary plus the cost of his

benefits. Additionally, he shall be entitled to a bonus payment equal to two (2) times the average bonus paid in the previous two years.

Philip Smerchanski

Mr. Smerchanski and the Corporation entered into a Change of Control agreement on April 1, 2014 and amended October 22, 2018. Pursuant to the amended agreement, in the event of a "Change of Control" of the Corporation, Mr. Smerchanski shall be entitled to a lump sum payment equal to 24 months of his base salary plus the cost of his benefits. Additionally, he shall be entitled to a bonus payment equal to two (2) times the average bonus paid to him in the previous two years.

Any outstanding unvested Options shall immediately vest on a Change of Control and any unexercised portion of such Options shall therefore be exercisable for a term that is the lesser of (i) two years after the Change of Control and (ii) the remaining term of such Options.

Sean Tetzlaff

Mr. Tetzlaff and the Corporation entered into a Change of Control agreement on May 13, 2014 and amended October 22, 2018. Pursuant to the amended agreement, in the event of a "Change of Control" of the Corporation, Mr. Tetzlaff shall be entitled to a lump sum payment equal to 24 months of his base salary plus the cost of his benefits. Additionally, he shall be entitled to a bonus payment equal to two (2) times the average bonus paid to him in the previous two years.

Any outstanding unvested Options shall immediately vest on a Change of Control and any unexercised portion of such Options shall therefore be exercisable for a term that is the lesser of (i) two years after the Change of Control and (ii) the remaining term of such Options.

Chris Lee

Mr. Lee and the Corporation entered into a Change of Control agreement on May 17, 2016 and amended October 22, 2018. Pursuant to the amended agreement, in the event of a "Change of Control" of the Corporation, Mr. Lee shall be entitled to a lump sum payment equal to 24 months of his base salary plus the cost of his benefits. Additionally, he shall be entitled to a bonus payment equal to two (2) times the average bonus paid to him in the previous two years.

Any outstanding unvested Options shall immediately vest on a Change of Control and any unexercised portion of such Options shall therefore be exercisable for a term that is the lesser of (i) two years after the Change of Control and (ii) the remaining term of such Options.

For purposes of the above NEO contracts, a "Change of Control" is defined as the occurrence of any of the following events or transactions:

- a) the Corporation sells, transfers or otherwise disposes of all or substantially all (90% or more) of its assets;
- b) any person, or combination of persons acting jointly in concert by virtue of an agreement, arrangement, commitment or understanding, by virtue of a takeover bid as that term is defined in the Securities Act (Ontario) or otherwise, acquires from a person or persons other than the Corporation 50% or more of the voting rights attached to all outstanding voting securities of the Corporation;
- c) a merger, amalgamation, arrangement, consolidation, reorganization or transfer takes place in which securities of the Corporation possessing more than 50% of the total combined voting power of the Corporation's outstanding voting securities are acquired by a person or persons different from the persons holding those voting securities immediately prior to such event, and the composition of the Board following such event is such that the directors of the Corporation prior to the transaction constitute less than 50% of the Board membership following the event;
- d) individuals who, as of the date hereof, constitute the Board (the "Incumbent Board") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the date of this Agreement, whose election, or nomination for election by the Corporation's shareholders, was approved by a vote of at least two-thirds of the directors then comprising the Incumbent Board shall be considered as though such individual were a member of the Incumbent Board, but excluding, for this purpose, any such

individual whose initial assumption of office occurs as a result of an actual or threatened proxy contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the management or the Board of the Corporation; or

- e) any person or any combination of persons acting jointly or in concert by virtue of an agreement, arrangement, commitment or understanding acquires, directly or indirectly, the right to appoint a majority of the directors of the Corporation.

The following table discloses the estimated amounts payable to those NEOs under a termination without cause or upon the occurrence of a change of control. Amounts disclosed in the table below assume that the NEOs termination of employment and/or a change of control (or, as applicable, termination following the change of control) occurred on December 31, 2019.

| Named Executive Officer | Terminated by the Corporation | Payment due upon a Change of Control |
|--|--------------------------------------|---|
| Darin Labrenz President & CEO | \$224,024 | \$1,695,246 |
| Ken Donner VP, Operations | \$89,093 | \$772,922 |
| Phillip Smerchanski VP, Exploration | \$51,827 | \$664,059 |
| Sean Tetzlaff CFO & Secretary | \$162,500 | \$686,376 |
| Chris Lee Chief Geoscientist | \$42,308 | \$593,682 |

Notes:

- (1) The entitlement of the NEOs to payment upon a Change of Control is not necessarily in substitution for, and may be in addition to, amounts payable to such NEOs upon termination by the Corporation.
(2) Amounts above include, among other things, amounts payable in lieu of bonuses that would have been earned during the applicable severance period.

Compensation of Directors

The Board, on the recommendation of the Compensation Committee, reviews and approves changes to the Corporation’s director compensation arrangements from time to time to ensure they remain competitive in light of the time commitments required from directors, and align directors’ interests with those of Shareholders. Directors who are not officers or employees of the Corporation or any of its subsidiaries are compensated for their services as directors through annual retainer fees and Options issuable from time to time under the Stock Option Plan based on the recommendations of the Compensation Committee.

For the fiscal period ended December 31, 2019, non-executive directors of the Corporation (other than the Chair and Dr. Mark O’Dea, as discussed below) were paid a base retainer fee of C\$35,000 per annum. The Chair of the Audit Committee and Compensation Committee received an additional \$10,000 and \$5,000 per annum, respectively. These amounts are consistent with prior years as no increase to director compensation was recommended by the 2018 Lane Caputo report.

In February 2018, on the advice of the Compensation Committee, the Board authorized an increase in the annual base compensation for Mr. Graeme Currie (Chair) and Dr. Mark O’Dea to \$150,000 and \$135,000 per annum, respectively, to better reflect the considerable time and effort spent by these individuals marketing and promoting the Corporation and their significant contribution in helping finance the Corporation.

Directors are also reimbursed for reasonable out-of-pocket expenses incurred in attending meetings or otherwise carrying out their duties as directors of the Corporation.

The following table describes director compensation for non-NEO directors for the fiscal period ended December 31, 2019.

| Name ⁽¹⁾ | Fiscal period ended | Fees earned (\$) | Share-based awards (\$) | Option-based awards (\$) ⁽²⁾ | Non-equity incentive plan compensation (\$) | Pension value (\$) | All other Compensation (\$) | Total (\$) |
|---------------------|---------------------|------------------|-------------------------|---|---|--------------------|-----------------------------|------------|
| Graeme Currie | Dec 31, 2019 | 160,000 | Nil | 105,508 | Nil | Nil | Nil | 265,508 |
| Dr. Mark O'Dea | Dec 31, 2019 | 135,000 | Nil | 140,678 | Nil | Nil | Nil | 275,678 |
| Lenard Boggio | Dec 31, 2019 | 45,000 | Nil | 87,924 | Nil | Nil | Nil | 132,924 |
| Troy Fierro | Dec 31, 2019 | 35,000 | Nil | 123,093 | Nil | Nil | Nil | 158,093 |
| Robert Pease | Dec 31, 2019 | 35,000 | Nil | 87,924 | Nil | Nil | Nil | 122,924 |
| Maryse Belanger | Dec 31, 2019 | Nil | Nil | Nil | Nil | Nil | Nil | Nil |

Notes:

- (1) Darin Labrenz's compensation for his director services is fully reflected in the summary compensation table of NEOs.
- (2) The Corporation uses the Black-Scholes Option Pricing Model to calculate the grant date fair value of option-based awards. The model requires six key inputs: risk-free interest rate, exercise price of the Option, market price of the Common Shares at date of grant, expected dividend yield, expected life of the Option and share price volatility, all of which, except for the exercise price of the Option and market price of the Common shares at date of grant, are estimates of management. There were no options granted during the nine-month period ended December 31, 2018. The estimates for awards made during prior financial years are described in the corresponding management information circulars of the Corporation for those years.

The value of the in-the-money options currently held by each director (based on share price less option exercise price) is set forth in the 'Value of Unexercised in-the-money Options' column of the "Outstanding Share-Based and Option-Based Awards" table below.

Other than participation in the Corporation's Stock Option Plan, the Corporation has no arrangements, standard or otherwise pursuant to which directors are compensated by the Corporation or its subsidiaries for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Circular.

DSUs

Directors will also be entitled to participate in the DSU Plan if approved by Shareholders at the Meeting. The principal purposes of the DSU Plan are to provide non-employee Directors of the Corporation with the opportunity to acquire DSUs to enable them to participate in the long-term success of Corporation and to promote a greater alignment of interests between the Directors and the Shareholders. Any individual who is a non-employee member of the Board of the Corporation is eligible to participate in the DSU Plan.

Under the DSU Plan, the Compensation Committee may grant a DSU award to provide the non-employee Director with appropriate equity-based compensation for the services he or she rendered to the Corporation. In addition, such Directors are entitled, to elect quarterly, or for Directors subject to US tax laws, annually, before compensation is earned, to elect to receive 100% of their annual cash compensation in DSUs.

The Corporation will grant overall DSUs based on the total DSUs available for grant as described under the heading "Approval of the Deferred Share Unit Plan - Particulars of the DSU Plan". The full text of the DSU Plan is attached as Schedule "F" this Circular.

Share-Based and Option-based Awards to Directors

The following table sets out for each non-NEO director the incentive stock options to purchase common shares of the Corporation (option-based awards) held as of December 31, 2019. The closing price of the Corporation's shares on the TSX-V on December 31, 2019 was \$0.81. There have been no DSU's granted to directors.

| Name | Option-based Awards | | | | Share-based Awards | | |
|-----------------|---|----------------------------|--------------------------------|--|--|--|--|
| | Number of securities underlying unexercised options (#) | Option exercise price (\$) | Option expiration date (m/d/y) | Value of unexercised 'in-the-money' options (\$) | Number of shares or units of shares that have not vested (#) | Market or payout value of share-based awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Graeme Currie | 450,000 | 0.11 | Dec/11/20 | 315,000 | Nil | Nil | Nil |
| | 500,000 | 0.44 | Dec/21/21 | 185,000 | Nil | Nil | Nil |
| | 500,000 | 0.49 | Dec/15/22 | 160,000 | Nil | Nil | Nil |
| | 300,000 | 0.74 | Dec/13/24 | 21,000 | Nil | Nil | Nil |
| Dr. Mark O'Dea | 450,000 | 0.11 | Dec/11/20 | 315,000 | Nil | Nil | Nil |
| | 400,000 | 0.44 | Dec/21/21 | 148,000 | Nil | Nil | Nil |
| | 400,000 | 0.49 | Dec/15/22 | 128,000 | Nil | Nil | Nil |
| | 400,000 | 0.74 | Dec/13/24 | 28,000 | Nil | Nil | Nil |
| Lenard Boggio | 250,000 | 0.11 | Dec/11/20 | 175,000 | Nil | Nil | Nil |
| | 300,000 | 0.44 | Dec/21/21 | 111,000 | Nil | Nil | Nil |
| | 300,000 | 0.49 | Dec/15/22 | 96,000 | Nil | Nil | Nil |
| | 250,000 | 0.74 | Dec/13/24 | 17,500 | Nil | Nil | Nil |
| Troy Fierro | 250,000 | 0.11 | Dec/11/20 | 175,000 | Nil | Nil | Nil |
| | 300,000 | 0.44 | Dec/21/21 | 111,000 | Nil | Nil | Nil |
| | 300,000 | 0.49 | Dec/15/22 | 96,000 | Nil | Nil | Nil |
| | 350,000 | 0.74 | Dec/13/24 | 24,500 | Nil | Nil | Nil |
| Robert Pease | 250,000 | 0.11 | Dec/11/20 | 175,000 | Nil | Nil | Nil |
| | 300,000 | 0.44 | Dec/21/21 | 111,000 | Nil | Nil | Nil |
| | 300,000 | 0.49 | Dec/15/22 | 96,000 | Nil | Nil | Nil |
| | 250,000 | 0.74 | Dec/13/24 | 17,500 | Nil | Nil | Nil |
| Maryse Belanger | Nil | Nil | Nil | Nil | Nil | Nil | |

Value of Share-Based and Option-Based Awards Vested or Earned During the Year

The following table sets forth, for each non-NEO director, the values of all incentive plan awards which vested or were earned during the year ended December 31, 2019.

| Name | Option-based awards – Value vested during the year (\$) ⁽¹⁾ | Share-based awards – Value vested during the year (\$) | Non-equity incentive plan compensation – Value earned during the year (\$) |
|----------------|--|--|--|
| Graeme Currie | Nil | Nil | Nil |
| Dr. Mark O'Dea | Nil | Nil | Nil |
| Lenard Boggio | Nil | Nil | Nil |
| Troy Fierro | Nil | Nil | Nil |
| Robert Pease | Nil | Nil | Nil |

Notes:

- (1) Represents the dollar value that would have been realized from Options if the Options that vested in the year-ended December 31, 2019 had been exercised on the applicable vesting date. This is calculated by multiplying the number of Options that vested during year-ended December 31, 2019 by the difference between the closing price of the Common Shares on the TSX-V on the date of vesting and the exercise price of the Options.

Narrative Discussion of Option-based Awards

The following option-based awards were granted during the Corporation's last completed financial year to each non-NEO director.

| Director | Securities Under Options Granted (#) | Exercise or Base Price (\$/Security) | Market Value of Securities Underlying Options on the Date of Grant (\$/Security) |
|-----------------|--------------------------------------|--------------------------------------|--|
| Graeme Currie | 300,000 | 0.74 | 0.74 |
| Dr. Mark O'Dea | 400,000 | 0.74 | 0.74 |
| Lenard Boggio | 250,000 | 0.74 | 0.74 |
| Troy Fierro | 350,000 | 0.74 | 0.74 |
| Robert Pease | 250,000 | 0.74 | 0.74 |
| Maryse Belanger | Nil | N/A | N/A |

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Corporation's compensation plans under which equity securities are 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, DSU's and RSU's (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 reflected in column (a)) (c) |
|--|--|--|--|
| Equity compensation plans approved by security holders | 19,855,000 ⁽¹⁾ | \$0.49 ⁽²⁾ | 15,991,669 ⁽³⁾ |
| Equity compensation plans not approved by security holders | NIL | NIL | NIL |
| Total | 19,855,000 | \$0.49 | 15,991,669 |

Notes:

- (1) Represents approximately 5.5% of the Corporation's outstanding share capital as at December 31, 2019.
- (2) The weighted average exercise price of the outstanding options is calculated based on the weighted average exercise price of the outstanding options underlying each grant as of December 31, 2019.
- (3) Equal to the difference between 10% of the issued and outstanding shares at December 31, 2019 and the number of outstanding stock options at December 31, 2019.

Description of Stock Option Plan

The Board has established an incentive stock option plan (the "Option Plan"). The purpose of the Option Plan is to attract and motivate the directors, officers and employees of the Corporation (and any of its subsidiaries), employees of any management corporation and consultants to the Corporation (collectively the "Optionees") and thereby advance the Corporation's interests by providing them an opportunity to acquire an equity interest in the Corporation through the exercise of stock options granted to them under the Option Plan.

Pursuant to the Option Plan, the Board may grant options to Optionees in consideration of them providing their services to the Corporation or a subsidiary. The number of shares subject to each option is determined by the Board within the guidelines established by the Option Plan. The options enable the Optionees to purchase shares of the Corporation at a price fixed pursuant to such guidelines. The options are exercisable by the Optionee giving the Corporation notice and payment of the exercise price for the number of shares to be acquired.

The Plan authorizes the Board to grant stock options to the Optionees on the following terms:

1. The number of shares subject to issuance pursuant to outstanding options, in the aggregate, cannot exceed 10% of the Corporation's issued shares.
2. The number of shares subject to issuance upon the exercise of options granted under the Option Plan by one Optionee or all Optionees providing investor relations services is subject to the following limitations
 - (a) no Optionee can be granted options during a 12-month period to purchase more than
 - (i) 5% of the issued shares of the Corporation unless disinterested shareholder approval has been obtained (such approval has not been sought), or
 - (ii) 2% of the issued shares of the Corporation, if the Optionee is a consultant, and
 - (b) the aggregate number of shares subject to options held by all Optionees providing investor relations services cannot exceed 2% in the aggregate.
3. Unless the Option Plan has been approved by disinterested shareholders (such approval has not been obtained), options granted under the Option Plan, together with all of the Corporation's previously established and outstanding stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of its shares, shall not result, at any time, in

- (a) the number of shares reserved for issuance pursuant to stock options granted to insiders exceeding 10% of the shares outstanding at the time of granting,
 - (b) the grant to insiders as a group, within a one year period, of options to purchase that number of shares exceeding 10% of the outstanding shares, or
 - (c) the issuance to any one insider and such insider's associates, within a one year period, of shares totalling in excess of 5% of the outstanding shares.
4. The exercise price of the options cannot be set at less than the closing trading price of the Corporation's shares on the day before the granting of the stock options.
5. The options may be exercisable for up to ten years.
6. There are not any vesting requirements unless the Optionee is a consultant providing investor relations services to the Corporation, in which case the options must vest over at least 12 months with no more than one-quarter vesting in any three month period. However, the Board may impose additional vesting requirements and, subject to obtaining any required approval from the TSX-V, may authorize all unvested options to vest immediately. If there is a 'change of control' of the Corporation (due to a take-over bid being made for the Corporation or similar events), all unvested options, subject to obtaining any required approval from the TSX-V, shall vest immediately.
7. The options can only be exercised by the Optionee (to the extent they have already vested) for so long as the Optionee is a director, officer or employee of, or consultant to, the Corporation or any subsidiary or is an employee of the Corporation's management corporation and within a period thereafter not exceeding the earlier of:
- (a) the original expiry date;
 - (b) 90 days after ceasing to be a director, officer or employee of, or consultant to, the Corporation at the request of the Board or for the benefit of another director or officer; and
 - (c) if the Optionee dies, within one year from the Optionee's death.

If the Optionee is terminated 'for cause', involuntarily removed or resigns (other than at the request of the Board or for the benefit of another director or officer) from any of such positions the option will terminate concurrently.

8. The options are not assignable except to a wholly-owned holding corporation.
9. Disinterested shareholder approval must be obtained prior to the reduction of the exercise price of options granted to insiders of the Corporation.

Any amendments to the Option Plan or outstanding stock options are subject to the approval of the TSX-V and, if required by the TSX-V, of the shareholders of the Corporation, possibly with only 'disinterested shareholders entitled to vote. The amendment to an outstanding stock option will also require the consent of the Optionee.

No options have been granted under the Option Plan which remain subject to shareholder approval.

The Plan does not permit stock options to be transformed into stock appreciation rights.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Corporate Governance Disclosure

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian securities administrators requires the Corporation to annually disclose certain information regarding its corporate governance practices. That information is disclosed below.

1. Board of Directors

The Board has determined Graeme Currie, Maryse Belanger, Dr. Mark O’Dea, Lenard Boggio, Troy Fierro and Robert Pease, together representing a majority of the directors of the Corporation, to be "independent" based upon the tests for independence set forth in National Instrument 52-110 *Audit Committees*.

As President and CEO, Mr. Darin Labrenz is a current member of Management and thus is not considered to be independent.

The Board approves and supervises all significant decisions of the Corporation and reviews the results. The Board periodically holds a portion of its board meetings where non-independent directors and members of management are not in attendance. During the fiscal year ended December 31, 2019, the Board or its committees held five such meetings where a portion of the meeting was held without management and non-independent directors.

The Board is actively involved in the Corporation’s strategic planning process. The Board discusses and reviews all materials relating to strategic and operating plans with Management. The Board is responsible for reviewing and approving strategic operating plans and budgets. Management must seek Board approval for any transaction that would have a significant impact on the strategic plan.

The Board is responsible for selecting the President and Chief Executive Officer and appointing senior management and for monitoring their performance. The Board delegates to management responsibility for, among other things, meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Corporation’s business, evaluating new business opportunities and complying with applicable regulatory requirements.

The Board periodically reviews the Corporation’s business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Corporation’s internal control and management information systems. The Board also monitors the Corporation’s compliance with timely disclosure obligations and reviews material disclosure documents prior to distribution. The Board has recently adopted a disclosure policy to ensure the accurate and timely communications of all important information to the investing public.

The Board has adopted a Board Mandate to govern the way it functions. A copy of the Board Mandate is available in Schedule “A”.

2. Directorships

Certain of the directors are presently a director of one or more other reporting issuers (public companies), as follows:

| Director | Other Issuers |
|-----------------|---|
| Darin Labrenz | N/A |
| Graeme Currie | Balmoral Resources Ltd. |
| Dr. Mark O’Dea | Liberty Gold Corp. Discovery Metals Corp. Sun Metals Corp. |
| Lenard Boggio | Equinox Gold Corp. Titan Mining Corporation Sprott Resource Holdings Inc. |
| Troy Fierro | N/A |
| Robert Pease | Liberty Gold Corp. Endurance Gold Corporation Liberio Mining Corp. FPX Nickel Corp |
| Maryse Belanger | Sheritt International Corporation Sigma Lithium Resources Plateau Energy Metals |

3. Position Descriptions

The responsibility of the Chair of the Board is summarized as follows, which responsibilities among others delated to him from time to time, are set out in the Board Mandate attached as Schedule “A” to this Circular:

- (a) providing leadership to the Board with respect to its functions as described in the Board Mandate and as otherwise may be appropriate, including overseeing the logistics of the operations of the Board;
- (b) chairing meetings of the Board, unless not present including in camera sessions;
- (c) ensuring that the Board meets on a regular basis and at least quarterly;
- (d) establishing a calendar for holding meetings of the Board;
- (e) establishing the agenda for each meeting of the Board, with input from other Board members and any other parties as applicable;
- (f) ensuring that Board materials are available to any director on request;
- (g) ensuring that the members of the Board understand and discharge their duties and obligations;
- (h) fostering ethical and responsible decision making by the Board and its individual members;
- (i) overseeing the structure, composition, membership and activities of the Board;
- (j) ensuring that resources and expertise are available to the Board so that it may conduct its work effectively and efficiently;
- (k) pre-approving work to be undertaken for the Board by consultants;
- (l) facilitating effective communication between members of the Board and management;
- (m) attending each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair;
- (n) communicate with directors between meetings;
- (o) attend key functions of the Corporation;
- (p) meet with major shareholder groups; and
- (q) act as Chair at any annual and, if applicable, special meeting of shareholders of the Corporation.

The responsibilities of the Chair of each committee (other than the Audit Committee which is set out in Schedule B) have been set out in the applicable committee charters and are summarized as follows:

The responsibilities of the Compensation Committee Chair are set out in the Compensation Committee Charter as follows:

- provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- chair meetings of the Committee (unless not present, including in camera sessions), and reports to the Board following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- ensure that the Committee meets on a regular basis and at least twice per year;
- in consultation with the Committee members, establish a calendar for holding meetings of the Committee;
- establish the agenda for each meeting of the Committee, with input from other Committee members, and any other parties as applicable;
- ensure that Committee materials are available to any director on request;
- act as liaison and maintain communication with the Chair and the Board (or Lead Director, if an individual other than the Chair) and the Board to optimize and coordinate input from Board members, and to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first

meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;

- report annually to the Board on the role of the Committee and the effectiveness of the Committee role in contributing to the objectives and responsibilities of the Board as a whole;
- ensure that the members of the Committee understand and discharge their duties and obligations;
- foster ethical and responsible decision making by the Committee and its individual members;
- together with the Corporate Governance and Nominating Committee, oversee the structure, composition, membership and activities delegated to the Committee from time to time;
- ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approve work to be done for the Committee by consultants;
- facilitate effective communication between members of the Committee and management;
- encourage Committee members to ask questions and express viewpoints during meetings;
- attend each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and
- perform such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

The responsibilities of the Corporate Governance and Nominating Committee Chair are set out in the Corporate Governance and Nominating Committee Charter as follows:

- provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
 - chair meetings of the Committee (unless not present, including in camera sessions), and reports periodically to the Board on the findings, activities and any recommendations of the Committee;
 - ensure that the Committee meets on a regular basis and at least twice per year;
 - in consultation with the Committee members, establish a calendar for holding meetings of the Committee;
 - establish the agenda for each meeting of the Committee, with input from other Committee members, and any other parties as applicable;
 - ensure that Committee materials are available to any director on request;
 - act as liaison and maintain communication with the Chair of the Board (or Lead Director, if an individual other than the Chair) and the Board to optimize and coordinate input from Board members, and to optimize the effectiveness of the Committee;
 - report annually to the Board on the role of the Committee and the effectiveness of the Committee role in contributing to the objectives and responsibilities of the Board as a whole;
 - ensure that the members of the Committee understand and discharge their duties and obligations;
 - foster ethical and responsible decision making by the Committee and its individual members;
 - oversee the structure, composition, membership and activities delegated to the Committee;
 - ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approve work to be done for the Committee by consultants;
 - facilitate effective communication between members of the Committee and management;
 - encourage Committee members to ask questions and express viewpoints during meetings;
 - attend each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and
- perform such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

The responsibilities of the Health, Safety and Sustainability Committee Chair are set out in the Health, Safety and Sustainability Committee Charter as follows:

- provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- chair meetings of the Committee (unless not present, including in camera sessions) and reports to the Board of Directors following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- ensure that the Committee meets on a regular basis and at least once per year;
- in consultation with the Committee members, establish a calendar for holding meetings of the Committee;
- establish the agenda for each meeting of the Committee, with input from other Committee members, and other parties, as applicable;
- ensure that Committee materials are available to any Director on request;
- act as liaison and maintains communication with the Chair of the Board (or Lead Director, if an individual other than the Chair) and the Board to optimize and coordinate input from Board members, and to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
- report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the objectives and responsibilities of the Board as a whole;
- ensure that the members of the Committee understand and discharge their duties and obligations;
- foster ethical and responsible decision making by the Committee and its individual members;
- oversee the structure, composition, membership and activities delegated to the Committee from time to time;
- ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approves work to be done for the Committee by consultants;
- facilitate effective communication between members of the Committee and management;
- encourage Committee members to ask questions and express viewpoints during meetings;
- attend each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and perform such other duties and responsibilities as may be delegated to the Chair by the Board from time to time

Written Position Description of the CEO

The Board does not have a formal written position for the CEO. The Board feels that the size of the Corporation is small enough and the number of Executives are small such that roles and responsibilities are easily defined without the need for such responsibilities to be formally documented.

4. Orientation and Continuing Education

While the Corporation does not have formal orientation and training programs, new Board members are provided with:

- a) information respecting the functioning of the Board of Directors, committees and copies of the Corporation's corporate governance policies;
- b) access to recent, publicly filed documents of the Corporation's technical reports and the Corporation's internal financial information;

- c) access to management and technical experts and consultants; and
- d) a summary of significant corporate and securities responsibilities.

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 and visit the Corporation's operations. Board members have full access to the Corporation's records.

5. Ethical Business Conduct

The Board has responsibility for the stewardship of the Corporation including responsibility for strategic planning, identification of the principal risks of the Corporation's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Corporation's internal control and management information systems. To facilitate meeting this responsibility, the Board of Directors seeks to foster a culture of ethical conduct by striving to ensure the Corporation carries out its business in line with high business and moral standards and applicable legal and financial requirements. In that regard, the Board

- has adopted a written Code of Business Conduct and Ethics (the "Code") for its directors, officers, employees and consultants.
- has established a Whistleblower Policy which details complaint procedures for financial concerns.
- encourages management to consult with legal and financial advisors to ensure the Corporation is meeting those requirements.
- is cognizant of the Corporation's timely disclosure obligations and reviews material disclosure documents such as financial statements, Management's Discussion & Analysis (MD&A) and press releases prior to their distribution.
- actively monitors the Corporation's compliance with the Board's directives and ensures that all material transactions are thoroughly reviewed and authorized by the Board before being undertaken by management.

The Board must also comply with the conflict of interest provisions of the British Columbia *Business Corporations Act*, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

6. Nomination of Directors

The Board has responsibility for identifying potential Board candidates. The Board determines new nominees to the Board, although a formal process has not been adopted. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other facts. Members of the Board and representatives of the mining industry are consulted for possible candidates. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President.

7. Board Committees

The Board has established the following committees. See "*Election of Directors – Nominees and Qualifications*" for the members of these committees. The functions of these committees are described below.

Compensation Committee: The Compensation Committee is responsible for the review of all compensation (including stock options) paid by the Corporation to the Board of Directors, senior management and employees of the Corporation, to report to the Board of Directors on the results of those reviews and to make recommendations to the Board for adjustments to such compensation.

The policy used by the Committee in determining compensation is that the compensation should (i) reflect the Corporation's current state of development, (ii) reflect the Corporation's performance, (iii) reflect individual performance, and (iv) in respect of the executives, align their interests with those of the shareholders, and (v) assist the Corporation in retaining key Pure Gold Mining Inc.

individuals. The main elements of the executive compensation consists of base remuneration and incentive stock options which rewards executives for delivering value to the Corporation's shareholders through measurable increases in the value of the Corporation's common shares or asset base.

The Compensation Committee is comprised of a majority of independent directors.

The members of the Compensation Committee have a range of skills and experience which the Corporation believes provides the expertise necessary to make decisions on the Corporation's executive compensation policies and practices. Their relevant experience is set out in their respective biographies under the heading "*Election of Directors – Nominees and Qualifications*". In addition, the Compensation Committee has retained input from independent outside consultants as necessary.

Corporate Governance Committee: The Corporate Governance Committee is responsible for advising the Board of Directors of the appropriate corporate governance procedures that should be followed by the Corporation and the Board and monitoring whether they comply with such procedures. The Corporate Governance Committee is comprised of a majority of independent directors.

During the year ended December 31, 2019, the Board dealt directly with matters that would otherwise have been reviewed by the Corporate Governance Committee.

Audit Committee: The Audit Committee is described in the next section. The Audit Committee is composed of all independent directors.

Health, Safety & Sustainability Committee: is responsible for assisting the Board in fulfilling its oversight responsibilities relating to monitoring sustainable development practices, and the development and implementation of any environmental, health and safety policies of the Corporation. The Health, Safety & Sustainability Committee is made up of a majority of independent directors and the Corporation's, President & CEO. Given the size of the Board, Health, Safety and Sustainability matters and plans are often directly reviewed and formulated at the full Board level. The Health, Safety and Sustainability Committee will have a more prominent role in fiscal 2020 with the commencement of construction at the Corporation's Red Lake Mine site.

8. Assessments

The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

9. Director Term Limits

The Corporation has not adopted term limits for the directors of the Board as term limits could result in the loss of directors who have been able to develop, over a period of time, significant insight into the Corporation and its operations and any institutional memory that benefits the Board as well as the Corporation and its stakeholders, as further set out in the Board Mandates attached as Schedule "A" to this Circular.

10. Representation of Women on the Board and Senior Management

The Board believes that better corporate governance is promoted through the consideration of a variety of diversity criteria, including gender, age, ethnicity and geographic background, when nominating directors and making executive officer appointments. The Corporation's policies regarding the representation of women on the Board and the consideration of the representation of women on the Board and senior management are set out in the Board Mandate attached as Schedule "A" to this Circular.

The Board has not adopted targets regarding members of designated groups on the Board or in senior management positions at this time. Due to the small size of the Board and the management team, the Board believes that the ability and contributions of proposed new directors or executive officers should remain the primary consideration in the selection process.

For the fiscal year ended December 31, 2019, one of the Corporation's directors (14%) and none of the Corporation's executive officers (0%) were women.

AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees* ("**NI 52-110**") requires the Corporation's Audit Committee to meet certain requirements. It also requires the Corporation to disclose in this Circular certain information regarding the Audit Committee. That information is disclosed below.

Overview

The Audit Committee of the Corporation's Board of Directors is principally responsible for:

- recommending to the Corporation's Board of Directors the external auditor to be nominated for election by the Corporation's shareholders at each annual general meeting and negotiating the compensation of such external auditor.
- overseeing the work of the external auditor.
- reviewing the Corporation's annual and interim financial statements, Management Discussion & Analysis (MD&A) and press releases regarding earnings before they are reviewed and approved by the Board of Directors and publicly disseminated by the Corporation.
- reviewing the Corporation's financial reporting procedures and internal controls to ensure adequate procedures are in place for the Corporation's public disclosure of financial information extracted or derived from its financial statements, other than disclosure described in the previous paragraph.

The Audit Committee's Charter

The Corporation's Board of Directors have adopted a Charter for the Audit Committee which sets out the Committee's mandate, organization, powers and responsibilities. The complete Charter is attached as Schedule "B" to this Circular.

Composition of the Audit Committee

The Audit Committee consists of three directors.

The following table sets out the names of the members of the Audit Committee and whether they are "independent" and "financially literate" for the purpose of NI 52-110.

| Name of Member | Independent ⁽¹⁾ | Financially Literate ⁽²⁾ |
|----------------|----------------------------|-------------------------------------|
| Lenard Boggio | Yes | Yes |
| Graeme Currie | Yes | Yes |
| Troy Fierro | Yes | Yes |

Notes:

- (1) Pursuant to NI 52-110, to be considered independent, a member of the Committee must not have any direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board of Directors of the Corporation, reasonably interfere with the exercise of a member's independent judgment.
- (2) Pursuant to NI 52-110, to be considered financially literate, a member of the Committee must have 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 Corporation's financial statements.

Relevant Education and Experience

The education and experience of each member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- a. an understanding of the accounting principles used by the Corporation to prepare its financial statements;
- b. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;

- c. experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- d. an understanding of internal controls and procedures for financial reporting, are as follows:

| Name of Member | Experience |
|----------------|---|
| Lenard Boggio | Formerly Partner, PwC (and prior Coopers & Lybrand) where he worked from 1982 until his retirement from the firm in 2012. He qualified as a Chartered Accountant in 1985. He was Leader of the B.C. Mining Group of PwC, a senior member of PwC's Global Mining Industry Practice and an audit practitioner for publicly listed Canadian, U.S. and U.K. mineral resource and energy clients. The scope of his clients' activities included exploration, development and production stage operations in the Americas, Africa, Europe and Asia. |
| Graeme Currie | Formerly Director, Investment Banking at Canaccord Genuity Limited from 1983 until retirement in August 2012. Prior to his role in Investment Banking he was employed in the Research Department for over 22 years achieving the position of Senior Mining Analyst, specifically focused on coverage of the junior mining sector. |
| Troy Fierro | Mining engineer with over 35 years of industry experience. Formerly held executive positions with Fronteer Gold Inc., Metallica Resources Inc., and Coeur d'Alene Mines, where he has overseen the development, construction or management of mines in Nevada, Mexico, Argentina, Chile, and Alaska. Formerly director of Grayd Resources, Timberline Resources, Gold Canyon Resources and ORLA Mining. |

Complaints

The Audit Committee has a "Whistleblower Policy" which outlines procedures for the confidential, anonymous submission by employees regarding the Corporation's accounting, auditing and financial reporting obligations, without fear of retaliation of any kind. If an applicable individual has any concerns about accounting, audit, internal controls or financial reporting matters which they consider to be questionable, incorrect, misleading or fraudulent, the applicable individual is urged to come forward with any such information, complaints or concerns, without regard to the position of the person or persons responsible for the subject matter of the relevant complaint or concern.

The applicable individual may report their concern in writing and forward it to the Chair of the Audit Committee in a sealed envelope labelled "*To be opened by the Audit Committee only.*" Further, if the applicable individual wishes to discuss any matter with the Audit Committee, this request should be indicated in the submission. Any such envelopes received by the Corporation will be forwarded promptly and unopened to the Chair of the Audit Committee.

Promptly following the receipt of any complaints submitted to it, the Audit Committee will investigate each complaint and take appropriate corrective actions.

The "Whistleblower Policy" will be reviewed by the Audit Committee on a periodic basis.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Corporation's Board of Directors.

Reliance on Exemptions in NI 52-110 regarding De Minimis Non-audit Services or on a Regulatory Order Generally

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemption in section 2.4 (*De Minimis Non-audit Services*) of NI 52-110 (which exempts all non-audit services provided by the Corporation's auditor from the requirement to be pre-approved by the Audit Committee if such services are less than 5% of the auditor's annual fees charged to the Corporation, are not recognized as non-audit services at the time of the engagement of the auditor to perform them and are subsequently approved by the Audit Committee prior to the completion of that year's audit) or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (*Exemptions*) of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in under the heading “External Auditors” in the Audit Committee Charter attached hereto.

External Auditor Service Fees (By Category)

The following table discloses the fees billed to the Corporation by its external auditor during the last two financial years.

| Fiscal Period Ended | Audit Fees ⁽¹⁾ | Audit Related Fees ⁽²⁾ | Tax Fees ⁽³⁾ | All Other Fees ⁽⁴⁾ |
|---------------------|---------------------------|-----------------------------------|-------------------------|-------------------------------|
| December 31, 2019 | \$73,647 | \$Nil | \$3,814 | \$11,797 |
| December 31, 2018 | \$54,100 | \$Nil | \$Nil | \$1,767 |

Notes:

- (1) The aggregate fees billed by the Corporation's auditor for audit fees to date.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not disclosed in the 'Audit Fees' column.
- (3) The aggregate fees billed for professional services rendered by the Corporation's auditor for tax compliance, tax advice, and tax planning.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns.

OTHER INFORMATION

Technical and Management Services Agreement

On March 17, 2014, the Corporation entered into the Oxygen Agreement with Oxygen, a privately held corporation incorporated in British Columbia (of which Dr. O’Dea and Mr. Tetzlaff are directors). The agreement was amended October 1, 2017, to reflect the Corporation’s need for committed office space. Pursuant to the Oxygen Agreement, Oxygen provides technical and administrative services on a cost recovery basis. Oxygen does not earn any revenue as a result of its relationship with the Corporation. Oxygen’s office is located at Suite 1900, 1055 West Hastings Street, Vancouver B.C. Canada V6E 2E9 (the “**Oxygen Office**”). Under the terms of the Oxygen Agreement, and without limiting or abrogating the duties of the Corporation’s President and Chief Executive Officer, or its Chief Financial Officers, Oxygen provides the Corporation:

- access to, and the use of the assets contained in, the Oxygen Office as a "Shared Facility"; and
- services, staff and expertise as determined necessary by Chief Executive Officer or its Chief Financial Officer.

The Oxygen Agreement is intended to provide the Corporation with a number of technical and administrative services and access, on an as-needed basis, to Oxygen’s roster of geologists, mining engineers, investor relations and financial professionals (the “**Oxygen Talent**”) that would not necessarily otherwise be available to the Corporation at this stage of the Corporation’s development. Access to the Oxygen Talent and Oxygen Office is also generally at a lower cost than would otherwise be available to the Corporation if it had to seek out and engage such persons or contract for such administrative and office services on a full-time basis. Oxygen has no management role in the Corporation.

Costs of Management Services

Shared Facilities and General and Administration charges

The allocation of Oxygen Office costs to the Corporation is determined on a monthly basis, based on actual costs incurred by Oxygen for operation of the Oxygen Office (the “**G&A Overhead Charge**”). The G&A Overhead Charge allocated to the Corporation reflects the number of individuals providing services to the Corporation relative to the overall number of individuals providing services to other entities serviced by Oxygen that have access to the Oxygen Office.

There is no prescribed incremental fee, mark-up on actual costs incurred by Oxygen, or additional charge paid by the Corporation to Oxygen, or any of Oxygen’s directors in connection with the technical and administrative services received. The G&A Overhead Charge reflects an allocation to the Corporation of the actual cost paid by Oxygen to third-parties for services (plus applicable tax) and an allocation of the wages and employment benefits paid to the employees of Oxygen providing services to the Corporation. **Oxygen does not make any profit on this arrangement.** The total G&A Overhead Charge for the [year] ended December 31, 2019 was \$1,955,340 ([nine-month period] ended December 31, 2018 - \$1,508,921). Messrs. Tetzlaff, Smerchanski and Lee receive remuneration directly from Oxygen, as noted in this Circular in their capacity as NEOs; **they do not receive any additional compensation from Oxygen in any other capacity.**

Oxygen is required to prepare and deliver to the Corporation an annual budget, including an estimate of the G&A Overhead Charge, and costs for employee salaries. In the event that Oxygen anticipates that the total annual costs of providing services pursuant to the Oxygen Agreement will exceed the costs outlined in the annual budget by greater than 15%, Oxygen is required to use commercially reasonable efforts to inform the Corporation in writing of such increased costs as soon as it become aware of such cost.

Employees

Messrs. Tetzlaff, Smerchanski and Lee employees of Oxygen and receive their remuneration for their services directly from Oxygen. Accordingly, and as noted in this Circular, remuneration for Messrs. Tetzlaff, Smerchanski and Lee, have been disclosed as if each was directly employed by the Corporation. The total cost to the Corporation through the fiscal period ended December 31, 2019 for the Oxygen Talent was \$894,920 (December 31, 2018 - \$875,457). The Corporation received services from 10 employees of Oxygen in the fiscal period ended December 31, 2019 (period ended December 31, 2018 – 11).

Termination of the Oxygen Agreement and Indemnification

The Oxygen Agreement is for an initial term of three years, and shall be automatically renewed from time to time thereafter for additional terms of one year unless otherwise terminated. The Oxygen Agreement may be terminated by either party giving at least 180 days' prior written notice of such termination, or immediately in the event of (i) the commission by Oxygen of any fraudulent act, or (ii) upon a wind-up liquidation, dissolution, bankruptcy, sale of substantially all assets, sale of business or if insolvency proceeding have been commenced or are being contemplated by Oxygen. Notwithstanding any termination of the Oxygen Agreement, the Corporation will continue to be bound by any agreements contracted on its behalf by Oxygen prior to termination, and has indemnified Oxygen in connection with the due performance of such agreements.

Security Deposit

Oxygen operates on a cost recovery basis and does not maintain a treasury balance sufficient to deliver access to the administrative and technical resources it provides. Accordingly, pursuant to the Oxygen Agreement, the Corporation has paid to Oxygen a security deposit (the “**Security Deposit**”) equal to an estimated amount of three months of administrative and technical services. This Security Deposit allows Oxygen to manage its invoicing and payment cycle with its suppliers and personnel while continuing to provide services to the Corporation.

As at December 31, 2019, the Security Deposit totaled \$305,280 (December 31, 2018 - \$305,280). The Security Deposit will be applied to the last invoice, and any surplus will be refunded to the Corporation within 60 days of the effective date of termination, provided that the Corporation has paid all outstanding or potential future fees, costs and expenses.

Interest of Certain Persons in Matters to be Acted Upon

Other than as disclosed elsewhere in this Circular, none of the directors or executive officers of the Corporation, no proposed nominee for election as a director of the Corporation, none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation’s last completed financial year and no associate or affiliate of any of the foregoing persons 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.

Interest of Informed Persons in Material Transactions

Other than as set for the herein as related to the Oxygen Agreement, to the knowledge of the Corporation, after reasonable enquiry, no director or executive officer of the Corporation, proposed nominee for election as director of the Corporation, principal shareholder of the Corporation (or any director or officer thereof), or any associate or affiliate of any of the foregoing had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation or any of its subsidiaries, and no proposed nominee for election as director of the Corporation, or associate of any of the foregoing, has any material interest, direct or indirect, in any matter to be acted upon at the Meeting (other than the election of directors or the appointment of the auditors).

Indebtedness of Officers and Directors to the Corporation

No director, executive officer, or employee of the Corporation or any of its subsidiaries, former director, executive officer, or employee of the Corporation or any of its subsidiaries, proposed nominee for election as director of the Corporation, or any associate of any of the foregoing, has been or is indebted to the Corporation or any of its subsidiaries, at any time during its last completed financial year or has had any indebtedness to another entity which has been the subject of a guarantee, support agreement, letter of credit, or other similar arrangement provided by the Corporation or any of its subsidiaries.

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 enclosed form of proxy, to vote the shares represented thereby in accordance with their best judgement on such matter.

Additional Information

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders of the Corporation may request a copy of the Corporation's consolidated financial statements and management's discussion and analysis by writing to the Corporate Secretary, Pure Gold Mining Inc., at Suite 1900, 1055 West Hastings Street, Vancouver B.C. Canada V6E 2E9 or by telephone at (604) 646-8000.

Financial information is provided in the Corporation's comparative consolidated financial statements and management's discussion and analysis for its most recently completed financial year, available on SEDAR at www.sedar.com.

Approval by Directors

The contents of this Circular and the sending, communication or delivery thereof to the Shareholders have been approved by the Board of the Corporation. A copy of this Circular has been sent to each director, each Shareholder entitled to notice of the Meeting and the auditors of the Corporation.

DATED as of the 1st day of May 2020.

"Darin Labrenz"

Darin Labrenz, President & Chief Executive Officer

SCHEDULE "A"
MANDATE OF THE BOARD OF PURE GOLD INC.

General

1. The directors are elected by the shareholders and are responsible for the stewardship of the business and affairs of Pure Gold Mining Inc. ("**Pure Gold**", or the "**Corporation**"). The Board of Directors (the "**Board**") seeks to discharge this responsibility by reviewing, discussing and approving the Corporation's strategic planning and organizational structure and supervising management to oversee that the strategic planning and organizational structure enhance and preserve the business of the Corporation and the underlying value of the Corporation.

Composition

2. The Board believes that better corporate governance is promoted when a board of directors is made up of highly qualified individuals i) from diverse backgrounds who reflect the changing population demographics of the markets in which the Corporation operates, ii) of each gender, and iii) reflective of the talent available with the required expertise. When considering recommendations for nomination to the Board, the Board shall consider:

- (a) diversity criteria including gender, age, ethnicity and geographic background; and
- (b) candidates who are highly qualified based on their experience, functional expertise, and personal skills and qualities.

Notwithstanding this, the Corporation does not support the adoption of quotas to support its belief in the importance of diversity. In addition to the criteria set out above and elsewhere herein, employees and directors of the Corporation ("**Directors**") will be recruited and promoted based upon their ability and contributions.

3. The Directors shall consist of persons who possess skills and competencies in areas that are:
 - (a) necessary to enable the Board and Board committees to properly discharge their duties and responsibilities; and
 - (b) relevant to the Corporation's activities.
4. At least a majority of the directors shall be individuals who are "independent" directors in accordance with applicable securities laws and stock exchange policies. Subject to the size and operations of the Corporation, the Board is committed to setting measurable objectives for the long-term goal of improving gender representation across all levels of the organisation. The Board will include in the Annual Report each year:
 - (a) a summary of the Corporation's progress towards achieving the measurable objectives set under this Policy for the year to which the Annual Report relates; and
 - (b) details of the measurable objectives set under this Policy for the subsequent financial year.

5. The Board does not believe it should establish term limits for directors as term limits could result in the loss of Directors who have been able to develop, over a period of time, significant insight into the Corporation and its operations and an institutional memory that benefits the Board as well as the Corporation and its stakeholders.

The Board, on its initiative and on an exceptional basis, may exercise discretion to introduce maximum terms or mandatory retirement where it considers that such a limitation would benefit the Corporation and its stakeholders.

6. Subject to the limitations herein, the Corporate Governance and Nominating ("**CG&N**") Committee of the Board will annually (and more frequently, if appropriate) recommend candidates to the Board for election or appointment as Directors, taking into account the Board's conclusions with respect to the appropriate size and composition of

the Board and Board committees, the competencies and skills required to enable the Board and Board Committees to properly discharge their responsibilities, and the competencies and skills of the current Board.

7. No director should serve on the board of a regulatory body with oversight of the Corporation. Each director should, when considering membership on another board or committee, make every effort to ensure that such membership will not impair the Director's time and availability for his or her commitment to Pure Gold as well as his or her ability to exercise their fiduciary duties as directors.

Directors should advise the chair of the CG&N Committee and the Chief Executive Officer ("**CEO**") of the Corporation before accepting membership on other public company boards of directors or any audit committee or other significant committee assignment on any other board of directors, or establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director's relationship to the Corporation.

8. Without prior approval of the CG&N Committee, the CEO of the Corporation should not serve on the board of any other public company.
9. The Board approves the final choice of candidates.
10. The shareholders of the Corporation elect the Directors annually.
11. A Lead Director is elected annually at the first meeting of the Board following the shareholders' meeting. This role is normally filled by the Chair. At any time when the Chair is an employee of the Corporation, the non-management directors shall select an independent director to carry out the functions of a Lead Director. This person would chair regular meetings of the non-management directors and assume other responsibilities which the non-management directors as a whole have designated.
12. The Secretary of the Corporation (the "**Secretary**") shall be secretary of the Board.
13. Directors are expected to comply with the Corporation's Code of Business Conduct and Ethics and its Directors' Code of Ethics.

Meetings, Proceedings and Administration

14. The quorum for the transaction of business at any meeting of the Board shall be a majority of directors or such other number of directors as the Board may from time to time determine according to the articles of incorporation of the Corporation.
15. The Board shall have at least four scheduled meetings per year. The Chair of the Board ("**Chair**") and the CEO shall develop the agenda for each meeting.
16. Committee meetings may be held in person, by video-conference, by telephone or by any combination of the foregoing.
17. Independent directors shall meet at the end of each Board meeting without management and non-independent directors.
18. At meetings of the Board, resolutions shall be approved by a majority of the votes cast on the resolution.
19. Regularly scheduled Board meetings shall normally proceed as follows:
 - (a) Review and approval of the minutes of the preceding Board meeting;
 - (b) Business arising from the previous minutes;

- (c) Reports of committees;
 - (d) Report of the President and CEO, financial and operational reports;
 - (e) Other business;
 - (f) Setting the date and time of the next meeting;
 - (g) In-camera session with solely independent directors; and
 - (h) Adjournment.
20. A secretary should be named for each Board and committee meeting and minutes should be circulated in due course after such meeting. This role is normally filled by the Secretary.
21. Minutes of the committee meetings will be made available to each Board member upon request.

Authority and Responsibilities

22. The powers of the Board may be exercised at a meeting for which notice has been given and at which a quorum is present or, in appropriate circumstances, by resolution in writing signed by all the directors.
23. The Board is authorized to retain, and to set and pay the compensation of, independent legal counsel and other advisers if it considers this appropriate.
24. The Board is authorized to invite officers and employees of the Corporation and outsiders with relevant experience and expertise to attend or participate in its meetings and proceedings, if it considers this appropriate.
25. The Board and the Directors have unrestricted access to the advice and services of the Secretary and outside auditors and legal counsel.
26. The Board discharges its responsibility for overseeing the management of the Corporation's business by delegating to the Corporation's senior officers the responsibility for day-to-day management of the Corporation. The Board discharges its responsibilities directly and through its committees; namely, the Audit Committee, the Compensation Committee the CG&N Committee, and the Health, Safety and Sustainability Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. The Board's primary roles are overseeing corporate performance and providing quality, depth and continuity of management to meet the Corporation's strategic objectives.
27. Responsibilities of the Board include, but are not limited to:
- (a) selecting and appointing, evaluating and (if necessary) terminating the CEO;
 - (b) satisfying itself as to the integrity of the CEO and other executive officers and ensuring that they promote a culture of integrity throughout the organization;
 - (c) adopting a strategic planning process, approving strategic plans, and monitoring performance against plans;
 - (d) reviewing the Corporation's long term strategy annually;
 - (e) reviewing and approving annual operational budgets, capital expenditure limits and corporate objectives, and monitoring performance on each of the above;

- (f) approving all decisions involving unbudgeted operating expenditures in excess of \$100,000 and unbudgeted project expenditures in excess of \$200,000;
- (g) reviewing policies and procedures to identify business risks, and ensure that systems and actions are in place to monitor them;
- (h) reviewing policies and processes to ensure that the Corporation's internal control and management information systems are operating properly;
- (i) approving the audited annual financial statements, MD&A, annual information form and other filings required under applicable securities laws;
- (j) assessing the contribution of the Board, committees and all directors annually, and planning for succession of the Board;
- (k) reviewing and approving committee chair nominees from time to time as recommended by the respective committees;
- (l) assessing the effectiveness of the Board and each of the directors annually at a meeting of the Board to determine if any changes to the Board size or make-up are required;
- (m) assessing the effectiveness of each director by way of a formal review undertaken by with the Chair of the Board, Lead Director or Chair of the CG&N Committee where each director will receive peer feedback from other directors to determine how they could operate more effectively within the Board;
- (n) arranging formal orientation programs for new directors, where appropriate;
- (o) considering diversity in the selection criteria of new Board members;
- (p) establishing and maintaining an appropriate system of corporate governance including practices to ensure the Board functions effectively and independently of management, including reserving a portion of all Board and its committee meetings for in camera discussions without management present;
- (q) approving and monitoring compliance with significant policies and procedures by which the Corporation is operated;
- (r) proactively monitoring the Corporation's performance in meeting standards and objectives related to those diversity initiatives established by the Board, and progress in achieving them;
- (s) ensuring that a comprehensive compensation strategy is maintained which includes competitive industry positioning, weighting of compensation elements and relationship of compensation to performance;
- (t) ensuring that an adequate system of internal control is maintained to safeguard the Corporation's assets and the integrity of its financial and other reporting systems;
- (u) ensuring that the Corporation has in place a communication and disclosure policy which supports the oversight of public communication and disclosure and enables disclosure controls in compliance with all legal and regulatory requirements and that such is reviewed at such intervals as the Board deems appropriate. Directors must adhere to the Corporation's disclosure policy;
- (v) providing oversight of environmental matters;
- (w) reviewing and considering for approval all amendments or departures proposed by management from established strategy, capital and operating budgets, or matters of policy, which diverge from the ordinary course of business;

- (x) ensuring that a process is established that adequately provides for management succession planning, including the appointing, training, and monitoring of senior management;
- (y) annually assessing the charters of Board committees and revising where necessary;
- (z) adhering to all other Board responsibilities set out in the Corporation's by-laws and other statutory and regulatory requirements; and
- (aa) enhancing the reputation, goodwill and image of the Corporation.

28. Responsibilities of the Chair of the Board include but are not limited to:

- (a) providing leadership to the Board with respect to its functions as described in this Mandate and as otherwise may be appropriate, including overseeing the logistics of the operations of the Board;
- (b) chairing meetings of the Board, unless not present including in camera sessions;
- (c) ensuring that the Board meets on a regular basis and at least quarterly;
- (d) establishing a calendar for holding meetings of the Board;
- (e) establishing the agenda for each meeting of the Board, with input from other Board members and any other parties as applicable;
- (f) ensuring that Board materials are available to any director on request;
- (g) ensuring that the members of the Board understand and discharge their duties and obligations;
- (h) fostering ethical and responsible decision making by the Board and its individual members;
- (i) overseeing the structure, composition, membership and activities of the Board;
- (j) ensuring that resources and expertise are available to the Board so that it may conduct its work effectively and efficiently;
- (k) pre-approving work to be undertaken for the Board by consultants;
- (l) facilitating effective communication between members of the Board and management;
- (m) attending each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair;
- (n) communicate with directors between meetings;
- (o) attend key functions of the Corporation;
- (p) meet with major shareholder groups; and
- (q) act as Chair at any annual and, if applicable, special meeting of shareholders of the Corporation.

29. Expectations of Directors include but are not limited to:

- (a) maintaining a high attendance record at meetings of the Board and the committees of which they are members. Attendance by telephone or video conference may be used to facilitate a director's attendance;

- (b) reviewing the materials circulated in advance of meetings of the Board and its committees and being prepared to discuss the issues presented. Directors are encouraged to contact the Chair of the Board, the CEO and any other appropriate executive officer(s) to ask questions and discuss agenda items prior to meetings;
- (c) being sufficiently knowledgeable of the business of Pure Gold, including its financial statements, and the risks it faces, ensuring active and effective participation in the deliberations of the Board and of each committee on which he or she serves.
- (d) freely to contact the CEO at any time to discuss any aspect of the Corporation's business. Directors should use their judgement to ensure that any such contact is not disruptive to the operations of the Corporation. The Board expects that there will be frequent opportunities for Directors to meet with the CEO in meetings of the Board and committees, or in other formal or informal settings.
- (e) Maintaining the confidentiality of the proceedings and deliberations of the Board and its committees. Each Director will maintain the confidentiality of information received in connection with his or her service as a director.

30. Expectations of Management of Pure Gold

- (a) at the request of the Board, report on the Corporation's performance, management's concerns and any other matter the Board or its Chair may deem appropriate. Management must promptly report to the Chair any significant developments, changes, transactions or proposals respecting Pure Gold.
- (b) prepare and present to the Board annually (or more frequently if appropriate) a business plan and budget, and report regularly to the Board on the Corporation's performance against the business plan and budget;
- (c) review and update annually (or more frequently if appropriate) the Corporation's strategic plan, and report regularly to the Board on the implementation of the strategic plan in light of evolving conditions;
- (d) report regularly to the Board on the Corporation's business and affairs and on any matters of material consequence for the Company and its shareholders;
- (e) speak for the Corporation in its communications with shareholders and the public in accordance with the Company's Disclosure Policy;
- (f) comply with any additional expectations that are developed and communicated during the annual strategic planning and budgeting process and during regular Board and committee meetings;
- (g) implement policies and practices to achieving diversity initiatives determined by the Board and report to the Board on the progress toward and achievement of such diversity initiatives;
- (h) promote a work environment that values and utilizes the contributions of employees with a variety of backgrounds, experiences and perspectives through awareness of the benefits of workforce diversity and successful management of diversity; and
- (i) consult the Board with respect to all matters which by law require Board approval.

Last revised in 2019

SCHEDULE "B"
CHARTER OF THE AUDIT COMMITTEE OF PURE GOLD MINING INC.

1. ROLE AND OBJECTIVE

The Audit Committee (the "**Committee**") is appointed by and reports to the Board of Directors (the "**Board**") of Pure Gold Mining Inc. (the "**Corporation**"). The Committee assists the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation.

The Committee and its membership shall to the best of its ability, knowledge and acting reasonably, meet all applicable legal, regulatory and listing requirements, including, without limitation, those of any stock exchange on which the Corporation's shares are listed, the Business Corporations Act (British Columbia) (the "Act"), and all applicable securities regulatory authorities.

2. COMPOSITION

- The Committee shall be composed of three or more directors as shall be designated by the Board from time to time.
- Each member of the Committee shall be "independent" and financially literate (as such terms are defined under applicable securities laws and exchange requirements for audit committee purposes). Each member of the Committee shall be able to read and understand the Corporation's financial statements, including the Corporation's statement of financial position, income statement and cash flow statement and any other applicable statements or notes to the financial statements.
- Members of the Committee shall be appointed at a meeting of the Board, typically held immediately after the annual shareholders' meeting. Each member shall serve until his/her successor is appointed unless he/she shall resign or be removed by the Board or he/she shall otherwise cease to be a director of the Corporation. Any member may be removed or replaced at any time by the Board.
- Where a vacancy occurs at any time in the membership of the Committee, it may be filled by a vote of a majority of the Board.
- The Chair of the Committee may be designated by the Board or, if it does not do so, the members of the Committee may elect a chair by vote of a majority of the full Committee membership. The Chair of the Committee shall be an independent director (as described above).
- If the Chair of the Committee is not present at any meeting of the Committee, one of the other members of the Committee present at the meeting shall be chosen by the Committee to preside.
- The Chair of the Committee presiding at any meeting shall not have a casting vote.
- The Committee shall appoint a secretary (the "**Secretary**") who need not be a member of the Committee or a director of the Corporation. The Secretary shall keep minutes of the meetings of the Committee. This role is normally filled by the Secretary of the Corporation.

3. MEETINGS

- The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements, provided that

meetings of the Committee shall be convened whenever requested by the auditor that is appointed by the shareholders (the “Independent Auditor”) or any member of the Committee in accordance with the Act.

- The Chair of the Committee shall prepare and/or approve an agenda in advance of each meeting.
- Notice of the time and place of every meeting may be given orally, in writing, by facsimile or by e-mail to each member of the Committee at least 48 hours prior to the time fixed for such meeting.
- A member may in any manner waive notice of the meeting. Attendance of a member at the meeting shall constitute waiver of notice of the meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting was not lawfully called.
- Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- A majority of Committee members, present in person, by video-conference, by telephone or by a combination thereof, shall constitute a quorum.
- If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
- At all meetings of the Committee, every question shall be decided by a majority of the votes cast. In case of an equality of votes, the matter will be referred to the Board for decision. Any decision or determination of the Committee reduced to writing and signed by all of the members of the Committee shall be fully effective as if it had been made at a meeting duly called and held.
- The CEO and CFO are expected to be available to attend meetings, but a portion of every meeting will be reserved for in camera discussion without the CEO or CFO, or any other member of management, being present.
- The Committee may by specific invitation have other resource persons in attendance such officers, directors and employees of the Corporation and its subsidiaries, and other persons, including the Independent Auditor, as it may see fit, from time to time, to attend at meetings of the Committee.
- The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.
- The Committee shall have the right to determine who shall and who shall not be present at any time during a meeting of the Committee.
- Minutes of Committee meetings shall be sent to all Committee members.

- The Chair of the Committee shall report periodically the Committee's findings and recommendations to the Board.

4. RESOURCES AND AUTHORITY

- The Committee shall have access to such officers and employees of the Corporation and its subsidiaries and to such information with respect to the Corporation and its subsidiaries as it considers being necessary or advisable in order to perform its duties and responsibilities.
- The Committee shall have the authority to engage and obtain advice and assistance from internal or external legal, accounting or other advisors and resources, as it deems advisable, at the expense of the Corporation.
- The Committee shall have the authority to communicate directly with the Independent Auditor.

5. RESPONSIBILITIES

A. Chair

To carry out its oversight responsibilities, the Chair of the Committee shall undertake the following:

- provide leadership to the Committee with respect to its functions as described in this Charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the Committee;
- chair meetings of the Committee, unless not present (including in camera sessions), and reports to the Board following each meeting of the Committee on the findings, activities and any recommendations of the Committee;
- ensures that the Committee meets on a regular basis and at least four times per year;
- in consultation with the Committee members, establishes a calendar for holding meetings of the Committee;
- establish the agenda for each meeting of the Committee, with input from other Committee members, and any other parties, as applicable;
- ensures that Committee materials are available to any director on request;
- acts as liaison and maintains communication with the Chair of the Board (or Lead Director if an individual other than the Chair) and the Board to optimize and coordinate input from Board members, and to optimize the effectiveness of the Committee. This includes reporting to the full Board on all proceedings and deliberations of the Committee at the first meeting of the Board after each Committee meeting and at such other times and in such manner as the Committee considers advisable;
- report annually to the Board on the role of the Committee and the effectiveness of the Committee in contributing to the objectives and responsibilities of the Board as a whole;
- ensure that the members of the Committee understand and discharge their duties and obligations;
- foster ethical and responsible decision making by the Committee and its individual members;
- encourage Committee members to ask questions and express viewpoints during meetings;

- together with the Corporate Governance and Nominating Committee, oversee the structure, composition, membership and activities delegated to the Committee from time to time;
- ensure that resources and expertise are available to the Committee so that it may conduct its work effectively and efficiently and pre-approves work to be done for the Committee by consultants;
- facilitate effective communication between members of the Committee and management;
- encourage the Committee to meet in separate, regularly scheduled, non-management, closed sessions with the Independent Auditor;
- attend each meeting of shareholders to respond to any questions from shareholders as may be put to the Chair; and
- perform such other duties and responsibilities as may be delegated to the Chair by the Board from time to time.

B. The Committee

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the Independent Auditor as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee's duties.

The Committee is hereby delegated the duties and powers specified in Section 171 of the Act and, without limiting these duties and powers, the Committee will carry out the following responsibilities:

Financial Accounting and Reporting Process and Internal Controls

- review the annual audited financial statements to satisfy itself that they are presented in accordance with applicable Canadian accounting standards and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review and approve the interim financial statements prior to their being filed with the appropriate regulatory authorities. The Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the Independent Auditor as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
- review management's internal control report and the evaluation of such report by the Independent Auditor, together with management's response. The Committee shall assess the integrity of internal controls and financial reporting procedures and ensure implementation of such controls and procedures.
- review the financial statements, management's discussion and analysis relating to annual and interim financial statements, annual and interim earnings press releases and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws before the Corporation publicly discloses this information.

- be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, and periodically assess the adequacy of these procedures.
- meet no less frequently than annually with the Independent Auditor and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee deems appropriate.
- inquire of management and the Independent Auditor about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
- review the post-audit or management letter containing the recommendations of the Independent Auditor and management's response and subsequent follow-up to any identified weaknesses.
- oversee the Corporation's plans to adopt changes to accounting standards and related disclosure obligations.
- in consultation with the Corporate Governance and Nominating Committee, ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting and overseeing a corporate code of ethics for senior financial personnel.
- establish procedures for:
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
- provide oversight to related party transactions entered into by the Corporation.

Independent Auditor

- recommend to the Board for approval by shareholders, the selection, appointment and compensation of the Independent Auditor;
- be directly responsible for oversight of the Independent Auditor and the Independent Auditor shall report directly to the Committee.
- ensure the lead audit partner and the other audit partners (if any) at the Independent Auditor is replaced in compliance with applicable laws.
- be directly responsible for overseeing the work of the Independent Auditor, including the resolution of disagreements between management and the Independent Auditor regarding financial reporting.
- with reference to the procedures outlined separately in "Procedures for Approval of Non-Audit Services" (attached hereto as Appendix 'A'), pre-approve all audit and non-audit services not prohibited by law to be provided by the Independent Auditor.
- monitor and assess the relationship between management and the Independent Auditor and monitor, confirm, support and assure the independence and objectivity of the Independent Auditor. The Committee shall establish procedures to receive and respond to complaints with respect to accounting, internal accounting controls and auditing matters.

- review the Independent Auditor's audit plan, including scope, procedures, timing and staffing of the audit.
- review the results of the annual audit with the Independent Auditor, including matters related to the conduct of the audit, and receive and review the auditor's interim review reports.
- obtain timely reports from the Independent Auditor describing critical accounting policies and practices, alternative treatments of information within applicable Canadian accounting principles that were discussed with management, their ramifications, and the Independent Auditor' preferred treatment and material written communications between the Corporation and the Independent Auditor.
- review fees paid by the Corporation to the Independent Auditor and other professionals in respect of audit and non-audit services on an annual basis.
- review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former Auditor of the Corporation.

Other Responsibilities

- perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate;
- institute and oversee special investigations, as needed; and
- review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

Enacted April 3, 2014

Appendix “A”

Policy for Approval of Non-Audit Services

1. In the event that Pure Gold Mining Inc. (the “**Corporation**”) or a subsidiary of the Corporation wishes to retain the services of the Corporation’s Independent Auditor for services other than the annual audit (e.g. tax compliance, tax advice or tax planning, to meet the requirements of a regulatory filing or due diligence, to receive advice on various matters, etc.), the Chief Financial Officer of the Corporation shall consult with the Audit Committee of the Board of Directors (the “**Committee**”), who shall have the authority to approve or disapprove such non-audit services. The Chair of the Committee has the authority to approve or disapprove such non-audit services on behalf of the Committee, and shall advise Committee of such pre-approvals no later than the time of the next meeting of the Committee following such pre-approval having been given.
2. The Committee, or the Chair of the Committee, as appropriate, shall confer with the Independent Auditor regarding the nature of the services to be provided and shall not approve any services that would be considered to impair the independence of the Independent Auditor. For greater clarity, the following is a non-exhaustive list of the categories of non-audit services that would be considered to impair the independence of the Independent Auditor:
 - (a) bookkeeping or other services related to or requiring management decisions in connection with the Corporation’s accounting records or financial statements;
 - (b) financial information systems design and implementation;
 - (c) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
 - (d) actuarial services;
 - (e) internal audit outsourcing services;
 - (f) management functions;
 - (g) human resources;
 - (h) broker or dealer, investment adviser or investment banking services;
 - (i) legal services;
 - (j) expert services unrelated to the audit; and
 - (k) any other service that the Canadian Public Accountability Board or any other applicable regulatory authority determines is impermissible.
3. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee any services pre-approved since the last report, at each meeting and no less frequently than on a quarterly basis.
4. In accordance with the requirements set forth under the “Exemption for minimal non-audit services” provided by Section 2.3(4) of National Instrument 52-110 – *Committees*, whereby the Independent Auditor has commenced a service and:
 - (a) the Corporation or the subsidiary entity of the Corporation, as the case may be, and the Independent Auditor did not recognize the services as non-audit services at the time of the engagement;
 - (b) once recognized as non-audit services, the services are promptly brought to the attention of the Committee and approved by the Committee prior to the completion of the audit; and

- (c) the aggregate fees for the non-audit services not previously approved are immaterial in comparison to the aggregate fees paid by the Corporation to the Corporation's Independent Auditor during the financial year in which the services are provided,

such services shall be exempted from the requirements for pre-approval of non-audit services set out in this Policy.

SCHEDULE "C"
ADVANCE NOTICE POLICY

PURE GOLD MINING INC.

INTRODUCTION

Pure Gold Mining Inc. (the "**Corporation**") is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote.

The purpose of this Advance Notice Policy (the "**Policy**") is to provide shareholders, directors and management of the Corporation with direction on the nomination of directors. This Policy is the framework by which the Corporation seeks to fix a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or, if applicable, special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form.

It is the position of the Corporation that this Policy is beneficial to shareholders and other stakeholders. This Policy will be subject to an annual review and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

NOMINATIONS OF DIRECTORS

1. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - a. by or at the direction of the Board, including pursuant to a notice of meeting;
 - b. by or at the direction or request of one or more shareholders pursuant to a proposal made in accordance with the provisions of the *Business Corporations Act* (British Columbia) (the "**Act**"), or a requisition of the shareholders made in accordance with the provisions of the Act; or
 - c. by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the Notice Date (as defined below) and on the record date for notice at such meeting, is entered in the securities register as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Policy.
2. In addition to any other applicable requirements, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given timely notice thereof in proper written form to the Corporate Secretary of the Corporation at the principal executive offices of the Corporation in accordance with the provisions of this Policy.
3. To be timely, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must be made:
 - a. in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement (as defined below) of the date of the annual meeting was made, notice by the Nominating Shareholder may be made not later than the close of business on the tenth (10th) day following the later of: (i) the date of the public announcement (as defined below) of this Policy; and (ii) the Notice Date in respect of such meeting; or

- b. in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement (as defined below) of the date of the special meeting of shareholders was made.
4. To be in proper written form, a Nominating Shareholder's notice to the Corporate Secretary of the Corporation must set forth:
 - a. as to each person whom the Nominating Shareholder proposes to nominate for election as a director: (A) the name, age, business address and residential address of the person; (B) the principal occupation or employment of the person; (C) the class or series and number of shares in the capital of the Corporation which are controlled or which are owned beneficially or of record by the person as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice; and (D) any other information relating to the person that would be required to be disclosed in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below); and
 - b. as to the Nominating Shareholder giving the notice, any proxy, contract, arrangement, understanding or relationship pursuant to which such Nominating Shareholder has a right to vote any shares of the Corporation and any other information relating to such Nominating Shareholder that would be required to be made in a dissident's proxy circular in connection with solicitations of proxies for election of directors pursuant to the Act and Applicable Securities Laws (as defined below).
5. In addition, to be considered timely and in proper written form, a Nominating Shareholder's notice shall be promptly updated and supplemented, if necessary, so that the information provided or required under this Policy to be provided in such notice shall be true and correct as of the record date for the meeting.
6. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the provisions of this Policy; provided, however, that nothing in this Policy shall be deemed to preclude discussion by a shareholder (as distinct from the nomination of directors) at a meeting of shareholders of any matter in respect of which it would have been entitled to submit a proposal pursuant to the provisions of the Act. The Chair of the meeting shall have the power and duty to determine whether a nomination was made in accordance with the procedures set forth in the foregoing provisions and, if any proposed nomination is not in compliance with such foregoing provisions, to declare that such defective nomination shall be disregarded.
7. For purposes of this Policy:
 - a. "**public announcement**" shall mean disclosure in a press release reported by a national news service in Canada, or in a document publicly filed by the Corporation under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com; and
 - b. "**Applicable Securities Laws**" means the applicable securities legislation of each relevant province and territory of Canada, as amended from time to time, the rules, regulations and forms made or promulgated under any such statute and the published national instruments, multilateral instruments, policies, bulletins and notices of the securities commission and similar regulatory authority of each province and territory of Canada.
8. Notwithstanding any other provision of this Policy, notice given to the Corporate Secretary of the Corporation pursuant to this Policy may only be given by personal delivery, facsimile transmission or by email (at such email address as stipulated from time to time by the Corporate Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received) to the Corporate Secretary at the address of the principal executive offices of the Corporation; provided that if such delivery or electronic communication is made on a day which is a not

a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the subsequent day that is a business day.

9. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

This Policy was originally approved by the Board on February 3, 2014 and subsequently amended and re-approved on April 8, 2016 and further on February 14, 2017.

SCHEDULE "D"
STOCK OPTION PLAN

1. PURPOSE OF THE PLAN

The Corporation hereby establishes a stock option plan for directors, officers, Employees, Management Corporation Employees and Consultants of the Corporation and its subsidiaries (collectively, "Eligible Persons"), to be known as the "Fiscal 2020 Stock Option Plan" (the "Plan"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Corporation by granting to such individuals options, exercisable over periods of up to ten (10) years as determined by the Board, to buy shares of the Corporation at a price not less than the Market Price prevailing on the date the option is granted less any applicable discount permitted by the TSX Policies and approved by the Board.

2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 **"Associate"** means an "Associate" as defined in the TSX Policies.
- 2.2 **"Board"** means the Board of Directors of the Corporation as constituted from time to time.
- 2.3 **"Change of Control"** means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the Securities Act) of the Corporation, which, when added to all other voting securities of the Corporation at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Corporation or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board.
- 2.4 **"Corporation"** means Laurentian Goldfields Ltd. and its successors.
- 2.5 **"Consultant"** means a "Consultant" as defined in the TSX Policies.
- 2.6 **"Consultant Corporation"** means a "Consultant Corporation" as defined in the TSX Policies.
- 2.7 **"Disability"** means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
 - (a) being employed or engaged by the Corporation, its subsidiaries or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Corporation or its subsidiaries; or
 - (b) acting as a director or officer of the Corporation or its subsidiaries.
- 2.8 **"Discounted Market Price"** means, in respect of Shares on a particular grant date, the Market Price less the maximum discount permitted by the Exchanges applicable to incentive stock options.
- 2.9 **"Disinterested Shareholder Approval"** means approval by a majority of the votes attaching to shares voted at a meeting of shareholders of the Corporation, excluding the votes attaching to shares held by persons with an interest in the subject matter of the resolution, in accordance with TSX Policies.
- 2.10 **"Eligible Persons"** has the meaning given to that term in section 1 hereof.
- 2.11 **"Employee"** means an "Employee" as defined in the TSX Policies.

- 2.12 "**Exchanges**" means the TSX Venture Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.13 "**Expiry Date**" means the date set by the Board under paragraph 3.1 of the Plan as the last date on which an Option may be exercised, as may be extended in accordance with paragraph 4.5 of the Plan.
- 2.14 "**Grant Date**" means the date specified in an Option Agreement as the date on which an Option is granted.
- 2.15 "**Insider**" means an "Insider" as defined in the TSX Policies.
- 2.16 "**Investor Relations Activities**" means "Investor Relations Activities" as defined in the TSX Policies.
- 2.17 "**Joint Actor**" means a person "acting jointly or in concert" with another person as that phrase is interpreted in Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*.
- 2.18 "**Management Corporation Employee**" means a "Management Corporation Employee" as defined in the TSX Policies.
- 2.19 "**Market Price**" of Shares at any Grant Date means the last closing price per Share on the last day on which Shares were traded prior to the day on which the Corporation announces the grant of the Option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, "Market Price" of Shares means the price per Share on the over-the-counter market determined by dividing the aggregate sale price of the Shares sold by the total number of such Shares so sold on the applicable market for the last day prior to the Grant Date.
- 2.20 "**Option**" means an option to purchase Shares granted pursuant to, or otherwise subject to, this Plan.
- 2.21 "**Option Agreement**" means an agreement, in the form attached hereto as Schedule "A", whereby the Corporation grants to an Optionee an Option.
- 2.22 "**Optionee**" means each of the Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.23 "**Option Price**" means the exercise price of an Option, being the price per Share at which the Optionee may acquire Option Shares pursuant to the exercise of such Option, such price to be specified in the Option Agreement for such Option, as adjusted from time to time in accordance with the provisions of section 5.
- 2.24 "**Option Shares**" means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.25 "**Plan**" means this Fiscal 2020 Stock Option Plan.
- 2.26 "**Securities Act**" means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.27 "**Shares**" means the common shares in the capital of the Corporation as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, "Shares" shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.

- 2.28 **"TSX Policies"** means the policies included in the TSX Venture Exchange Corporate Finance Manual and **"TSX Policy"** means any one of them, and such terms include the policies of any other stock exchange or quotation system on which the Shares may be listed or quoted.
- 2.29 **"Unissued Option Shares"** means the number of Shares, at a particular time, which have been reserved for issuance upon the exercise of an Option but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.30 **"Vested"** means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

3. GRANT OF OPTIONS

3.1 Option Terms

The Board may from time to time authorize the grant of Options to Eligible Persons. The Option Price of each Option shall be not less than the Discounted Market Price on the Grant Date provided that if an Option is granted within 90 days of the distribution of Shares by the Corporation pursuant to a prospectus, the Option Price must be the greater of the Discounted Market Price and the per share price paid for Shares acquired under such distribution. The 90 day period begins: (a) on the date a final receipt is issued for the prospectus, or, in the case of an initial public offering of Shares, on the date of listing of the Shares; or (ii) in the case of a prospectus that qualifies the distribution of Shares upon the exercise of special warrants, on the date of issuance of such special warrants.

The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten (10) years after the Grant Date, subject to the operation of paragraph 4.5. Options shall not be assignable (or transferable) by the Optionee.

3.2 Previously Granted Options

In the event that on the date this Plan is implemented and effective (the **"Effective Date"**) there are outstanding stock options (the **"Pre-Existing Options"**) that were previously granted by the Corporation pursuant to any stock option plan in place prior to the Effective Date (a **"Pre-Existing Plan"**), all such Pre-Existing Options shall, effective as of the Effective Date, be governed by and subject to the terms of the Plan.

3.3 Limits on Shares Issuable on Exercise of Options

At the time of grant of any Option, the aggregate number of Shares reserved for issuance under the Plan which may be made subject to Options at any time and from time to time (including those issuable upon the exercise of Pre-Existing Options) shall not exceed 10% of the total number of issued and outstanding Shares, on a non-diluted basis, as constituted on the Grant Date of such Option.

Any Shares subject to an Option which has been granted under the Plan and which has been subsequently cancelled or terminated in accordance with the terms of the Plan, without having been exercised, will again be available for issuance pursuant to the exercise of Options granted under the Plan.

The number of Shares which may be issuable under the Plan, together with all of the Corporation's other previously established or proposed share compensation arrangements, within a one-year period:

- (a) to any one Optionee, shall not exceed 5% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit, if required by TSX Policies;

- (b) to Insiders as a group shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis, unless the Corporation has obtained Disinterested Shareholder Approval to exceed such limit, if required by TSX Policies;
- (c) to any one Consultant shall not exceed 2% of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis; and
- (d) to all Eligible Persons who undertake Investor Relations Activities shall not exceed 2% in the aggregate of the total number of issued and outstanding Shares on the Grant Date on a non-diluted basis.

3.4 Option Agreements

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Corporation the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. In respect of Options granted to Employees, Consultants, Consultant Companies or Management Corporation Employees, such person is required to be, and the Corporation will represent in the applicable Option Agreement, that the Optionee is a bona fide Employee, Consultant, Consultant Corporation or Management Corporation Employee, as the case may be, of the Corporation or its subsidiary. The execution of an Option Agreement by the Corporation shall constitute conclusive evidence that the Option issued thereunder has been issued in compliance with this Plan.

4. EXERCISE OF OPTION

4.1 When Options May be Exercised

Subject to paragraphs 4.3, 4.4 and 4.5, an Option may be exercised to purchase any number of Option Shares up to the number of Vested Unissued Option Shares at any time after the Grant Date up to 4:00 p.m. Pacific Standard Time on the Expiry Date and shall not be exercisable thereafter.

4.2 Manner of Exercise

The Option shall be exercisable by delivering to the Corporation a written notice specifying the number of Option Shares in respect of which the Option is being exercised together with payment in full of the Option Price for each such Option Share. Upon receipt of such notice and payment by the Corporation, there will be a binding contract for the issue of the Option Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheque payable to the Corporation in the amount of the Option Price shall constitute payment of the Option Price unless the cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

4.3 Vesting of Option Shares

The Board, subject to the policies of the Exchanges, may determine and impose terms upon which each Option shall become vested in respect of Option Shares. Unless otherwise specified by the Board at the time of granting an Option, and subject to the other limits on Option grants set out in paragraph 3.3 hereof, all Options granted under the Plan shall vest and become exercisable in full upon grant, except Options granted to Consultants performing Investor Relations Activities, which Options must vest in stages over twelve months with no more than one-quarter of the Options vesting in any three month period. Notwithstanding the foregoing, in the event that a Pre-Existing Plan imposed vesting requirements on a Pre-Existing Option, such vesting requirements must be satisfied before any such Pre-Existing Options shall become vested.

4.4 Termination of Employment

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows (subject to any extension that may be approved by the Board and permitted by TSX Policies):

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is a corporation, the death or Disability of the person who provides management or consulting services to the Corporation or to any entity controlled by the Corporation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) The Expiry Date;

(b) Termination For Cause

If the Optionee ceases to be an Eligible Person as a result of "termination for cause" of such Optionee by the Corporation or its subsidiary (or in the case of an Optionee who is a Management Corporation Employee or Consultant, by the Optionee's employer), as that term is interpreted by the courts of the jurisdiction in which the Optionee is employed or engaged, any outstanding Option held by such Optionee on the date of such termination, whether in respect of Option Shares that are Vested or not, shall be cancelled as of that date.

(c) Early Retirement, Voluntary Resignation or Termination Other than For Cause

If the Optionee ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Corporation's retirement policy then in force, or due to his or her voluntary resignation, or to his or her termination by the Corporation or its subsidiary other than for cause (or, in the case of an Optionee who is a Management Corporation Employee or a Consultant, the termination of the corporation providing management or consultant services to the Corporation or its subsidiary), any outstanding Option then held by such Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of: (i) the Expiry Date; and (ii) the date that is 90 days (or 30 days if the Optionee was engaged in Investor Relations Activities) after the Optionee ceases to be an Eligible Person.

(d) Spin-Out Transactions

If pursuant to the operation of sub-paragraph 5.3(c) an Optionee receives options (the "**New Options**") to purchase securities of another corporation (the "**New Corporation**") in respect of the Optionee's Options (the "**Subject Options**"), the New Options shall expire on the earlier of: (i) the Expiry Date of the Subject Options; (ii) if the Optionee does not become an Eligible Person in respect of the New Corporation, the date that the Subject Options expire pursuant to sub-paragraph 4.4(a), (b) or (c), as applicable; (iii) if the Optionee becomes an Eligible Person in respect of the New Corporation, the date that the New Options expire pursuant to the terms of the New Corporation's stock option plan that correspond to sub-paragraphs 4.4(a), (b) or (c) hereof; and (iv) the date that is two (2) years after the Optionee ceases to be an Eligible Person in respect of the New Corporation or such shorter period as determined by the Board.

For purposes of this paragraph 4.4, the dates of death, Disability, termination, retirement, voluntary resignation, ceasing to be an Eligible Person and incapacity shall be interpreted to be without regard to any period of notice (statutory or otherwise) or whether the Optionee or his or her estate continues thereafter to receive any compensatory payments from the Corporation or is paid salary by the Corporation in lieu of notice of termination.

For greater certainty, an Option that had not become Vested in respect of certain Unissued Option Shares at the time that the relevant event referred to in this paragraph 4.4 occurred, shall not be or become Vested or exercisable in respect of such Unissued Option Shares and shall be cancelled.

4.5 Extension of Expiry Date During Black-Out Period

If the Expiry Date in respect of any Option occurs during or within five (5) trading days following a trading black-out period imposed by the Corporation, the Expiry Date of the Option shall be automatically extended to the date that is ten (10) trading days following the end of such black-out period (the "**Extension Period**"); provided that if an additional black-out period is subsequently imposed by the Corporation during the Extension Period, then such Extension Period shall be deemed to commence following the end of such additional black-out period to enable the exercise of such Options within ten (10) trading days following the end of the last imposed black-out period.

4.6 Effect of a Take-Over Bid

If a *bona fide* offer (an "**Offer**") for Shares is made to the Optionee or to shareholders of the Corporation generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Corporation, within the meaning of subsection 1(1) of the Securities Act, the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon (subject to the approval of the Exchanges) all Option Shares subject to such Option will become Vested and the Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of sub-paragraph (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Corporation and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised and the terms upon which such Option Shares were to become Vested pursuant to paragraph 4.3 shall be reinstated. If any Option Shares are returned to the Corporation under this paragraph 4.6, the Corporation shall immediately refund the exercise price to the Optionee for such Option Shares.

4.7 Acceleration of Expiry Date

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Board may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer provided that any accelerated vesting of Options granted to Consultants performing Investor Relations Activities shall be subject to the prior written approval of the Exchanges. The Board shall give each Optionee as much notice as possible of the acceleration of the Options under this paragraph, except that not less than 5 business days and not more than 35 days' notice is required.

4.8 Compulsory Acquisition or Going Private Transaction

If and whenever, following a take-over bid or issuer bid, there shall be a compulsory acquisition of the Shares of the Corporation pursuant to Division 6 of the *Business Corporations Act* (British Columbia) or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in Section 8.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, an Optionee shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Shares to which such Optionee was theretofore entitled to purchase upon the exercise of his or her Options, the aggregate amount of cash, shares, other securities or other property which such Optionee would have been entitled to receive as a result of such bid if he or she had tendered such number of Shares to the take-over bid.

4.9 Effect of a Change of Control

If a Change of Control occurs, all Option Shares subject to each outstanding Option will become vested, whereupon such Option may be exercised in whole or in part by the Optionee, subject to the approval of the Exchanges, if necessary.

4.10 Exclusion From Severance Allowance, Retirement Allowance or Termination Settlement

If the Optionee retires, resigns or is terminated from employment or engagement with the Corporation or any subsidiary of the Corporation (including, in the case of a Management Corporation Employee or Consultant, termination of the corporation providing such management or consulting services to the Corporation or its subsidiary), the loss or limitation, if any, pursuant to the Option Agreement with respect to the right to purchase Option Shares which were not Vested at that time or which, if Vested, were cancelled, shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

4.11 Shares Not Acquired

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired may be made the subject of a further Option pursuant to the provisions of the Plan.

5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES

5.1 Share Reorganization

Whenever the Corporation issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a "**Share Reorganization**") then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
 - (i) the Option Price in effect immediately before that effective date or record date; and
 - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in clause (a)(ii).

5.2 Special Distribution

Subject to the prior approval of the Exchanges, whenever the Corporation issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares;

- (a) shares of the Corporation, other than the Shares;
- (b) evidences of indebtedness;

- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board has determined to be outside the normal course); or
- (d) rights, options or warrants;

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a "**Special Distribution**"), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, and the number of Unissued Option Shares will be correspondingly increased, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

5.3 Corporate Organization

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Corporation, other than as described in paragraphs 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Corporation with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities;
- (c) an arrangement or other transaction under which, among other things, the business or assets of the Corporation become, collectively, the business and assets of two or more companies with the same shareholder group upon the distribution to the Corporation's shareholders, or the exchange with the Corporation's shareholders, of securities of the Corporation, or securities of another corporation, or both; or
- (d) a transaction whereby all or substantially all of the Corporation's undertaking and assets become the property of another corporation;

(any such event being herein called a "**Corporate Reorganization**") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the Board.

5.4 Determination of Option Price and Number of Unissued Option Shares

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Corporation's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the Board may designate and who will have access to all appropriate records and such determination will be binding upon the Corporation and all Optionees.

5.5 Regulatory Approval

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of paragraphs 5.1, 5.2 or 5.3 is subject to the approval of the Exchanges and any other governmental authority having jurisdiction.

6. MISCELLANEOUS

6.1 Right to Employment

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Corporation or any subsidiary of the Corporation or interfere in any way with the right of the Corporation or any subsidiary of the Corporation to terminate such employment.

6.2 Necessary Approvals

The Plan shall be effective only upon the approval of the shareholders of the Corporation given by way of an ordinary resolution. Any Options granted under this Plan prior to such approval shall only be exercised, to the extent to which such Options are vested, upon the receipt of such approval. Disinterested Shareholder Approval (as required by the Exchanges) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Corporation at the time of the proposed amendment. The obligation of the Corporation to sell and deliver Shares in accordance with the Plan is subject to the approval of the Exchanges and any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to obtain such approval, then the obligation of the Corporation to issue such Shares shall terminate and any Option Price paid by an Optionee to the Corporation shall be immediately refunded to the Optionee by the Corporation.

6.3 Administration of the Plan

The Board shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in paragraph 5.4, the interpretation and construction of any provision of the Plan by the Board shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Corporation and all costs in respect thereof shall be paid by the Corporation.

6.4 Income Taxes

As a condition of and prior to participation in the Plan, any Optionee shall on request authorize the Corporation in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

6.5 Amendments to the Plan

The Board may from time to time, subject to applicable law and to the prior approval, if required, of the shareholders, the Exchanges or any other regulatory body having authority over the Corporation or the Plan, suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or of any Option granted under the Plan and the Option Agreement relating thereto, provided that no such amendment, revision, suspension, termination or discontinuance shall in any manner adversely affect any Option previously granted to an Optionee under the Plan without the consent of that Optionee.

6.6 Form of Notice

A notice given to the Corporation shall be in writing, signed by the Optionee and delivered to the head business office of the Corporation.

6.7 No Representation or Warranty

The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

6.8 Compliance with Applicable Law

If any provision of the Plan or any Option Agreement contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Corporation or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

6.9 No Assignment

No Optionee may transfer or assign any of his or her rights under the Plan or any Option granted thereunder.

6.10 Rights of Optionees

An Optionee shall have no rights whatsoever as a shareholder of the Corporation in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

6.11 Conflict

In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

6.12 Governing Law

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the province of British Columbia.

6.13 Time of Essence

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

6.14 Entire Agreement

This Plan and the Option Agreement sets out the entire agreement between the Corporation and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

**SCHEDULE “E”
RESTRICTED SHARE UNIT PLAN**

**ARTICLE 1
GENERAL PROVISIONS**

1.1 Purpose

This Restricted Share Unit Plan is established as a vehicle by which equity-based incentives may be awarded to the employees, consultants and officers of the Company, to recognize and reward their significant contributions to the long-term success of the Company including to align the employees’, consultants’ and officers’ interests more closely with the shareholders of the Company.

1.2 Definitions

As used in the Plan, the following terms have the following meanings:

- (a) **“Blackout Period”** means a period of time imposed by the Company, pursuant to the Company's policies, upon certain designated persons during which those persons may not trade in any securities of the Company;
- (b) **“Board”** means the Board of Directors of the Company;
- (c) **“Business Day”** means any day that is not a Saturday, Sunday or a holiday (as defined in the *Interpretation Act* (Canada)) in Vancouver, British Columbia;
- (d) **“Cash Consideration”** has the meaning ascribed thereto in Section 3.2(b);
- (e) **“Change of Control”** means the occurrence of any of the following events:
 - (i) the acquisition by any persons acting jointly or in concert (as determined in accordance with the *Securities Act* (British Columbia)), whether directly or indirectly, of voting securities of the Company that, together with all other voting securities of the Company held by such persons, constitute in the aggregate more than 50% of all outstanding voting securities of the Company;
 - (ii) an amalgamation, arrangement or other form of business combination of the Company with another company that results in the holders of voting securities of that other company holding, in the aggregate, more than 50% of all outstanding voting securities of the Company resulting from the business combination;
 - (iii) the sale, lease or exchange of all or substantially all of the property of the Company to another person, other than in the ordinary course of business of the Company or to a related entity; or
 - (iv) any other transaction that is deemed to be a “Change of Control” for the purposes of this Plan by the Board in its sole discretion;
- (f) **“Committee”** means the Compensation Committee of the Board or such other persons designated by the Board to determine the grants of Restricted Share Units and administer this Plan;
- (g) **“Code”** means the United States Internal Revenue Code of 1986, as amended;
- (h) **“Common Share”** means a common share in the capital of the Company;

- (i) “**Company**” means Pure Gold Mining Inc. and its successors and assigns;
- (j) “**Consultant**” means a “Consultant” or “Consultant Company” as defined in the TSXV Policies;
- (k) “**Disinterested Shareholder**” means a holder of Common Shares that is not an insider (as defined in the *Securities Act* (British Columbia)) nor an associate (as defined in the *Securities Act* (British Columbia)) of an insider;
- (l) “**Dividend**” means a dividend declared and payable on a Common Share in accordance with the Company’s dividend policy as the same may be amended from time to time (an “**Ordinary Dividend**”), and may, in the discretion of the Committee include a special or stock dividend (a “**Special Dividend**”), and may, in the discretion of the Committee, include a Special Dividend declared and payable on a Common Share;
- (m) “**Eligible Person**” means any Employee, Consultant or Officer who is designated as an Eligible Person pursuant to Section 2.1;
- (n) “**Employee**” means an employee of the Company;
- (o) “**Exchange**” means, collectively, the TSX Venture Exchange, any successor thereto and any other stock exchange or trading facilities through which the Common Shares trade or are quoted from time to time;
- (p) “**Fair Market Value**” means the closing price of the Common Shares on the Exchange on the Business Day immediately prior to the relevant date, or if the Common Shares are not listed on the Exchange, then on such other stock exchange or quotation system as may be selected by the Committee, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Committee in its sole discretion acting in good faith;
- (q) “**Grant Date**” means any date determined from time to time by the Committee as a date on which a grant of Restricted Share Units will be made to one or more Eligible Persons under this Plan;
- (r) “**Investor Relations Activities**” shall have the meaning ascribed to such term in the TSXV Policies;
- (s) “**Officer**” means an officer of the Company that has been duly appointed by the Board;
- (t) “**Plan**” means this Restricted Share Unit Plan, as amended from time to time;
- (u) “**Redemption Date**” in respect of any Restricted Share Unit means (i) the date as determined by the Committee in its sole discretion and provided for in the Grant Agreement, or (ii) if no date is set, the third anniversary of the Grant Date on which such Restricted Share Unit was granted to the Eligible Person, unless (iii) Section 3.6, 4.1, 4.2 or 6.2 is applicable, in which case the Redemption Date(s) in respect of such Restricted Share Unit shall be the date(s) established as such in accordance with the applicable Section. Such date shall, in all cases, be in compliance with the requirements pertaining to the exception to the application of the salary deferral arrangement rules in paragraph (k) of the definition of “salary deferral arrangement” in subsection 248(1) of the *Income Tax Act* (Canada), as such subsection may be amended or enacted from time to time. For U.S. Taxpayers, except as otherwise set forth in this Plan, the Redemption Date shall be set on the Grant Date and shall not be adjusted;
- (v) “**Reorganization**” means any declaration of any stock dividend (other than a Special Dividend in respect of which the Committee, in its discretion, determines that Eligible Persons are to be paid pursuant to Section 3.5), stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution

(other than Ordinary Dividends) of the Company assets to shareholders or any other similar corporate transaction or event which the Board determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Eligible Persons under this Plan;

- (w) “**Restricted Share Unit**” means one notional Common Share (without any of the attendant rights of a shareholder of such Common Share, including, without limitation, the right to vote such Common Share and the right to receive dividends thereon, except to the extent otherwise specifically provided herein) credited by bookkeeping entry to a notional account maintained by the Company in respect of an Eligible Person in accordance with this Plan;
- (x) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;
- (y) “**Subsidiary**” has the meaning set out in the *Securities Act* (British Columbia);
- (z) “**TSXV Policies**” means the policies included in the TSX Venture Exchange Corporate Finance Manual and “**TSXV Policy**” means any one of them; and
- (aa) “**U.S. Taxpayer**” means an Eligible Person who is at the relevant time subject to Section 409A of the Code.

1.3 Effective Date

The Plan shall be effective [●], 2020; provided that no Common Shares may be issued under the Plan until and unless all required Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of the Common Shares hereunder.

1.4 Governing Law; Subject to Applicable Regulatory Rules

The Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The provisions of the Plan shall be subject to the applicable by-laws, rules and policies of the Exchange and applicable securities legislation.

ARTICLE 2 ELIGIBILITY AND PARTICIPATION

2.1 Eligibility

This Plan applies to those Employees, Consultants and Officers whom the Committee designates as eligible for a grant of Restricted Share Units pursuant to Section 3.1. The Committee shall make such a designation prior to each Grant Date.

2.2 Rights Under the Plan

Subject to Article 4 and Article 5, an Eligible Person who has been granted Restricted Share Units shall continue to have rights in respect of such Restricted Share Units until such Restricted Share Units have been redeemed for Common Shares and/or Cash Consideration, as applicable, in accordance with this Plan.

2.3 Copy of the Plan

The Company shall provide each Eligible Person with a copy of this Plan following the initial grant of Restricted Share Units to such Eligible Person and shall provide each Eligible Person with a copy of all amendments to this Plan.

2.4 Limitation on Rights

Nothing in this Plan shall confer on any Employee, Consultant or Officer any right to be designated as an Eligible Person or to be granted any Restricted Share Units. There is no obligation for uniformity of treatment of Eligible Persons or any group of Employees, Consultants Officers or Eligible Persons, whether based on salary or compensation, grade or level or organizational position or level or otherwise. A grant of Restricted Share Units to an Eligible Person on one or more Grant Dates shall not be construed to create a right to a grant of Restricted Share Units on a subsequent Grant Date.

2.5 Grant Agreements

Each grant of Restricted Share Units shall be evidenced by a written agreement (a “**Grant Agreement**”) executed by the Eligible Person in substantially the form appended as Schedule A hereto. An Eligible Person will not be entitled to any grant of Restricted Share Units or any benefit of this Plan unless the Eligible Person agrees with the Company to be bound by the provisions of this Plan. By entering into an agreement described in this Section 2.5, each Eligible Person shall be deemed conclusively to have accepted and consented to all terms of this Plan and all bona fide actions or decisions made by the Committee. Such terms and consent shall also apply to and be binding on the legal representative, beneficiaries, heirs and successors of each Eligible Person.

2.6 Participation Limits

- (a) The number of Common Shares which may be reserved for issuance under the Plan shall not exceed 7,000,000 Common Shares, subject to adjustment in accordance with Section 3.6 or such greater number of Common Shares as shall have been duly approved by the Board and, if required by the TSXV Policies or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.
- (b) The number of Common Shares which may be reserved for issuance under the Plan, in combination with the aggregate number of Common Shares which may be issuable under any other Share Compensation Arrangement, including the Company’s stock option plan and deferred share unit plan, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, or such greater number of Common Shares as shall have been duly approved by the Board and, if required, by the TSXV Policies (if applicable) or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.
- (c) If and for so long as the Company’s Common Shares are listed on the Exchange, the number of Common Shares which may be issuable under the Plan and any other Share Compensation Arrangement, within any one-year period:
 - (i) to any one Eligible Person, shall not exceed 5% of the total number of issued and outstanding Common Shares on the Grant Date on a non-diluted basis;
 - (ii) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on the Grant Date on a non-diluted basis; and
 - (iii) to any one Consultant, shall not exceed 2% of the total number of issued and outstanding Common Shares on a non-diluted basis.

- (d) If and for so long as the Company's Common Shares are listed on the Exchange, no Common Shares shall be issuable under the Plan to any Eligible Person whose role and duties primarily consist of Investor Relations Activities.

2.7 No Fractional Shares

No fractional Common Shares may be issued under the Plan. In the event the number of Common Shares to be issued upon the redemption of Restricted Share Units is a fraction, the respective Eligible Person will receive the next lowest whole number of Common Shares and will not receive any other form of compensation (cash or otherwise) for the fractional interest.

ARTICLE 3 RESTRICTED SHARE UNITS

3.1 Grant of Restricted Share Units

On each Grant Date, the Committee shall designate Eligible Persons and determine the number of Restricted Share Units to be granted to each Eligible Person in the Committee's sole discretion. Concurrent with the determination to grant Restricted Share Units to an Eligible Person, the Committee shall determine the Redemption Date applicable to such Restricted Share Units. In addition, the Committee may, at its sole discretion, at the time of the grant of Restricted Share Units, make such Restricted Share Units subject to performance conditions to be achieved by the Company, the Eligible Person or a class of Eligible Persons, prior to the Redemption Date, for such Restricted Share Units to entitle the holder thereof to receive the Common Shares or cash thereunder.

3.2 Redemption of Restricted Share Units

Unless redeemed earlier in accordance with this Plan, the Restricted Share Units of each Eligible Person will be redeemed on or about (but not later than 30 days following) each applicable Redemption Date, and the Eligible Person will be entitled to receive and the Company will issue and/or pay to the Eligible Person, as applicable:

- (a) a number of Common Shares equal to the number of Restricted Share Units (net of any applicable statutory withholdings) that have vested on the Redemption Date(s);
- (b) a cash amount, payable by way of certified cheque, bank draft, wire transfer or such other means as the Committee may determine in its sole discretion, equal to the number of Common Shares set out in subsection (a) above multiplied by the Fair Market Value on the applicable Redemption Date (the "**Cash Consideration**") (net of any applicable statutory withholdings); or
- (c) a combination of (a) and (b),

as determined by the Committee in its sole discretion.

3.3 Blackout Period

In the event the Redemption Date, determined in accordance with the Plan occurs during a Blackout Period applicable to the relevant Eligible Person, then the Redemption Date, as applicable, shall be the date that is the tenth Business Day after the expiry of the Blackout Period; provided, however, that in the case of a U.S. Taxpayer, the change in the Redemption Date does not violate Section 409A of the Code.

3.4 Withholding Taxes

The Company may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Company is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Common Share and/or Cash Consideration including, without limiting the generality of the foregoing, the

withholding of the issue of Common Shares and/or the withholding of all or any portion of any payment of the Cash Consideration, as applicable, to be issued and/or paid under the Plan, until such time as the Eligible Person has paid the Company for any amount which the Company is required to withhold with respect to such taxes or other amounts. Without limitation to the foregoing, the Committee may, if applicable, adopt administrative rules under the Plan which provide for the sale of Common Shares (or a portion thereof) in the market upon the issuance of such Common Shares under the provisions of the Plan to satisfy withholding obligations under the Plan.

3.5 *Payment of Dividend Equivalents*

When Dividends are paid on Common Shares, an Eligible Person shall be credited with Dividend equivalents in respect of the Restricted Share Units credited to the Eligible Person's account as of the record date for payment of Dividends and no payment in cash should be made to any Eligible Person with respect to such Dividend equivalent. Such Dividend equivalents shall be converted into additional Restricted Share Units (including fractional Restricted Share Units) based on the Fair Market Value per Common Share on the date credited and redeemed on the Redemption Date, of the Restricted Share Unit with respect to which the Dividend equivalent was granted.

3.6 *Adjustments*

If any change occurs in the outstanding Common Shares by reason of a Reorganization, the Committee, in its sole discretion, and without liability to any person, shall make such equitable changes or adjustments, if any, as it considers appropriate, in such manner as the Committee may consider equitable, to reflect such change or event including, without limitation, adjusting the number of Restricted Share Units credited to Eligible Persons and outstanding under the Plan, provided that any such adjustment will not otherwise extend the Redemption Date otherwise applicable. The Company shall give notice to each Eligible Person of any adjustment made pursuant to this section and, upon such notice, such adjustment shall be conclusive and binding for all purposes. The existence of outstanding Restricted Share Units shall not affect in any way the right or power and authority of the Company or its shareholders to make or authorize any alteration, recapitalization, reorganization or any other change in the Company's capital structure or its business or any merger or consolidation of the Company, any issue of bonds, debentures or preferred or preference shares (ranking ahead of the Common Shares or otherwise) or any right thereto, or the dissolution or liquidation of the Company, any sale or transfer of all or any part of its assets or business or any corporate act or proceeding whether of a similar character or otherwise.

3.7 *Offer of Common Shares - Change of Control*

Notwithstanding anything else herein to the contrary, subject to prior approval of the Exchange if required, in the event of a Change of Control, then the Redemption Date shall be deemed to be the date on which the Change of Control occurs, and all Restricted Share Units granted to the Eligible Persons and outstanding under the Plan shall immediately vest and be paid out in accordance with Section 3.2.

ARTICLE 4 EVENTS AFFECTING ENTITLEMENT

4.1 *Termination of Employment*

- (a) **Voluntary Termination or Termination for Cause.** If an Eligible Person is terminated by the Company for cause (as determined by the Company), or if an Eligible Person, voluntarily terminates employment for any reason prior to a Redemption Date, all of the Eligible Person's Restricted Share Units shall be cancelled and no amount shall be paid by the Company to the Eligible Person in respect of the Restricted Share Units so cancelled.
- (b) **Involuntary Termination.** The Restricted Share Units of an Eligible Person which have vested who is involuntarily terminated by the Company, for reasons other than cause, shall be redeemed on the Redemption Date for an equal number of Common Shares, Cash Consideration in lieu thereof or a combination of both, as determined by the Committee in its sole discretion. For the purposes of this Section 4.1(b), the Redemption Date shall be the date on which the employment of the Eligible

Person is terminated as stated in a written notice of termination, irrespective of any entitlement of the Eligible Person to notice, pay in lieu of notice or benefits beyond the termination date.

For purposes of Section 4.1, a U.S. Taxpayer shall be treated as terminated when such person incurs a “separation from service” within the meaning of Section 409A of the Code and United States Treasury Regulation Section 1.409A-1(h) (“**Separation from Service**”). Solely to the extent required by Section 409A of the Code, any payment in respect of Restricted Share Units which has become payable on or following a Separation from Service to any U.S. Taxpayer who is determined to be a “specified employee,” under Section 409A(a)(2)(B)(i) of the Code and United States Treasury Regulation Section 1.409A-1(i), shall not be paid before the date that is six months after such U.S. Taxpayer's Separation from Service (or, if earlier, the date of the death of such U.S. Taxpayer). Following any applicable six-month delay of payment, all such delayed payments shall be made to the U.S. Taxpayer in a single lump sum on the earliest possible date.

4.2 *Death*

All of the Restricted Share Units of an Eligible Person who dies shall be redeemed in accordance with Section 3.2. For the purposes of the foregoing, the Redemption Date shall be the date of the Eligible Person's death.

4.3 *No Grants Following Last Day of Active Employment*

In the event of termination of any Eligible Person's employment with the Company, such Eligible Person shall not be granted any Restricted Share Units pursuant to Section 3.1 after the last day of active employment of such Eligible Person. Without limiting the generality of the foregoing and of Section 2.4, notwithstanding any other provision hereof, and notwithstanding any provision of any employment agreement between any Eligible Person and the Company, no Eligible Person will have any right to be awarded additional Restricted Share Units, and shall not be awarded any Restricted Share Units, pursuant to Section 3.1 after the last day of active employment of such Eligible Person on which such Eligible Person actually performs the duties of the Eligible Person's position, whether or not such Eligible Person receives a lump sum payment of salary or other compensation in lieu of notice of termination, or continues to receive payment of salary, benefits or other remuneration for any period following such last day of active employment. Notwithstanding any other provision hereof, or any provision of any employment agreement between the Company and an Eligible Person, in no event will any Eligible Person have any right to damages in respect of any loss of any right to be awarded Restricted Share Units pursuant to Section 3.1 after the last day of active employment of such Eligible Person and no severance allowance, or termination settlement of any kind in respect of any Eligible Person will include or reflect any claim for such loss of right and no Eligible Person will have any right to assert, claim, seek or obtain, and shall not assert, claim, seek or obtain, any judgment or award in respect of or which includes or reflects any such right or claim for such loss of right.

ARTICLE 5 ADMINISTRATION

5.1 *Transferability*

Rights respecting Restricted Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

5.2 *Administration*

The Committee shall, in its sole and absolute discretion, but subject to applicable corporate, securities and tax law requirements: (i) interpret and administer the Plan; (ii) establish, amend and rescind any rules and regulations relating to the Plan; and (iii) make any other determinations that the Committee deems necessary or desirable for the administration and operation of the Plan. The Committee may delegate to any person any administrative duties and powers under this Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Eligible Person and his or her legal representative. The Board may establish policies

respecting minimum ownership of Common Shares of the Company by Eligible Persons and the ability to elect Restricted Share Units to satisfy any such policy.

It is intended that this Plan and grants of Restricted Share Units hereunder will comply with or be exempt from Section 409A of the Code (and any regulations and guidelines issued thereunder), to the extent this Plan and such agreements are subject thereto, and this Plan and the Grant Agreements shall be interpreted on a basis consistent with such intent. Each amount to be paid under the Plan shall be construed as a separate identified payment for the purposes of Section 409A of the Code. If an amendment of this Plan and such agreements is necessary in order for it to comply with Section 409A of the Code, the Board will adopt any such amendment in a manner that preserves the original intent of the parties to the extent reasonably possible. No action or failure to act by the Board shall subject the Company to any claim, liability, or expense, and the Company shall not have any obligation to indemnify or otherwise protect any person from the obligation to pay any taxes, interest or penalties pursuant to Section 409A of the Code.

5.3 *Records*

The Company will maintain records indicating the number of Restricted Share Units credited to an Eligible Person under the Plan from time to time and the Grant Dates of such Restricted Share Units. Such records shall be conclusive as to all matters involved in the administration of this Plan.

5.4 *Statements*

The Company shall furnish annual statements to each Eligible Person indicating the number of Restricted Share Units credited to the Eligible Person and the Grant Dates of the Restricted Share Units and such other information that the Company considers relevant to the Eligible Person.

5.5 *Legal Compliance*

Without limiting the generality of the foregoing, the Committee may take such steps and require such documentation from Eligible Persons as the Committee may determine are desirable to ensure compliance with all applicable laws and legal requirements, including all applicable corporate and securities laws and regulations of any country, and any political subdivisions thereof, and the by-laws, rules and regulations of any stock exchanges or other organized market on which Common Shares may from time to time be listed or posted and any applicable provisions of the *Income Tax Act* (Canada), as amended or income tax legislation or any other jurisdiction.

ARTICLE 6 AMENDMENT AND TERMINATION

6.1 *Amendment*

- (a) The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Plan or any portion thereof at any time, in accordance with applicable legislation, provided that no such amendment, suspension or termination may (i) be made without obtaining any required regulatory or shareholder approvals, or (ii) adversely affect the rights of any Eligible Person with respect to the Restricted Share Units to which the Eligible Person is then entitled under the Plan without the consent of the Eligible Person. Notwithstanding the foregoing, the Company will be required to obtain shareholder approval or, if required under the TSXV Policies, Disinterested Shareholder and Exchange approval, for any amendment related to:
 - (i) increasing the number or percentage of issued and outstanding Common Shares available for grant under the Plan;
 - (ii) a change in the method of calculation of redemption of Restricted Share Units held by Eligible Persons;
 - (iii) an extension to the term for redemption of Restricted Share Units held by Eligible Persons;

- (iv) permitting the Restricted Share Units granted under this Plan to be transferrable or assignable other than for normal estate settlement purposes; and
 - (v) amending this Section 6.1.
- (b) Unless an Eligible Person otherwise agrees, any amendment to the Plan or Restricted Share Unit shall apply only in respect of Restricted Share Units granted on or after the date of such amendment.
- (c) Without limiting the generality of the foregoing, the Board may make the following amendments to the Plan, without obtaining shareholder approval:
- (i) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;
 - (ii) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;
 - (iii) amendments to the provisions of the Plan respecting the terms and conditions on which Restricted Share Units may be granted pursuant to the Plan, including the provisions relating to the payment of the Restricted Share Units;
 - (iv) amendments to the Plan that are of a “housekeeping” nature; and
 - (v) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or applicable rules of the Exchange,

provided, however, that no such amendment of the Plan may be made without the consent of each affected Eligible Person in the Plan if such amendment would adversely affect the rights of such affected Eligible Person(s) under the Plan.

6.2 Termination of the Plan

The Board may from time to time amend or suspend this Plan in whole or in part and may at any time terminate this Plan. No such amendment, suspension or termination shall adversely affect the rights of any Eligible Person at the time of such amendment, suspension or termination with respect to outstanding and unredeemed Restricted Share Units credited to such Eligible Person without the consent of the affected Eligible Person. If the Board terminates the Plan, no new Restricted Share Units will be awarded to any Eligible Person, but outstanding and unredeemed previously credited Restricted Share Units shall remain outstanding, be entitled to payments as provided under Section 3.5, and be paid in accordance with the terms and conditions of this Plan existing at the time of termination. This Plan will finally cease to operate for all purposes when the last remaining Eligible Person receives a payment in satisfaction of all outstanding and unredeemed Restricted Share Units credited to such Eligible Person, or all outstanding and unredeemed Restricted Share Units credited to such Eligible Person are cancelled pursuant to the provisions thereof.

ARTICLE 7 GENERAL

7.1 Rights to Common Shares and/or Cash Consideration

This Plan shall not be interpreted to create any entitlement of any Eligible Person to any Common Shares, or to the dividends payable pursuant thereto, or to any Cash Consideration, as applicable, except as expressly provided herein. A holder of Restricted Share Units shall not have rights as a shareholder of the Company with respect to any Common

Shares which may be issuable pursuant to the Restricted Share Units so held, whether voting, right on liquidation or otherwise.

7.2 *No Right to Employment*

This Plan shall not be interpreted as either an employment or trust agreement. Nothing in this Plan nor any Committee guidelines or any agreement referred to in Section 2.5 nor any action taken hereunder shall be construed as giving any Eligible Person the right to be retained in the continued employ or service of the Company or any of its subsidiaries, or giving any Eligible Person or any other person the right to receive any benefits not specifically expressly provided in this Plan nor shall it interfere in any way with any other right of the Company to terminate the employment or service of any Eligible Person at any time.

7.3 *Right to Funds*

Neither the establishment of this Plan nor the granting of Restricted Share Units under this Plan shall be deemed to create a trust. Amounts payable to any Eligible Person under the Plan shall be a general, unsecured obligation of the Company. The right of the Employees, Consultants or Officers to receive payment pursuant to this Plan shall be no greater than the right of other unsecured creditors of the Company.

Schedule A
Pure Gold Mining Inc. Restricted Share Unit Plan
(the "Plan")

RESTRICTED SHARE UNIT GRANT AGREEMENT

This Restricted Share Unit Grant Agreement is made the ____ day of _____, 20__ between _____, the undersigned "Eligible Person" (the "Eligible Person"), being an employee, consultant or officer of Pure Gold Mining Inc. (the "Company") or a subsidiary thereof, name or designated pursuant to the terms of the Restricted Share Unit Plan of the Company (which Plan, as the same may from time to time be modified, supplemented or amended and in effect, is herein referred to as the "Plan"), and the Company.

In consideration of the grant of Restricted Share Units made to the Eligible Person pursuant to the Plan (the receipt and sufficiency of which are hereby acknowledged), the Eligible Person hereby agrees and confirms that:

1. The Eligible Person has received a copy of the Plan and has read, understands and agrees to be bound by the provisions of the Plan.
2. The Eligible Person accepts and consents to and shall be deemed conclusively to have accepted and consented to, and agreed to be bound by, the provisions and all terms of the Plan and all bona fide actions or decisions made by the Board, the Committee or any person to whom the Committee may delegate administrative duties and powers in relation to the Plan, which terms and consent shall also apply to and be binding on the legal representatives, beneficiaries and successors of the undersigned.
3. On _____, 20__, the Eligible Person was granted _____ Restricted Share Units, which grant is evidenced by this Agreement.
4. Except otherwise set forth in the Plan, the Redemption Date(s) for the Restricted Share Units is/are as follows:

5. The Restricted Share Units, which grant is evidenced by this Agreement, are also subject to the terms and conditions contained in the appendixes, if any, attached hereto.
6. This Restricted Share Unit Grant Agreement shall be considered as part of and an amendment to any employment agreement between the Eligible Person and the Company and the Eligible Person hereby agrees that the Eligible Person will not make any claim under that employment agreement for any rights or entitlement under the Plan or damages in lieu thereof except as expressly provided in the Plan.

This Agreement shall be determined in accordance with the laws of the province of British Columbia and the laws of Canada applicable therein. Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

PURE GOLD MINING INC.

ELIGIBLE PERSON

Per: _____
Authorized Signatory

Print Name:

APPENDIX A-1 to APPENDIX A

RESTRICTED SHARE UNIT AGREEMENT

The additional terms and conditions attached to the Restricted Share Units, which grant is evidenced by this Agreement, are as follows:

1. [•]

PURE GOLD MINING INC.

ELIGIBLE PERSON

Per: _____
Authorized Signatory

Print Name:

**SCHEDULE “F”
DEFERRED SHARE UNIT PLAN**

**ARTICLE 1
GENERAL PROVISIONS**

1.1 Purpose

This Deferred Share Unit Plan has been established by the Company to promote the interests of the Company by attracting and retaining qualified persons to serve on the Board and to promote a greater alignment of long term interests between such Participants and the shareholders of the Company.

1.2 Definitions

As used in the Plan, the following terms have the following meanings:

- (a) “**Account**” means an account maintained for each Participant on the books of the Company which will be credited with Deferred Share Units, in accordance with the terms of the Plan;
- (b) “**Applicable Law**” means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder and TSXV Policies;
- (c) “**Board**” means the Board of Directors of the Company;
- (d) “**Business Day**” means any day that is not a Saturday, Sunday or a holiday (as defined in the *Interpretation Act* (Canada)) in Vancouver, British Columbia;
- (e) “**Code**” means the United States Internal Revenue Code of 1986, as amended, and any applicable Treasury Regulations and other binding regulatory guidance thereunder;
- (f) “**Committee**” means the Compensation Committee of the Board or any other committee or person designated by the Board to administer the Plan;
- (g) “**Common Shares**” means common shares in the capital of the Company;
- (h) “**Company**” means Pure Gold Mining Inc. and its successors and assigns;
- (i) “**Director**” means a director of the Company;
- (j) “**Disinterested Shareholder**” means a holder of Common Shares that is not an insider (as defined in the *Securities Act* (British Columbia)) nor an associate (as defined in the *Securities Act* (British Columbia)) of an insider;
- (k) “**Dividend**” means an Ordinary Dividend, and may, in the discretion of the Board, include a special or stock dividend, and may, in the discretion of the Board, include a Special Dividend declared and payable on a Common Share;
- (l) “**Deferred Share Unit**” means a unit credited to a Participant’s Account by way of a bookkeeping entry in the books of the Company pursuant to this Plan, the value of which is equivalent in value to a Common Share;

- (m) “**Exchange**” means, collectively, the TSX Venture Exchange, any successor thereto and any other stock exchange or trading facilities through which the Common Shares trade or are quoted from time to time;
- (n) “**Exchange Hold Period**” has the meaning ascribed thereto in TSXV Policy 1.1;
- (o) “**Fair Market Value**” means the closing price of the Common Shares on the Exchange on the Business Day immediately prior to the relevant date, or if the Common Shares are not listed on the Exchange, then on such other stock exchange or quotation system as may be selected by the Committee, provided that, if the Common Shares are not listed or quoted on any other stock exchange or quotation system, then the Fair Market Value will be the value determined by the Committee in its sole discretion acting in good faith;
- (p) “**Fiscal Quarter**” means each three-month period ending on March 31, June 30, September 30, or December 31, respectively, unless otherwise designated by the Board;
- (q) “**Grant**” means any Deferred Share Unit credited to the Account of a Participant;
- (r) “**Grant Agreement**” means an agreement between the Company and the Participant under which Deferred Share Units are granted, together with such amendments, deletions, or changes thereto as are permitted under the Plan in the form appended as Schedule A hereto;
- (s) “**Insider**” has the meaning ascribed thereto on TSXV Policy 1.1;
- (t) “**Notice of Redemption**” means written notice, on a prescribed form, by the Participant, or the administrator or liquidator of the estate of the Participant, to the Company of the Participant’s wish to redeem his or her Deferred Share Units;
- (u) “**Ordinary Dividend**” means a dividend declared and payable on a Common Share in accordance with the Company’s dividend policy as the same may be amended from time to time;
- (v) “**Participant**” means a Director who (i) is not otherwise an employee of the Company and (ii) is designated by the Committee as eligible to participate in the Plan;
- (w) “**Plan**” means this Pure Gold Mining Inc. Deferred Share Unit Plan;
- (x) “**Redemption Date**” means the date that a Notice of Redemption is received by the Company, except with respect to any US Taxpayer, it shall mean the date set forth in the Grant Agreement;
- (y) “**Reorganization**” means any declaration of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, recapitalization, amalgamation, plan of arrangement, reorganization, spin-off or other distribution (other than Ordinary Dividends) of the Company assets to shareholders or any other similar corporate transaction or event which the Board determines affects the Common Shares such that an adjustment is appropriate to prevent dilution or enlargement of the rights of Participants under this Plan;
- (z) “**Separation From Service**” shall mean that employment or service with the Company and any entity that is to be treated as a single employer with the Company for purposes of United States Treasury Regulation Section 1.409A – 1(h) terminates such that it is reasonably anticipated that no further services will be performed.
- (aa) “**Share Compensation Arrangement**” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance

or potential issuance of Common Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise;

- (bb) “**Share Price**” means the closing price of a Common Share on the Exchange averaged over the five (5) consecutive trading days immediately preceding (a) in the case of a Grant, the date of Grant in respect of a director, or (b) in the case of a redemption, the Redemption Date, as applicable, or in the event such Common Shares are not traded on the Exchange, the fair market value of such Common Shares as determined by the Committee acting in good faith;
- (cc) “**Specified Employee**” means a US Taxpayer who meets the definition of “specified employee”, as defined in Section 409A(a)(2)(B)(i) of the Code.
- (dd) “**Termination Date**” means the date of a Participant’s death, or retirement from, or loss of office or employment with the Company, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, including the Participant’s resignation, retirement, death or otherwise;
- (ee) “**TSXV Policies**” means the policies included in the TSX Venture Exchange Corporate Finance Manual and “**TSXV Policy**” means any one of them; and
- (ff) “**US Taxpayer**” means any Participant whose compensation under the Plan would be subject to income tax under the Code.

1.3 Effective Date

The Plan shall be effective [●], 2020; provided that no Common Shares may be issued under the Plan until and unless all required Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of Common Shares hereunder.

1.4 Governing Law; Subject to Applicable Regulatory Rules

The Plan shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The provisions of the Plan shall be subject to the applicable by-laws, rules and policies of the Exchange and applicable securities legislation.

ARTICLE 2 DEFERRED SHARE UNITS

2.1 Establishment of Annual Base Compensation

An annual compensation amount (the "**Annual Base Compensation**") payable to non-employee Directors of the Company shall be established from time-to-time by the Board. The amount of Annual Base Compensation will be reported annually in the Company’s management information circular.

2.2 Payment of Annual Base Compensation

- (a) The Annual Base Compensation shall be payable in quarterly installments, with each installment payable as promptly as practicable following the last Business Day of the Fiscal Quarter to which it applies. Quarterly payments shall be pro rated if Board service commences or terminates during a Fiscal Quarter. The number of Deferred Share Units to be paid and the terms of the Deferred Share Units shall be determined as provided in the following sections of this Plan.
- (b) Each Participant that is not a U.S Taxpayer may elect to receive in Deferred Share Units up to 100% of his or her Annual Base Compensation by completing and delivering a written election

to the Company in the form attached hereto as Schedule “B” on or before the last day of the Fiscal Quarter ending immediately before the Fiscal Quarter with respect to which the election is made. Such election will be effective with respect to compensation payable for the Fiscal Quarter following the Fiscal Quarter in which such written election is made. Further, where an individual becomes a Participant for the first time during a Fiscal Quarter or where any Participant is serving as a Director in the first Fiscal Quarter in which the Plan is adopted, such individual may elect to participate in the Plan with respect to the Fiscal Quarter of the Company commencing after the Company receives such individual’s written election. For greater certainty, new Participants will not be entitled to receive Deferred Share Units pursuant to an election for the Fiscal Quarter in which they submit their first election to the Company or any previous Fiscal Quarter. Elections under this Section 2.2(b) shall be irrevocable with respect to compensation earned during the period to which such election relates and for the avoidance of doubt, may not be revoked or changed later than the last day of the prior Fiscal Quarter.

- (c) All Deferred Share Units granted with respect to Annual Base Compensation will be credited to the Participant's Account when such Annual Base Compensation is payable (the “**Grant Date**”).
- (d) The Participant's Account will be credited with the number of Deferred Share Units calculated to the nearest thousandths of a Deferred Share Unit, determined by dividing the dollar amount of compensation payable in Deferred Share Units on the Grant Date by the Share Price. Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

2.3 Additional Deferred Share Units

In addition to Deferred Share Units granted pursuant to Section 2.2, and subject to the limitations set out in Article 6, the Board may award such number of Deferred Share Units to a Participant as the Board deems advisable to provide the Participant with appropriate equity-based compensation for the services he or she renders to the Company. The Board shall determine the date on which such Deferred Share Units may be granted and the date as of which such Deferred Share Units shall be credited to a Participant’s Account. The Company and a Participant who receives an award of Deferred Share Units pursuant to this Section 2.3 shall enter into a Grant Agreement to evidence the award and the terms applicable thereto.

ARTICLE 3 ADMINISTRATION

3.1 Transferability

Rights respecting Deferred Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

3.2 Administration of Plan

Except as required to ensure that the Plan continues to meet the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision, the Committee shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:

- (a) to establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan and to amend and rescind such rules and regulations from time to time;
- (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any such interpretation, construction or determination made by the Committee shall be final, binding and conclusive for all purposes;

- (c) to prescribe the form of the instruments used in conjunction with the Plan; and
- (d) to determine which members of the Board are eligible to participate in the Plan.

3.3 Redemption of Deferred Share Units (other than US Taxpayers)

- (a) Each Participant shall be entitled to redeem his or her Deferred Share Units during the period commencing on the Business Day immediately following the Termination Date and ending on the 90th day following the Termination Date by providing a written Notice of Redemption to the Company. In the event of death of a Participant, the Notice of Redemption shall be filed by the legal representative of the Participant.
- (b) Upon redemption, the Participant shall be entitled to receive, and the Company shall issue or provide:
 - (i) subject to shareholder approval of this Plan and the limitations set forth in Article 6 below, a number of Common Shares issued from treasury equal to the number of Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
 - (ii) subject to and in accordance with any Applicable Law, a number of Common Shares purchased by an independent administrator of the Plan (if and when an independent administrator is so engaged by the Company) in the open market for the purposes of providing Common Shares to Participants under the Plan equal in number to the Deferred Share Units in the Participant's Account, subject to any applicable deductions and withholdings;
 - (iii) the payment of a cash amount to a Participant equal to the number of Deferred Share Units multiplied by the Share Price, subject to any applicable deductions and withholdings; or
 - (iv) any combination of the foregoing,as determined by the Committee, in its sole discretion.

3.4 Payment Notwithstanding

Notwithstanding any other provision of this Plan, all amounts payable to, or in respect of, a Participant hereunder shall be paid on or before December 31 of the calendar year commencing immediately after the Participant's Termination Date.

3.5 Exchange Hold Period and Legend

If required by the policies of the Exchange, the certificates representing Common Shares issued upon the redemption of Deferred Share Units (if redeemed prior to the expiry of the Exchange Hold Period) will bear the following Exchange Hold Period legend:

“Without prior written approval of TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until *[insert date that is four months and a day after the distribution date]*.”

**ARTICLE 4
DIVIDENDS**

4.1 *Payment of Dividend Equivalents*

When Dividends are paid on Common Shares, a Participant shall be credited with Dividend equivalents in respect of the Deferred Share Units credited to the Participant's account as of the record date for payment of Dividends and no payment in cash should be made to any Participant with respect to such Dividend equivalent. Such Dividend equivalents shall be converted into additional Deferred Share Units (including fractional Deferred Share Units) based on the Fair Market Value per Common Share on the date credited and redeemed on the Redemption Date, of the Deferred Share Unit with respect to which the Dividend equivalent was granted.

**ARTICLE 5
ALTERATION OF NUMBER OF SHARES SUBJECT TO THE PLAN**

5.1 *Subdivisions or Consolidations*

In the event that the Common Shares shall be subdivided or consolidated into a different number of Common Shares or a distribution shall be declared upon the Common Shares payable in Common Shares, the number of Deferred Share Units then recorded in the Participant's Account shall be adjusted by replacing such number by a number equal to the number of Common Shares which would be held by the Participant immediately after the distribution, subdivision or consolidation, should the Participant have held a number of Common Shares equal to the number of Deferred Share Units recorded in the Participant's Account on the record date fixed for such distribution, subdivision or consolidation.

5.2 *Reorganizations*

In the event there shall be any change, other than as specified in Section 5.1, in the number or kind of outstanding Common Shares or of any shares or other securities into which such Common Shares shall have been changed or for which they shall have been exchanged, pursuant to a Reorganization or otherwise, then there shall be substituted for each Common Share referred to in the Plan or for each share into which such Common Share shall have been so changed or exchanged, the kind of securities into which each outstanding Common Share shall be so changed or exchanged and an equitable adjustment shall be made, if required, in the number of Deferred Share Units then recorded in the Participant's Account, such adjustment, if any, to be reasonably determined by the Committee and to be effective and binding for all purposes.

5.3 *Adjustments*

In the case of any such substitution, change or adjustment as provided for in this Article 5, the variation shall generally require that the number of Deferred Share Units then recorded in the Participant's Account prior to such substitution, change or adjustment will be proportionately and appropriately varied.

**ARTICLE 6
RESTRICTIONS ON ISSUANCES**

6.1 *Maximum Number of Deferred Share Units*

Deferred Share Units may be granted by the Company in accordance with this Plan, provided the maximum number of Common Shares which may be issued from treasury in connection with the redemption of Deferred Share Units:

- (a) shall be 3,000,000 Common Shares, or such greater number as may be approved from time to time by the Company's shareholders; and

- (b) in combination with the aggregate number of Common Shares which may be issuable under any other Share Compensation Arrangement, including the Company's stock option plan and restricted share unit plan, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, or such greater number of Common Shares as shall have been duly approved by the Board and, if required, by the TSXV Policies (if applicable) or any other stock exchange on which the Common Shares of the Company may then be listed, and by the shareholders of the Company.

6.2 Participation Limits

If and for so long as the Company's Common Shares are listed on the Exchange: (i) no Common Shares may be issuable to any Participant whose role and duties primarily consist of Investor Relations Activities (as defined in the TSXV Policies); and (ii) the number of Common Shares which may be issuable under the Plan and any other Share Compensation Arrangement, within any one-year period:

- (a) to any one Participant, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis; and
- (b) to Insiders as a group, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis.

ARTICLE 7 AMENDMENT, SUSPENSION OR TERMINATION

7.1 Amendments Requiring Shareholder Approval

The Board reserves the right, in its sole discretion, to amend, suspend or terminate the Plan or any portion thereof at any time, in accordance with Applicable Law, provided that no such amendment, suspension or termination may (i) be made without obtaining any Exchange or shareholder approvals, or (ii) adversely affect the rights of any Participant with respect to the Deferred Share Units to which the Participant is then entitled under the Plan without the consent of the Participant. Notwithstanding the foregoing, the Company will be required to obtain shareholder approval or, if required under the TSXV Policies, Disinterested Shareholder and Exchange approval, for any amendment related to:

- (a) increasing the number or percentage of issued and outstanding Common Shares available for grant under the Plan;
- (b) a change in the method of calculation of redemption of Deferred Share Units held by Participants;
- (c) an extension to the term for redemption of Deferred Share Units held by Participants;
- (d) permitting the Deferred Share Units granted under this Plan to be transferrable or assignable other than for normal estate settlement purposes; and
- (e) amending this Section 7.1.

7.2 Amendments Not Requiring Shareholder Approval

Without limiting the generality of the foregoing, unless otherwise required by the TSXV Policies, the Board may make the following amendments to the Plan, without obtaining shareholder approval:

- (a) amendments to the terms and conditions of the Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the Exchange, in place from time to time;

- (b) amendments to the provisions of the Plan respecting administration of the Plan and eligibility for participation under the Plan;
- (c) amendments to the provisions of the Plan respecting the terms and conditions on which Deferred Share Units may be granted pursuant to the Plan, including the provisions relating to the payment of the Deferred Share Units;
- (d) amendments to the Plan that are of a “housekeeping” nature; and
- (e) any other amendments, fundamental or otherwise, not requiring shareholder approval under Applicable Laws or applicable rules of the Exchange.

provided, however, that no such amendment of the Plan may be made without the consent of each affected Participant in the Plan if such amendment would adversely affect the rights of such affected Participant(s) under the Plan.

7.3 Amendments Require Approval of the Exchange

All amendments to this Plan require prior approval of the Exchange.

7.4 Tax Matters

Notwithstanding any other provision of the Plan, any amendment of the Plan or interpretation thereof shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision.

7.5 Termination of the Plan

The Committee may decide to discontinue granting awards under the Plan at any time in which case no further Deferred Share Units shall be awarded or credited under the Plan. Any Deferred Share Units which remain outstanding in a Participant’s Account at that time shall continue to be dealt with according to the terms of the Plan. The Plan shall terminate when all payments owing pursuant to Section 3.3 of the Plan have been made and all Deferred Share Units have been cancelled in all Participants’ Accounts. Notwithstanding the foregoing, termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under *the Income Tax Act* (Canada) or any successor to such provision.

ARTICLE 8 GENERAL

8.1 Withholding

The Company may withhold from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary so as to ensure that the Company will be able to comply with the provisions of any Applicable Law relating to the withholding of tax or other required deductions, including on the amount, if any, includable in the income of a Participant. For greater certainty, if a Participant is or becomes subject to tax in more than one jurisdiction, the Company may be required to withhold or account for taxes in more than one jurisdiction. The Company shall also have the right in its discretion to satisfy any such withholding tax liability by, among other things, requiring the Participant to remit such amounts to the Company, or by retaining, acquiring or selling on behalf of a Participant any Common Shares which would otherwise be issued or provided to a Participant hereunder.

Notwithstanding any provision in this Plan, the ultimate liability for all taxes legally payable by a Participant is and remains the Participant’s responsibility, and such tax liability may exceed the amount actually withheld by the Company. The Company (a) makes no representations or undertakings regarding the treatment of any taxes under

Applicable Laws in connection with any aspect of this Plan; and (b) does not commit to and is under no obligation to structure the terms of this Plan to reduce or eliminate a Participant's liability for taxes or achieve any particular tax result under any Applicable Law.

8.2 Successors and Assigns

The Plan shall be binding on all successors and assigns of the Company.

8.3 Legal Compliance

The Company's grant of any Deferred Share Units or issuance of any Common Shares hereunder is subject to compliance with Applicable Law applicable thereto. As a condition of participating in the Plan, each Participant agrees to comply with all Applicable Law and agrees to furnish to the Company all information and undertakings as may be required to permit compliance with Applicable Law.

8.4 No Shareholder Rights

Under no circumstances shall Deferred Share Units be considered Common Shares nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Common Shares nor shall any Participant be considered the owner of Common Shares by virtue of the award of Deferred Share Units.

8.5 No Right to Be Retained as Director

Participation in the Plan shall not be construed to give any Participant a right to be retained as a Director.

8.6 No Other Benefit

No amount will be paid to, or in respect of, a Participant under the Plan to compensate for a downward fluctuation in the price of Common Shares nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. The Company makes no representations or warranties to a Participant with respect to the Plan or any Deferred Share Units whatsoever. In seeking the benefits of participation in the Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of Common Shares and all other risks associated with the holding of a Deferred Share Unit.

8.7 Participation Voluntary

Participation in the Plan shall be entirely voluntary.

8.8 Unfunded Plan

Unless otherwise determined by the Committee, the Plan shall be unfunded. To the extent any Participant or his or her estate holds any rights by virtue of a grant of Deferred Share Units under the Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured creditor of the Company.

8.9 Final Determination

Any determination or decision by or opinion of the Committee made or held pursuant to the terms of the Plan shall be final, conclusive and binding on all parties concerned. All rights, entitlements and obligations of Participants under the Plan are set forth in the terms of the Plan and cannot be modified by any other documents, statements or communications, except by Plan amendments referred to in Article 7 of the Plan.

8.10 Ability to Reorganize Corporation Notwithstanding Deferred Share Units

The existence of any Deferred Share Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to affect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

8.11 Interpretation

In this text, words importing the singular meaning shall include the plural and vice versa, and words importing the masculine shall include the feminine and neuter genders.

8.12 Severability

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

ARTICLE 9 SPECIAL PROVISIONS FOR US TAXPAYERS

9.1 General

Notwithstanding any provision of the Plan to the contrary, it is intended that the provisions of this Plan comply with or are exempt from Section 409A of the Code, and all provisions of this Plan shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A of the Code. Each US Taxpayer is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such US Taxpayer in connection with this Plan or any other Plan of the Company (including any taxes and penalties under Section 409A of the Code), and neither the Company nor any affiliate of the Company shall have any obligation to indemnify or otherwise hold such US Taxpayer (or any beneficiary) harmless from any or all of such taxes or penalties.

9.2 Payment of Annual Base Compensation for US Taxpayers

Notwithstanding anything to the contrary in Section 2.2(b) of the Plan or otherwise, each US Taxpayer may elect to receive in Deferred Share Units up to 100% of his or her Annual Base Compensation by completing and delivering a written election to the Company in the form attached hereto as Schedule "B" on or before December 31 of the calendar year ending immediately before the calendar year with respect to which the election is made. Such election will be effective with respect to compensation payable for Fiscal Quarters during the calendar year following the calendar year in which such written election is made. Further, where an individual that is a US Taxpayer becomes a Participant for the first time during a fiscal year or where any US Taxpayer is serving as a Director in the first calendar year in which the Plan is adopted, such individual may elect to participate in the Plan with respect to Fiscal Quarters of the Company commencing after the Company receives such individual's written election, which election must be received by the Company no later than 30 days after such individual's appointment as a Director or the Plan has been adopted, as applicable. For greater certainty, new Participants that are US Taxpayers will not be entitled to receive Deferred Share Units pursuant to an election for the Fiscal Quarter in which they submit their first election to the Company or any previous Fiscal Quarter. Elections under this

Section 9.2 shall be irrevocable with respect to compensation earned during the period to which such election relates and for the avoidance of doubt, may not be revoked or changed later than December 31 of the prior year.

9.3 *Redemption of Deferred Share Units for US Taxpayers*

Notwithstanding anything to the contrary in Section 3.3 of the Plan or otherwise, a US Taxpayer must specify the Redemption Dates for his or her Deferred Share Units at the same time as the initial deferral election is made (upon becoming a newly eligible Participant or with respect to any new election filed for any subsequent years) in accordance with Section 2.2 of the Plan and such Redemption Dates shall be set forth in the applicable Grant Agreement. For the avoidance of doubt, if any additional Deferred Share Units are issued to a US Taxpayer in accordance with Section 2.3 of the Plan, the Redemption Dates shall be set forth in the applicable Grant Agreement, in accordance with this Article 9. Notwithstanding anything to the contrary herein or otherwise, any Deferred Share Units issued to a US Taxpayer shall only be redeemed following such Participant's Separation from Service and may be redeemed in one or two tranches, with one Redemption Date occurring within thirty (30) days of the US Taxpayer's Separation from Service but in no event later than the last day of the calendar year in which such Separation of Service occurs and, if applicable, the second Redemption Date shall be on March 1 of the calendar year following such Separation from Service.

9.4 *Distributions on Death*

Notwithstanding any provision of the Plan to the contrary, the Deferred Share Units issued to a US Taxpayer who dies shall be redeemed and paid to the US Taxpayer's estate in the calendar year of the US Taxpayer's death.

9.5 *Distributions to Specified Employees*

Solely to the extent required by Section 409A of the Code, distributions under the Plan in respect of a US Taxpayer who is determined to be a Specified Employee shall not actually be paid before the date which is six (6) months after the Specified Employee's Separation from Service (or, if earlier, the date of death of the Specified Employee). Following any applicable six month delay of payment, all such delayed payments shall be made to the Specified Employee in a lump sum on the earliest possible payment date.

9.6 *Amendment*

The Board shall retain the power and authority to amend or modify this Article 9 to the extent the Board in its sole discretion deems necessary or advisable to comply with any guidance issued under Section 409A of the Code. Such amendments may be made without the approval of any US Taxpayer.

Schedule A
Pure Gold Mining Inc. Deferred Share Unit Plan
(the "Plan")

DEFERRED SHARE UNIT GRANT AGREEMENT

This Deferred Share Unit Grant Agreement is entered into between Pure Gold Mining Inc. (the "Company") and the individual named below (the "Non-Employee Director") pursuant to Section 2.3 of the Plan and confirms that effective _____, 20__ (the "Effective Date") _____ Deferred Share Units ("DSUs") have been granted by the Company to the Non-Employee Director on the terms set out in this Agreement and the Plan.

The Non-Employee Director confirms and acknowledges that:

1. He/she has received a copy of the terms of the Plan and this Agreement, understands and agrees to be bound by them.
2. [OMIT FOR US TAXPAYERS: He/she will not be able to cause the Company to redeem DSUs referred to above or any additional DSUs credited to the Non-Employee Director's Account pursuant to Section 2.2(b) of the Plan in respect of such DSUs until the date specified in the Plan following his/her Termination Date.][FOR US TAXPAYERS ONLY: Notwithstanding anything to the contrary in the Plan or otherwise, the Non-Employee Director's Account shall be redeemed and the DSUs issued hereunder shall be redeemed in [one][two][equal] installment[s], with one Redemption Date occurring within thirty (30) days of the US Taxpayer's Separation from Service but in no event later than the last day of the calendar year in which such Separation of Service occurs [and, the second Redemption Date occurring on [March 1] of the calendar year following such Separation from Service.]
3. When DSUs referred to above and additional DSUs credited to the Non-Employee Director's Account pursuant to his/her election are redeemed in accordance with the terms of the Plan after he/she is no longer either a director or employee of the Company, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Company will make all appropriate withholdings as required by law at that time.
4. The value of the DSUs is based on the value of the common shares of the Company and therefore is not guaranteed.
5. In the event of any discrepancy between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise specified herein.
6. This Agreement shall be determined in accordance with the laws of the province of British Columbia and the laws of Canada applicable therein. Words used herein which are defined in the Plan shall have the respective meanings ascribed to them in the Plan.

IN WITNESS WHEREOF the Company and Non-Employee Director have executed this Agreement as of the Effective Date.

PURE GOLD MINING INC.

NON-EMPLOYEE DIRECTOR

Per: _____
Authorized Signatory

Print Name:

Schedule B
Pure Gold Mining Inc. Deferred Share Unit Plan
(the "Plan")

FORM OF DEFERRED SHARE UNIT ELECTION NOTICE

In order to exercise your right as a Participant, subject to the conditions in this Plan, to elect to be credited with Deferred Share Units in lieu of any amount of your Directors' Annual Base Compensation otherwise payable to you in cash in any Fiscal Quarter or, for a US Taxpayer, calendar year, please complete the information below and return a signed and dated copy of this Election Notice to the Company's Chief Financial Officer.

In order to be effective, this Election Notice, duly executed, must be returned to the Company's Chief Financial Officer (i) in the case of a Participant that is not a US Taxpayer, not later than the last day of the Fiscal Quarter immediately preceding the Fiscal Quarter in respect of which you are making this election; or (ii) in the case of a US Taxpayer, not later than the last day of the calendar year immediately preceding the calendar year in respect of which you are making this election.

I hereby elect, for the Fiscal Quarter/calendar year (circle one) ended _____, to receive in DSUs ___% (please insert applicable percentage) of the Directors' Annual Base Compensation otherwise payable to me in cash in such calendar year.

I confirm that:

1. I have received and reviewed a copy of the terms of this Plan and agreed to be bound by such terms.
2. I understand that I will not be able to cause the Company to redeem Deferred Share Units granted under this Plan until the dates set forth in the Plan.
3. I recognize that when Deferred Share Units credited pursuant to an election made under this Election Notice are redeemed in accordance with the terms of this Plan after I am no longer a Participant of the Company, income tax and other withholdings as required will arise at that time that will be my obligations (and not the Company's, except as required by law).
4. (select one)
 - I am not a US Taxpayer and I understand that this election shall be irrevocable as of the last day of the Fiscal Quarter prior to the Fiscal Quarter to which the compensation plan relates.
 - I am a US Taxpayer and I understand that this election shall be irrevocable as of December 31 of the year prior to the year to which the compensation plan relates.
5. I understand that the value of Deferred Share Units are based on the value of the Common Shares of the Company and therefore are not guaranteed.
6. I further understand that the foregoing is only a brief outline of certain key provisions of this Plan and that for more complete information, reference should be made to the Plan in its entirety. In the event of any discrepancy between the terms of the Plan and the terms of this Election Notice, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise defined above.

Date

Participant name:

SCHEDULE "G"
ELECTRONIC MEETING GUIDE

See attached.