



MANAGEMENT INFORMATION CIRCULAR

AND

**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING
OF SHAREHOLDERS OF**

AURION RESOURCES LTD.

TO BE HELD ON JULY 31, 2018

Dated: June 26, 2018



**NOTICE OF ANNUAL GENERAL & SPECIAL MEETING OF SHAREHOLDERS
to be held on July 31, 2018 at 2:00 pm Newfoundland Time
at W240, 120 Torbay Road, St. John's, NL A1A 2G8**

NOTICE IS HEREBY GIVEN that the Annual General & Special Meeting (the "Meeting") of the shareholders of Aurion Resources Ltd. ("**Aurion**" or the "**Corporation**") will be held in the Corporation's boardroom at Suite W240, 120 Torbay Road, St. John's, Newfoundland A1A 2G8 on Tuesday, July 31, 2018 at 2:00 pm local time to consider resolutions for the following purposes:

1. To receive and consider the comparative financial statements of the Corporation for the financial year ended December 31, 2017, together with the report of the auditor thereon;
2. To set the number of directors at six (6);
3. To elect directors for the ensuing year;
4. To appoint Davidson & Company LLP as auditor of the Corporation for the ensuing year and to authorize the directors to determine the remuneration to be paid to the auditor;
5. To consider and, if thought fit, to pass with or without variation, a special resolution: (i) approving the continuance of the Corporation (the "**Continuance**") from the Province of Alberta under the provisions of the *Business Corporations Act* (Alberta) ("**ABCA**") and into the Province of British Columbia under the provisions of the *Business Corporations Act* (British Columbia) ("**BCBCA**"); (ii) to adopt new constating documents of the Corporation upon the Continuance; and (iii) to repeal the existing by-laws of the Corporation upon completion of the Continuance;
6. To consider and, if thought fit, pass an ordinary resolution approving the adoption of a new stock option plan, as more particularly described in the Information Circular under the heading "Particulars of Matters to be Acted Upon - Adoption of New Stock Option Plan"; and
7. To transact such other business as may properly be put before the meeting;

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed proxy. A proxy will not be valid unless it is deposited by mail or by fax at the office of Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, ON M5J 2Y1 [Fax: Within North America: 1-866-249-7775, Outside North America: (416) 263-9524] not less than 48 hours (excluding Saturdays and holidays) before the time fixed for the Meeting or an adjournment thereof. Only Shareholders of record on June 26, 2018 are entitled to receive notice of and vote at the Meeting.

DATED at St. John's, Newfoundland this 26th day of June 2018

BY ORDER OF THE BOARD OF DIRECTORS OF
AURION RESOURCES LTD.

/s/ "**Michael Basha**"
President & Director

MANAGEMENT INFORMATION CIRCULAR

as at June 26, 2018

MANAGEMENT SOLICITATION OF PROXIES

This information circular (the “**Circular**”) is provided in connection with the solicitation of proxies by the management of **Aurion Resources Ltd.** (the “**Corporation**”) for use at the Annual General & Special Meeting of the shareholders of the Corporation (the “**Meeting**”) to be held on **July 31, 2018**, at the offices of Aurion Resources Ltd., Suite W240 – 120 Torbay Road, St. John’s, Newfoundland A1A 2G8 on Tuesday, July 31, 2018 at 2:00 pm local time and at any adjournments thereof for the purposes set forth in the enclosed Notice of Annual General & Special Meeting (the “**Notice**”).

The solicitation of proxies will be primarily by mail. Proxies may also be solicited personally by directors, officers and regular employees of the Corporation. The cost of solicitation of proxies will be borne by the Corporation.

You may opt to receive important shareholder information electronically, including Annual General & Special Meeting materials, by visiting www.investorcentre.com and follow these steps:

- **Click on “sign up for e-Delivery”**
- **Select the Corporation from the drop-down list**
- **Enter your Holder Account Number (found on your proxy form) and postal code (or last name if you reside outside of Canada)**
- **Click Submit**

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying form of proxy (the “**Proxy**”) are officers of the Corporation. **A registered shareholder has the right to appoint a person (who need not be a shareholder) other than the persons named as the proxy of the shareholder and may exercise this right either by inserting that person’s name in the blank space provided in the Proxy and striking out the other names or by completing another proper form of proxy.** To be effective, Proxies must be deposited at the office of the Corporation’s registrar and transfer agent, Computershare Trust Company of Canada, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or adjournment thereof.

Proxies given by registered shareholders for use at the Meeting may be revoked at any time before their use. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by depositing an instrument in writing signed by the registered shareholder, or by the registered shareholder’s attorney duly authorized in writing, at the registered office of the Corporation, Suite W240, 120 Torbay Road, St. John’s, Newfoundland A1A 2G8 on or before the last business day preceding the day of the Meeting, or any adjournment thereof, or with the chair of the Meeting on the day of the Meeting, or any adjournment thereof.

BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as many shareholders do not hold their Shares (as defined herein) in their own name. Shareholders holding their Shares through banks, trust companies, securities dealers or brokers, trustees or administrators of RRSPs, RRIFs, RESPs and similar plans or other persons (any one of which is herein referred to as an “Intermediary”) or otherwise not in their own name (such shareholders herein referred to as “Beneficial Shareholders”) should note that only proxies deposited by shareholders appearing on the records maintained by the Corporation’s transfer agent as registered shareholders will be recognized and allowed to vote at the Meeting. If a shareholder’s Shares are listed in an account statement provided to the shareholder by a broker, in all likelihood those Shares are not registered in the shareholder’s name and that shareholder is a Beneficial Shareholder. Such Shares are most likely registered in the name of the shareholder’s broker or an agent of that broker. In Canada the vast majority of such Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms. Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted at the Meeting at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Shares for the broker’s clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.

Regulatory policies require Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. Beneficial Shareholders have the option of not objecting to their Intermediary disclosing certain ownership information about themselves to the Corporation (such Beneficial Shareholders are designated as non-objecting beneficial owners, or "NOBOs") or objecting to their Intermediary disclosing ownership information about themselves to the Corporation (such Beneficial Shareholders are designated as objecting beneficial owners, or "OBOs").

In accordance with the requirements of National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer, the Corporation has elected to send the notice of meeting, this Information Circular and a request for voting instructions (a "VIF"), instead of a proxy (the notice of Meeting, Information Circular and VIF or proxy are collectively referred to as the "Meeting Materials") indirectly through Intermediaries to the NOBOs and OBOs. The management of the Corporation does not intend to pay for Intermediaries to forward the Meeting Materials to OBOs. OBOs will not receive the Meeting Materials unless their Intermediaries assume the cost of delivery.

Meeting Materials sent to Beneficial Shareholders are accompanied by a VIF, instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a Beneficial Shareholder is able to instruct the Intermediary (or other registered shareholder) how to vote the Beneficial Shareholder's Shares on the Beneficial Shareholder's behalf. For this to occur, it is important that the VIF be completed and returned in accordance with the specific instructions noted on the VIF.

The majority of Intermediaries now delegate responsibility for obtaining instructions from Beneficial Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable VIF, mails these VIFs to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, usually by way of mail, the Internet or telephone. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting by proxies for which Broadridge has solicited voting instructions. A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Shares voted. If you have any questions respecting the voting of Shares held through an Intermediary, please contact that Intermediary for assistance.

The purpose of this procedure is to permit Beneficial Shareholders to direct the voting of the Shares which they beneficially own. A Beneficial Shareholder receiving a VIF cannot use that form to vote Shares directly at the Meeting – Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or their nominee the right to attend and vote at the Meeting.

All references to shareholders in this Information Circular and the accompanying instrument of proxy and notice of Meeting are to registered shareholders unless specifically stated otherwise.

Voting and Discretion of Proxies

The common shares (the "**Shares**") of the Corporation represented by the Proxies solicited by management of the Corporation pursuant to this Circular will be voted or withheld from voting in accordance with the directions contained therein. **If no directions are given, the Shares will be voted FOR the fixing of the number of directors at six (6), FOR the election of management's nominees as directors of the Corporation, FOR the appointment of management's nominee as auditors of the Corporation and authorizing the directors to fix their remuneration, FOR the approval of the stock option plan and FOR the continuance into British Columbia. The Proxy confers discretionary authority on the persons named therein in respect of amendments or variations to the matters referred to in the Notice and in respect of other matters that may properly come before the Meeting, or any adjournment thereof.**

As at the date of this Circular, management knows of no such amendments or variations or other matters that may properly come before the Meeting but, if any such amendments, variations or other matters are properly brought before the Meeting, the persons named in the Proxies will vote thereon in accordance with their best judgment.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of each of the following persons in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors:

- (a) each person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year;
 - (b) each proposed nominee for election as a director of the Corporation; and
- each associate or affiliate of any of the foregoing.

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended December 31, 2017, together with the auditor's report on those statements and Management Discussion and Analysis, will be presented to the shareholders at the Meeting.

VOTING SECURITIES, RECORD DATE AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized capital of the Corporation consists of an unlimited number of Shares without par value. As at the date of this Circular, 69,173,708 Shares are issued and outstanding. Each Share of the Corporation carries the right to one vote, and all Shares may be voted at the Meeting.

The record date for the determination of shareholders entitled to receive notice of and vote at the Meeting has been fixed as June 26, 2018. Except as may be otherwise indicated herein and in the Notice, the affirmative vote of a majority of the votes cast at the Meeting is required for approval of each matter set forth in this Circular.

To the knowledge of the directors and senior officers of the Corporation, the following persons or companies beneficially own, or control or direct, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Corporation.

Name of Shareholder	Number of Shares	Percentage of Issued & Outstanding
Lotan Holdings Inc.	7,090,800	10.25% ⁽²⁾

⁽¹⁾ Based on 69,173,708 Shares issued and outstanding as at the date of this Circular.

SETTING NUMBER OF DIRECTORS

At the Meeting, Shareholders will be asked to pass an ordinary resolution to set the number of directors of the Corporation for the ensuing year at six. The number of directors will be approved if the affirmative vote of at least a majority of Shares present or represented by proxy at the Meeting and entitled to vote thereat are voted in favour of setting the number of directors at six.

ELECTION OF DIRECTORS

The board of directors ("**Board**") of the Corporation is elected annually and holds office until the next Annual General Meeting of the shareholders or until their successors are elected. The management of the Corporation proposes to nominate the persons listed below (the "**Proposed Nominees**") for election as directors of the Corporation to serve until their successors are elected or appointed. In the absence of instructions to the contrary, proxies given pursuant to the solicitation by the management of the Corporation will be voted for the Proposed Nominees in this Circular.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT, PRIOR TO THE MEETING, ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY MANAGEMENT TO VOTE THE PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS.

The following table sets out the names of the Proposed Nominees for election as a director, the province or state and country in which ordinarily resident, the period or periods during which each has served as a director, positions held in the Corporation, their present principal occupations and number of shares of the Corporation or shares of any of its subsidiaries beneficially owned by each, or controlled or directed, directly or indirectly as at the date hereof.

Name, Positions with the Corporation, Province/State and Country of Resident	Principal Occupation and, IF NOT at Present an ELECTED Director, Occupation During the Past Five Years	Period From Which Nominee Has Been Director	Number of Shares Beneficially Owned ⁽³⁾
Michael Basha President & CEO Newfoundland & Labrador, Canada	President & CEO of the Corporation since October 2008.	May 15/08	2,541,071
David Lotan ² Director & Non-Exec. Chair Ontario, Canada	President of Lotan Holdings Inc., a private investment company focused on natural resource opportunities.	April 20/17	7,090,800 ⁴
Dennis Clarke ^{1, 2} Director Newfoundland & Labrador, Canada	Barrister & Solicitor; Partner, Goodland Buckingham.	Nov. 15/12	100,000
Richard Graham ¹ , Director British Columbia, Canada	Manager of Corporate Development of Earlston Investment Corp, a private management and investment company.	Apr. 6/06	131,525
David Loveys ¹ , Director Newfoundland & Labrador, Canada	President, D.R. Loveys & Associates Inc. VP Finance & CFO of Cornerstone Capital Resources Inc. from 2005 to December 2015.	June 30/10	115,400
Matti Talikka ^{1,2} , Director Uusimaa, Finland	Director Geometallurgy & Project Evaluation, Outotec Oy	Jan. 15/15	12,000

⁽¹⁾ Member of the Audit Committee (the "**Audit Committee**") of the Corporation.

⁽²⁾ Member of the Compensation & Corporate Governance Committee (the "**CGC Committee**") of the Corporation.

⁽³⁾ Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at June 26, 2018, based upon information furnished to the Corporation by individual Directors. Unless otherwise indicated, such Shares are held directly.

⁽⁴⁾ All 7,090,800 Shares of the Corporation are owned by Lotan Holdings Inc., a private company wholly owned by Mr. Lotan.

Advance Notice Policy

Effective June 13, 2013, the Board adopted an advance notice policy (the "**Advance Notice Policy**") for the purpose of providing shareholders, directors and management of the Corporation with a clear framework for nominating directors of the Corporation in connection with any annual or special meeting of shareholders. The shareholders approved the Advance Notice Policy at the annual meeting held on July 23, 2013.

The purpose of the Advance Notice Policy is to (i) ensure that all shareholders receive adequate notice of director nominations and sufficient time and information with respect to all nominees to make appropriate deliberations and register an informed vote; and (ii) facilitate an orderly and efficient process for annual or, where the need arises, special meetings of shareholders of the Corporation. The Advance Notice Policy fixes a deadline by which holders of record of Shares must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in a written notice to the Corporation for any director nominee to be eligible for election at such annual or special meeting of shareholders. A copy of the Advance Notice Policy may be obtained by contacting the Corporation.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No proposed director:

- (a) is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, chief executive officer ("**CEO**") or chief financial officer ("**CFO**") of any company (including the Corporation) that:
- (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

- (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Corporation) 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; or
- (c) 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 become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to 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
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

STATEMENT OF EXECUTIVE COMPENSATION

General

For the purpose of this Circular:

"Compensation securities" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries for services provided or to be provided, directly or indirectly to the Corporation or any of its subsidiaries; and

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

- (a) each individual who served as CEO of the Corporation, or who performed functions similar to a CEO, during any part of the most recently completed financial year,
- (b) each individual who served as CFO of the Corporation, or who performed functions similar to a CFO, during any part of the most recently completed financial year,
- (c) the most highly compensated executive officer of the Corporation or any of its subsidiaries other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year, and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets out details of all payments, grants, awards, gifts and benefits paid or awarded to each director and NEO in two most recently completed financial years ended December 31, 2017:

Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Michael Basha ¹ President, CEO & Director	2017	170,000	220,000	Nil	Nil	Nil	390,000
	2016	133,333	Nil	Nil	Nil	Nil	133,333
David Loveys ^{2,3} CFO & Director	2017	22,575	Nil	Nil	Nil	Nil	22,575
	2016	25,050	Nil	Nil	Nil	Nil	25,050
David Lotan Non-Exec. Chair & Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Dennis Clarke Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Richard Graham Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil
Matti Talikka Director	2017	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Effective January 1, 2018, under the terms of his employment agreement, Mr. Basha receives an annual salary of \$200,000 for his role as CEO.
- (2) Paid to D.R. Loveys & Associates, Inc., a company wholly owned by David Loveys, for his role as CFO.
- (3) Mr. Loveys resigned as Chief Financial Officer on January 19, 2018.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted or issued to each director and NEO by the Corporation or any subsidiary thereof in the financial year ended December 31, 2017 for services provided, to be provided, directly or indirectly, to the Corporation or any subsidiary thereof:

Name and position	Type of compensation security ⁽¹⁾	Number of compensation securities, number of underlying securities, and % of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Michael Basha ² President, CEO & Director	Stock Options	150,000	Apr. 12/17	1.75	1.73	2.17	Apr. 12/22
David Loveys ³ CFO & Director	Stock Options	75,000	Apr. 12/17	1.75	1.73	2.17	Apr. 12/22
David Lotan ⁴ Director	Stock Options	0	N/A	N/A	N/A	N/A	N/A
Dennis Clarke ⁵ Director	Stock Options	75,000	Apr. 12/17	1.75	1.73	2.17	Apr. 12/22
Richard Graham ⁶ Director	Stock Options	75,000	Apr. 12/17	1.75	1.73	2.17	Apr. 12/22
Matti Talikka ⁷ Director	Stock Options	75,000	Apr. 12/17	1.75	1.73	2.17	Apr. 12/22

- (1) Each stock option entitles the holder to one Share upon exercise or release. For further information, see "Stock Option Plans and Other Incentive Plans" below.
- (2) Michael Basha held a total of 800,000 stock options as at December 31, 2017.

- (3) David Loveys held a total of 540,000 stock options as at December 31, 2017. Mr. Loveys resigned as Chief Financial Officer on January 19, 2018
- (4) David Lotan held nil stock options as at December 31, 2017.
- (5) Dennis Clarke held a total of 325,000 stock options as at December 31, 2017.
- (6) Richard Graham held a total of 325,000 stock options as at December 31, 2017.
- (7) Matti Talikka held a total of 325,000 stock options as at December 31, 2017.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price & closing price on date of exercise (\$)	Total value on exercise date (\$)
Dennis Clarke, Director	Stock Options	100,000	0.10	Apr. 3/17	1.70	1.60	163,000 ¹
Richard Graham, Director	Stock Options	100,000	0.10	Apr. 3/17	1.70	1.60	163,000 ¹
David Loveys, CFO & Director	Stock Options	100,000 25,000	0.10 0.25	Apr. 3/17 Apr. 3/17	1.70	1.60	163,000 ¹ 40,750
Matti Talikka, Director	Stock Options	100,000	0.10	Apr. 3/17	1.70	1.60	163,000 ¹

- (1) Pursuant to a cashless exercise facilitated through Richardson GMP on April 3, 2017, the total value on the exercise on exercise was \$1.63 per Share.

Stock Option Plans and Other Incentive Plans

The Corporation's Stock Option Plan dated for reference June 25, 2015 (the "**Current Plan**") is a "rolling" stock option plan, whereby the aggregate number of Shares reserved for issuance, together with any other Shares reserved for issuance under any other plan or agreement of the Corporation, shall not exceed ten (10%) percent of the total number of issued Shares (calculated on a non-diluted basis) at the time an option is granted. The Current Plan provides that the Board may, from time to time, in its discretion, grant to directors, officers, employees, consultants and other personnel of the Corporation and its subsidiaries or affiliates, options to purchase Shares.

The Current Plan has been established to provide incentive to qualified parties to increase their proprietary interest in the Corporation and thereby encourage their continuing association with the Corporation. The Current Plan is administered by the directors of the Corporation. All options expire on a date not later than ten years after the date of grant of such option. There are currently options to purchase 11,590,000 Shares outstanding under the Current Plan and all current outstanding options expire within 5 years of the date of grant.

The Board proposes to implement a new "rolling" stock option, subject to shareholder and regulatory approval, to allow for the purchase of shares issuable in connection with stock options granted under the new stock option plan to equal 10% of the Corporation's issued and outstanding Shares at any given time. For additional information pertaining to the new stock option plan, see the section of this Circular entitled "Particulars of Matters to be Acted Upon - Adoption of New Stock Option Plan".

Employment, Consulting and Management Agreements

Other than as described below, the Corporation is not party to any formal, written employment, consulting or management agreements with any NEO or director.

On December 1, 2016, the Corporation entered into an Amended and Restated Employment Agreement ("**Employment Agreement**") with Michael Basha whereby the Corporation agreed to retain Mr. Basha as President and Chief Executive Officer. The Employment Agreement provides that the Corporation may terminate the Employment Agreement at any time without just cause by paying Mr. Basha a lump sum fee equivalent to two years' compensation, by awarding Mr. Basha a pro-rated Bonus to reflect service up to the date of termination and by allowing stock options granted to Mr. Basha to continue to vest for a period of two years (the Settlement Amount"). In the event that Mr. Basha is terminated or terminates the agreement within one year of a change of control of the Corporation, he will be entitled to the Settlement Amount. For the purposes of the Employment Agreement, change of control is deemed to have occurred when: (a) a person becomes a "control person" (as defined in the Securities Act (Newfoundland and Labrador), (b) a majority of the Directors elected at any annual or special meeting of shareholders of the Corporation are not individuals nominated by the Corporation's then-incumbent board of directors, (c) the

Corporation sells, transfers, leases or otherwise disposes of all or substantially all of its assets, (d) any person or group of persons acquires the ability, directly or indirectly through one or more intermediaries, to direct or cause the direction of the management and policies of the Corporation. At December 31, 2017, termination of the employment agreement with Mr. Basha without just cause, would result in a liability to the Corporation of \$340,000.

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of Directors

Compensation of directors is recommended by the Compensation & Corporate Governance Committee (the "CGC Committee") to the board of directors. As of December 31, 2017, non-executive directors did not receive fees. Long term incentives (stock options) are granted from time to time, based on an existing complement of long term incentives, corporate performance and to be competitive with other companies of similar size and scope.

Compensation of Named Executive Officers

The Corporation's compensation philosophy for Named Executive Officers follows three underlying principles:

- (a) to provide compensation packages that encourage and motivate performance;
- (b) to be competitive with other companies of similar size and scope of operations so as to attract and retain talented executives; and
- (c) to align the interests of its executive officers with the long-term interests of the Corporation and its shareholders through stock related programs.

When determining compensation policies and individual compensation levels for the Corporation's executive officers, the Corporation takes into consideration a variety of factors including management's understanding of the amount of compensation generally paid by similarly situated companies to their executives with similar roles and responsibilities; each executive officer's individual performance during the fiscal year; each executive officer's experience, skills and level of responsibility; the executive's historical compensation and performance within the Corporation; and existing market standards within the mining industry. Management presents its recommendations to the Board of Directors.

Elements of NEO Compensation

Compensation Mix

In keeping with the Corporation's philosophy to link executive compensation to corporate performance and to motivate executives to achieve exceptional levels of performance, the Corporation has adopted a model that includes both base salary and "at-risk" compensation comprised of participation in the Corporation's Long-Term Incentive Plan (stock options), as described below.

Base Salary

Mr. Basha received a base salary of \$133,300 in 2016 and \$170,000 in 2017. This was increased to \$200,000 annually effective January 1, 2018.

Mr. Loveys, the Corporation's Chief Financial Officer from February 1, 2010 to January 19, 2018, was remunerated on the basis of \$75.00 per hour for services rendered.

Directors are also eligible to receive a rate for consulting services when requested by the Corporation to provide services not normally considered to be within the scope of Directors' duties. The Board considers that this is appropriate for the Corporation's current stage of development. Base salaries are reviewed annually to ensure they reflect each respective executive's performance and experience in fulfilling his or her role and to ensure executive retention.

Long Term Incentive Plan (Stock Options)

Long term incentives are performance-based grants of stock options. The awards are intended to align executive interests with those of shareholders by tying compensation to share performance and to assist in retention through vesting provisions. Grants of stock options are based on:

- (a) the executive's performance;
- (b) the executive's level of responsibility within the Corporation;
- (c) the number and exercise price of options previously issued to the executive; and
- (d) the overall aggregate total compensation package provided to the executive.

The value of any long-term options allocated is determined using the Black-Scholes model.

Management makes recommendations to the CGC Committee and the Board concerning the Corporation's Long-Term Incentive Plan based on the above criteria. Options are typically granted on an annual basis in connection with the review of executives' compensation packages. Options may also be granted to executives upon hire or promotion and as special recognition for extraordinary performance.

The Corporation's Board of Directors considers previous grants of options and the overall number of options that are outstanding relative to the number of outstanding Shares in determining whether to make any new grants of options and the size and terms of any such grants, as well as the level of effort, time, responsibility, ability, experience, and level of commitment of the director, officer, employee, or consultant in determining the level of incentive stock option compensation.

Benefits and Perquisites

The Corporation's NEOs do not receive any benefits or perquisites. For additional details, see "Description of the Long-Term Incentive Plan" below.

Material Terms of NEO Agreements

Michael Basha, President & Chief Executive Officer

Mr. Basha was appointed President and CEO under an employment agreement dated December 1, 2016 (the "**Employment Agreement**"), and receives annual compensation of \$200,000, and a bonus to be recommended by the CGC Committee and approved by the Board.

Termination and Change of Control Benefits

The Employment Agreement provides for the following payments if there is termination without cause:

- a) the Executive's full compensation to the termination date, including expenses and any other amounts owing to the Executive;
- b) a cash payment equal to two years' compensation;
- c) two times the average annual bonus earned by the Consultant;
- d) options, whether vested or unvested, will remain exercisable until the earlier of their expiration date or two years from the termination date.

If the Consultant resigns or is terminated within 12 months after a change of control, he will receive, in addition to any other payments he is entitled to, a lump sum cash payment equal to two times his base compensation and two times the average annual bonuses paid for the prior three years. Further, all of the Executive's unvested stock options will be deemed to have vested and all unexercised stock options will remain exercisable until the earlier of ninety days following the date of such termination and the expiry date of such options.

The Chief Executive Officer's compensation includes base compensation, bonuses and long-term equity incentives. The Board approves the Chief Executive Officer's compensation. The Chief Executive Officer currently receives base salary compensation and bonuses. The Board considers that this is appropriate for the Corporation's current stage of development. The Board has taken into consideration the Corporation's understanding of the range of salaries paid to other chief executive officers in the mining industry, as described above under the heading "Compensation Discussion and Analysis". In setting the salary and long-term incentives for the Chief Executive Officer, the Board evaluates the performance of the Chief Executive Officer in light of his impact on the achievement of the Corporation's goals and objectives.

David Loveys, Chief Financial Officer

Mr. Loveys was appointed CFO on February 1, 2010 and was paid a fee of \$75 per hour. This agreement had no change of control provisions. Mr. Loveys resigned as CFO on January 19, 2018.

Compensation & Corporate Governance Committee

The Corporation has a CGC Committee consisting of David Lotan, Dennis Clarke and Matti Talikka. Messrs. Clarke and Talikka are "independent directors" as defined under applicable Canadian securities laws.

Pension Plan Benefits

The Corporation does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets out, as of the end of the most recently completed financial year, all required information with respect to the Corporation's current Plan, being the Corporation's only equity compensation plan in effect:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	4,825,000	\$0.86	2,092,371
Equity compensation plans not approved by securityholders	Nil	N/A	N/A
Total	4,825,000	\$0.86	2,092,371

STATEMENT OF CORPORATE GOVERNANCE

National Instrument 58-101, *Disclosure of Corporate Governance Practices*, ("**NI 58-101**") of the Canadian Securities Administrators requires each reporting issuer to disclose its corporate governance practices on an annual basis.

Set out below is a description of the Corporation's approach to corporate governance.

Board of Directors

NI 58-101 defines "independence" with reference to the definition of independence contained in National Instrument 52-110-Audit Committees ("**NI 52-110**"). A director is independent if he has no direct or indirect material relationship to the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director's independent judgment. Certain types of relationships are by their nature considered to be material relationships and are specified in Section 1.4 of NI 52-110.

As of June 26, 2018, the Board consisted of six (6) directors: Michael Basha, President & CEO, David Lotan, Non-Executive Chair, Dennis Clarke, Richard Graham, David Loveys and Matti Talikka. Of the current Board the following members are independent: Dennis Clarke, Richard Graham and Matti Talikka. The following members are not independent: Michael Basha, David Lotan and David Loveys.

Other Directorships

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Michael Basha	Rhyolite Resources Ltd.
Richard Graham	Norwick Capital Corp. Quendale Capital Corp. Rhyolite Resources Ltd.
David Loveys	Cornerstone Capital Resources Inc.

Orientation and Continuing Education

The Corporation does not provide a formal orientation and education program for new directors; however, any new directors will be given the opportunity to familiarize themselves with the Corporation, the current directors and members of management. Directors are also encouraged and given the opportunity for continuing education.

Ethical Business Conduct

The Board has adopted a formal written Code of Business Conduct. The Code of Business Conduct allows the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained.

Nomination of Directors

The Board selects new nominees to the Board, although a formal process has not been adopted. 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 and CEO. The Board monitors, but does not formally assess, the performance of individual Board members or committee members or their contributions.

Other Board Committees

The Corporation has an Audit Committee (please refer to the "Audit Committee" section) and a Compensation & Corporate Governance Committee.

Assessments

The Board relies on experts such as financial advisors and external legal counsel and forms special committees on an ad hoc basis as necessary. Based on the Corporation's size, its stage of development and the limited number of individuals on the Board, the Board considers an external formal assessment process to be inappropriate at this time. The entire Board is responsible for selecting new directors and assessing current directors. A proposed director's credentials are reviewed in advance of a Board meeting by one or more members of the Board prior to the proposed director's nomination and in camera sessions are available at every Board meeting.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

The Audit Committee is a standing committee of the Board, the primary function of which is to assist the Board in fulfilling its financial oversight responsibilities, which will include monitoring the quality and integrity of the Corporation's financial statements and the independence and performance of the Corporation's external auditor, acting as a liaison between the Board and the Corporation's external auditor, reviewing the financial information that will be publicly disclosed and reviewing all audit processes and the systems of internal controls management and the Board have established. NI 52-110 requires the Corporation, as a venture issuer, to disclose annually in its information circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor.

The Audit Committee's Charter

The Board has adopted an Audit Committee Charter, which sets out the Audit Committee's mandate, organization, powers and responsibilities. The full text of the Audit Committee Charter is attached as Schedule "A" to this Circular.

Composition of the Audit Committee

The following are members of the Audit Committee as at June 26, 2018:

	Independent ⁽¹⁾	Financially Literate ⁽²⁾	Relevant Education and Experience
Richard Graham, Chair	Y	Y	Manager for Corporate development of Earlston Investment Corp., a private management and investment company. Extensive experience as a director/officer of numerous publicly traded companies. Audit committee member of other publicly traded companies.
Dennis Clarke	Y	Y	Barrister & Solicitor specializing in corporate law. Partner with Goodland Buckingham.
David Loveys	N ⁽³⁾	Y	CPA/CA, former CFO of the Company. President of D. R. Loveys & Associates Inc. a financial consulting firm. Extensive experience as a director and officer of publicly traded mineral exploration companies.
Matti Talikka	Y	Y	Director Geometallurgy & Project Evaluation, Outotec Oy; previously worked for Dragon Mining Limited (2007 – 2015) and held several roles including General Manager, Exploration.

(1) A member of the Audit Committee is independent if he has no direct or indirect 'material relationship' with the Corporation. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment. An executive officer of the Corporation, such as the CEO, is deemed to have a material relationship with the Corporation.

(2) A member of the Audit Committee is financially literate if he has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements

(3) David Loveys is the former CFO of the Corporation.

Relevant Education and Experience

Each audit committee member has gained financial literacy through their years of experience serving as directors of several mining and mineral exploration companies as financial industry executives and serving on numerous other audit committees. In these positions, each member would be responsible for receiving financial information relating to their company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Corporation and its operating results. Each member has significant understanding of the mineral exploration business which the Corporation engages in and has an appreciation for the relevant accounting principles for that business.

Audit Committee Oversight

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

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed financial year, the Corporation has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), or 6.1.1(6) or Part 8 of NI 52-110. Section 2.4 (De Minimis Non-audit Services) provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Sections 6.1.1(4) (Circumstance Affecting the Business or Operations of the

Venture Issuer), 6.1.1(5) (Events Outside Control of Member) and 6.1.1(6) (Death, Incapacity or Resignation) provide exemptions from the requirement that a majority of the members of the Corporation's Audit Committee must not be executive officers, employees or control persons of the Corporation or of an affiliate of the Corporation. Part 8 (Exemptions) permits a company to apply to a securities regulatory authority or regulator for an exemption from the requirements of NI 52-110 in whole or in part.

Pre-Approval Policies and Procedures

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described under the heading "External Auditors Service Fees (By Category)".

External Auditor Service Fees (By Category)

The table below sets out all fees billed by the Corporation's external auditor in each of the last two fiscal years. In the table "Audit Fees" are fees billed by the Corporation's external auditor for services provided in auditing the Corporation's financial statements for the fiscal year. "Audit-Related Fees" are fees not included in Audit Fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements. "Tax Fees" are fees billed by the Corporation's external auditors for professional services rendered for tax compliance, tax advice and tax planning. "All Other Fees" are fees billed by the external auditor for products and services not included in the foregoing categories:

Financial Year Ended	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
December 31, 2017	\$34,680	Nil	Nil	Nil
December 31, 2016	\$30,100	Nil	\$3,940	Nil

INDEBTEDNESS OF DIRECTORS AND SENIOR OFFICERS

As at December 31, 2017 there was no indebtedness outstanding with any current or former Director, executive officer or employee of the Corporation or its subsidiaries which is owing to the Corporation or its subsidiaries, or which is owing to another entity which indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries, entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Corporation, no proposed nominee for election as a Director of the Corporation and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Corporation or its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries, in relation to a securities purchase program or other program.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as stated herein, no informed person, director, executive officer, nominee for director, any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Corporation, nor any associate or affiliate of such persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transactions or any proposed transactions which has materially affected or would materially affect the Corporation.

APPOINTMENT AND REMUNERATION OF AUDITOR

Management of the Corporation proposes to nominate Davidson & Company LLP, Chartered Accountants, of Vancouver, British Columbia as auditors of the Corporation to hold office until the next Annual General Meeting of Shareholders, at a remuneration to be fixed by the directors.

MANAGEMENT CONTRACTS

There are no management functions of the Corporation or its subsidiaries which are to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Approval of New Stock Option Plan

The Board proposes to implement a new 10% rolling plan (the “**New Plan**”) to replace the Current Plan, subject to shareholder and regulatory approval. The New Plan is consistent with the requirements of the TSX Venture Exchange (the “**Exchange**”) and provides as follows:

- (a) the maximum aggregate number of Shares that can be issued pursuant to the exercise of options granted under the Current Plan, the New Plan or otherwise, is 10% of the Corporation’s current issued and outstanding share capital (on a non-diluted basis);
- (b) stock options granted under the New Plan will have an expiry date not to exceed ten years from the date of grant;
- (c) any stock options granted that expire or terminate for any reason without having been exercised will again be available under the New Plan;
- (d) stock options will vest as required by the Exchange and as may be determined by the administrator of the New Plan, or in the absence of such body, the Board;
- (e) the minimum exercise price of any stock options issued under the New Plan will be determined by the Board at the time of grant, subject to the requirements of the Exchange;
- (f) stock options granted will expire 90 days after an optionee ceases to be involved with the Corporation, or for any options granted to an individual providing investor relations services, 30 days after the optionee ceases to be involved with the Corporation;
- (i) the Corporation cannot grant options to any one consultant in any 12 month period which could, when exercised, result in the issuance of shares exceeding 2% of the issued and outstanding Shares of the Corporation;
- (j) the Corporation cannot grant options in any 12-month period to persons employed or engaged by the Corporation to perform investor relations activities which could, when exercised, result in the issuance of Shares exceeding, in aggregate, 2% of the issued and outstanding shares of the Corporation and options issued to consultants performing investor relations activities must vest in stages over 12 months with no more than 1/4 of the options vested in any three-month period;
- (k) in connection with the exercise of an option, as a condition to such exercise the Corporation may require the optionee to pay to the Corporation an amount as necessary so as to ensure that the Corporation is in compliance with the applicable provisions of any federal, provincial or local laws relating to the withholding of tax or other required deductions relating to the exercise of such Option; and
- (l) if a change of control, as described in the New Plan, occurs, all unvested options shall immediately become vested and may thereon be exercised in whole or in part by the option holder, subject to any required approval by the Exchange.

The above summary is subject to the full text of the New Plan which will be available for review at the Meeting. The New Plan, and any material amendments thereto, must be approved by a majority of the votes cast by shareholders. The New Plan is subject to approval by the Exchange. If the New Plan is approved by shareholders, a total of 6,920,870 Shares will be reserved for issuance pursuant to the exercise of options to be granted pursuant to the New Plan. As of June 26, 2018, there were 6,150,000 options issued and outstanding.

All options to acquire Shares of the Corporation previously issued by the Corporation to directors, officers, employees and consultants of the Corporation and currently outstanding shall be deemed to have been granted and issued under the New Plan and otherwise be governed by the terms and conditions of the New Plan, subject to the specific terms and conditions as to exercise price, vesting periods, if any, and expiry dates as are currently applicable to such options.

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

“IT IS RESOLVED, as an ordinary resolution that the new 10% rolling stock option plan is hereby approved and confirmed and the directors and officers of the Corporation be authorized and directed to perform such acts and deeds and things and execute all such documents, agreements and other writings as may be required to give effect to the true intent of this resolution and, notwithstanding the foregoing, the directors of the Corporation are hereby authorized, without further approval of or notice to the shareholders of the Corporation, to revoke this ordinary resolution at any time prior to giving effect to the new 10% rolling stock option plan.”

Recommendation of the Directors

The Board of Directors of the Corporation has reviewed the proposed resolution and concluded that it is fair and reasonable to the Shareholders and in the best interests of the Corporation.

The Board of Directors of the Corporation recommends that Shareholders vote in favour of the resolution to approve the new Stock Option Plan of the Corporation.

Shareholder approval of the New Option Plan is required by the terms of the New Option Plan and the rules of the Exchange.

Continuance

The Corporation is currently governed by the Business Corporations Act (Alberta) (the “**ABCA**”). At the Meeting, shareholders of the Corporation will be asked to consider and, if deemed advisable, to approve, a special resolution (the “**Continuance Resolution**”) approving the continuance of the Corporation (the “**Continuance**”) from the Province of Alberta governed by the ABCA to the Province of British Columbia governed by the Business Corporations Act (British Columbia) (the “**BCBCA**”). To be effective, the Continuance Resolution must be approved by not less than two-thirds (2/3) of the votes cast at the Meeting.

The Continuance, if approved, will change the legal domicile of the Corporation and will affect certain of the rights of shareholders as they currently exist under the ABCA. Accordingly, shareholders should consult their own independent legal advisors regarding implications of the Continuance, especially from a tax perspective, which may be of particular importance to them.

Reasons for the Continuance

For corporate and administrative reasons the Board is of the view that it would be appropriate to continue the Corporation as a British Columbia company. The Corporation has no material assets in Province of Alberta. In addition, continuance under the BCBCA will provide the Corporation with more flexibility as it grows its business as there are no residency requirements for the directors of a company existing under the BCBCA. In addition, the BCBCA allows directors, if authorized by the Articles, to approve certain corporate changes such as an alteration of the share structure to effect a consolidation or share split or change the name of the Corporation.

Procedure to Effect the Continuance

In order to effect the Continuance, the following steps must be taken:

- (a) the common shareholders must approve the Continuance Resolution at the Meeting, authorizing the Corporation to, among other things, file the Continuance Application with the registrar appointed under the BCBCA (the “**BCBCA Registrar**”);
- (b) the Registrar of Corporations under the ABCA (the “**ABCA Registrar**”) must approve the proposed Continuance into British Columbia, upon being satisfied that the Continuance will not adversely affect creditors or shareholders of the Corporation;
- (c) the Corporation must apply to the BCBCA Registrar for a certificate of continuance under the BCBCA; and
- (d) the Corporation must file a notice of continuance with the ABCA Registrar, who will then issue a certificate of discontinuance.

Pursuant to the ABCA, the Corporation is deemed to cease to be a corporation within the meaning of the ABCA on and after the date on which it is deemed to be continued under the laws of the BCBCA pursuant to the issuance of the Certificate of Continuance from the BCBCA Registrar.

Effect of the Continuance

The Corporation is currently a corporation incorporated under the ABCA. Assuming that the Continuance Resolution is approved at the Meeting, it is expected that an application will be filed with the BCBCA Registrar for the continuance of the Corporation under the BCBCA and the procedures outlined above will begin as soon as practicable thereafter, as determined by the Board in its sole discretion, in order to give effect to the Continuance. Upon the issuance of a Certificate of Continuance under the BCBCA, the Continuance will become effective (the “**Continuance Effective Date**”) and the Corporation will become subject to the BCBCA as if it had been incorporated under the BCBCA and the Notice of Articles and Articles filed as part of the Continuance will become the constitutional documents of the Corporation. A copy of the proposed Notice of Articles and Articles are available for review by shareholders at the registered and records office of the Corporation and at the Meeting. In addition, a copy of such Notice of Articles and Articles will be mailed, free of charge, to any shareholder who requests a copy, in writing, from the Corporation at the above address.

By operation of law, as of the Continuance Effective Date:

- (a) the property of the Corporation prior to the Continuance continues to be the property of the Corporation;
- (b) the Corporation continues to be liable for its obligations prior to the Continuance;
- (c) an existing cause of action, claim or liability to prosecution is unaffected;
- (d) a civil, criminal or administrative action or proceeding pending by or against the Corporation prior to the Continuance may continue to be prosecuted by or against the Corporation; and
- (e) a conviction against, or ruling, order or judgement in favour of or against, the Corporation prior to the Continuance may be enforced by or against the Corporation.

Upon the Continuance becoming effective, the Corporation will be authorized to issue an unlimited number of Shares without nominal or par value and an unlimited number of preferred shares with no par value, issuable in series. The terms of the shares following the Continuance will be substantially equivalent to the terms of the Shares immediately prior to the Continuance.

The Continuance will not affect the Corporation’s status as a reporting issuer under the securities legislation of the Provinces of Alberta and British Columbia, and the Corporation will remain subject to the requirements of such legislation.

Certain Corporate Differences Between the ABCA and BCBCA

In general terms, the BCBCA provides the Corporation’s shareholders substantively the same rights as are available to the Corporation’s shareholders under the ABCA, including rights of dissent and appraisal and rights to bring derivative actions and oppression actions, and is consistent with corporate legislation in most other Canadian jurisdictions. There are, however, important differences concerning the qualifications of directors and certain shareholder remedies.

The following is a summary comparison of certain provisions of the BCBCA and the ABCA that pertain to rights of the Corporation’s shareholders. This summary is not intended to be exhaustive and the Corporation’s shareholders should consult their legal advisers regarding all of the implications of the Continuance. A copy of the BCBCA and a copy of the Corporation’s proposed Notice of Articles and Articles are available for review at the registered and records office of the Corporation.

Charter Documents

Under the BCBCA, the charter documents will consist of a Notice of Articles, which sets forth, among other things, the name of the Corporation, the amount and type of authorized capital, and indicates if there are any rights and restrictions attached to the shares, and Articles, which will govern the management of the Corporation following the Continuance. The Notice of Articles is filed with the BCBCA Registrar, and the Articles will be filed only with the Corporation’s registered and records office.

Similarly, under the ABCA, the Corporation has Articles of Incorporation, which sets forth, among other things, the name of the Corporation and the amount and type of authorized capital and indicates if there are any rights and restrictions attached to the shares, and By-laws, which govern the management of the Corporation. The Articles of Incorporation are filed with the ABCA Registrar and the By-laws are filed only with the Corporation’s registered and records office.

Except as otherwise described below and herein, the Continuance to British Columbia and the adoption of the Notice of Articles and Articles will not result in any substantive changes to the constitution, powers or management of the Corporation, except as otherwise described herein. A copy of the Notice of Articles and Articles that will be adopted in connection with the Continuance are contained in Schedule "B" to this Circular.

Alterations of Share Structure and Change of Name

Under the BCBCA, if specified in the articles, the Board is provided with the flexibility to approve the alteration of the share structure of the Corporation to effect, among other things, the creation of classes of shares, a consolidation of its issued shares or an increase or decrease in the authorized share capital of the Corporation (collectively "**Share Structure Alterations**"). Under the ABCA, in order to effect Share Structure Alterations, a special resolution of the shareholders of the Corporation is required.

Similarly, under the BCBCA, the Board may resolve to change the name of the Corporation. Under the ABCA, in order to effect a change of name of the Corporation, a special resolution of the shareholders of the Corporation is required.

The Articles adopted by the Corporation upon Continuance will permit the board of directors to approve Share Structure Alterations and to approve a change of name of the Corporation without shareholder approval.

Amendments to Charter Documents

Any substantive change to the corporate charter of a company under the BCBCA, such as an alteration of the restrictions, if any, on the business carried on by the Corporation, or an alteration of the special rights and restrictions attached to issued shares requires a resolution passed by the majority of votes specified by the Articles of the company or, if the Articles do not contain such a provision, a special resolution passed by two-thirds of the votes cast on the resolution. The Articles proposed to be adopted by the Corporation provide that the foregoing changes may be approved by the shareholders by special resolution. In addition, other fundamental changes such as a proposed amalgamation or continuation of a company out of the jurisdiction require a special resolution passed by two-thirds of the votes cast on the resolution by holders of shares of each class entitled to vote at a general meeting of the company.

Under the ABCA such changes require a special resolution passed by not less than two-thirds of the votes cast by the shareholders voting on the resolution authorizing the alteration and, where certain specified rights of the holders of a class or series of shares are affected differently by the alteration than the rights of the holders of other classes of shares, or in the case of holders of a series of shares, in a manner different from other shares of the same class, a special resolution passed by not less than two-thirds of the votes cast by the holders of shares of each class, or series, as the case may be, whether or not they are otherwise entitled to vote.

Sale of Undertaking

Under the BCBCA, a corporation may sell, lease or otherwise dispose of all, or substantially all, of the undertaking of the company if it does so in the ordinary course of its business or if it has been authorized to do so by a special resolution passed by the majority of votes that the Articles of the Corporation specify is required (being at least two-thirds and not more than three-quarters of the votes cast on the resolution) or, if the Articles do not contain such a provision, a special resolution passed by at least two-thirds of the votes cast on the resolution. Under the Articles proposed to be adopted by the Corporation, the special resolution will need to be passed by at least two-thirds of the votes cast on the resolution.

The ABCA requires approval of the holders of the shares of a corporation represented at a duly called meeting by not less than two-thirds of the votes cast upon a special resolution for a sale, lease or exchange of all or substantially all of the property (as opposed to the "undertaking") of the corporation, other than in the ordinary course of business of the corporation. Each share of a corporation carries the right to vote in respect of a sale, lease or exchange of all or substantially all of the property of the corporation whether or not it otherwise carries the right to vote. Holders of shares of a class or series can vote only if that class or series is affected by the sale, lease or exchange in a manner different from the shares of another class or series. While the shareholder approval thresholds will be the same under the BCBCA and the ABCA, there are differences in the nature of the sale which requires such approval, i.e., a sale of all or substantially all of the "undertaking" under the BCBCA and of all or substantially all of the "property" under the ABCA.

Rights of Dissent and Appraisal

The BCBCA provides that shareholders who dissent to certain actions being taken by a company may exercise a right of dissent and require the company to purchase the shares held by such shareholder at the fair value of such shares. The dissent right is applicable in respect of:

- (a) a resolution to alter the Articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;
- (b) a resolution to adopt an amalgamation agreement;
- (c) a resolution to approve an amalgamation into a foreign jurisdiction;
- (d) a resolution to approve an arrangement, the terms of which arrangement permit dissent;
- (e) a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
- (f) a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
- (g) any other resolution, if dissent is authorized by the resolution; or
- (h) any court order that permits dissent.

The ABCA contains a similar dissent remedy, subject to certain qualifications. Regarding (b) and (c) above, under the ABCA, there is no right of dissent in respect of an amalgamation between a corporation and its wholly-owned subsidiary, or between wholly-owned subsidiaries of the same corporation. The ABCA also contains a dissent remedy where a corporation resolves to amend its Articles to add, change or remove any provisions restricting or constraining the issue, transfer or ownership of shares of a class.

Oppression Remedies

Under the BCBCA, a shareholder of a company has the right to apply to the court on the grounds that:

- (a) the affairs of the company are being or have been conducted, or that the powers of the directors are being or have been exercised, in a manner oppressive to one or more of the shareholders, including the applicant; or
- (b) that some act of the company has been done or is threatened, or that some resolution of the shareholders or of the shareholders holding shares of a class or series of shares has been passed or is proposed, that is unfairly prejudicial to one or more of the shareholders, including the applicant.

On such an application, the court may make any interim or final order it considers appropriate including an order to prohibit any act proposed by the company.

The ABCA contains rights that are substantially broader in that they are available to a larger class of complainants. Under the ABCA, a shareholder, former shareholder, director, former director, officer, or former officer of a corporation or any of its affiliates, or any other person who, in the discretion of the court, is a proper person to seek an oppression remedy, may apply to the court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates, any act or omission of the corporation or its affiliates effects a result, the business or affairs of the corporation or any of its affiliates are or have been carried on or conducted in a manner, or the powers of the directors of the corporation or its affiliates are or have been exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any security holder, creditor, director, or officer.

Shareholder Derivative Actions

Under the BCBCA, a shareholder or director of a corporation may, with leave of the court, bring an action in the name and on behalf of the corporation to enforce a right, duty or obligation owed to the corporation that could be enforced by the corporation itself or to obtain damages for any breach of such a right, duty or obligation.

A broader right to bring a derivative action is contained in the ABCA, and this right also extends to officers, former shareholders, former directors and former officers of a corporation or its affiliates, and any person, who, in the discretion of the court, is a proper person to make an application to the court to bring a derivative action. In addition, the ABCA permits derivative actions to be commenced, with leave of the court, in the name and on behalf of a corporation or any of its subsidiaries.

Requisite Approvals

Under the BCBCA, a company can establish in its articles the levels for various shareholder approvals, other than those levels that are prescribed by the BCBCA. The percentage of votes required for a special resolution can be specified in the articles and may be no less than two-thirds and no more than three-quarters of the votes cast.

The ABCA does not provide flexibility with respect to the level of shareholder approval required for ordinary resolutions and special resolutions. Under the ABCA, an ordinary resolution must be passed by no less than a majority of the votes cast by shareholders entitled to vote with respect to the resolution and a special resolution must be passed by not less than two-thirds of the votes cast by the shareholders entitled to vote with respect to the resolution.

Shareholders' Proposals

A shareholder of a corporation incorporated under the ABCA who is entitled to vote may submit notice of a shareholder proposal. To be eligible to make a proposal, a person must:

- (a) be a registered holder or beneficial owner of a prescribed number of shares for a prescribed period. Under the regulations currently in effect, the prescribed number of shares is the number of voting shares (i) that is equal to at least 1% of all issued voting shares of the corporation as of the day on which the registered holder or beneficial owner of the shares submits a proposal, or (ii) whose fair market value as determined as of the close of business on the day before the registered holder or beneficial owner of the shares submits the proposal is at least \$2,000. Under the regulations currently in effect, the prescribed period is the 6-month period immediately before the day on which the registered holder or beneficial owner of the shares submits the proposal;
- (b) have the prescribed level of support of other registered holders or beneficial owners of shares. Under the regulations currently in effect, the prescribed level of support for the proposal by other registered holders or beneficial owners of shares is at least 5% of the issued voting shares of the corporation;
- (c) provide to the corporation his or her name and address and the names and addresses of those registered holders or beneficial owners of shares who support the proposal; and
- (d) continue to hold or own the prescribed number of shares up to and including the day of the meeting at which the proposal is to be made.

In comparison, a person submitting a proposal under the BCBCA must have been a registered owner or beneficial owner of one or more shares carrying the right to vote at general meetings and must have owned such shares for an uninterrupted period of at least two years before the date of signing the proposal. Similar to the requirements of the ABCA, the proposal must be signed by shareholders who, together with the submitter, are registered or beneficial owners of: (a) at least 1% of the issued shares of the corporation that carry the right to vote at general meetings; or (b) shares with a fair market value exceeding an amount prescribed by regulation (currently \$2,000).

Requisition of Meetings

The BCBCA provides that one or more shareholders of a company holding not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting within four months. The ABCA permits the holders of not less than 5% of the issued shares that carry the right to vote at a meeting to require the directors to call and hold a meeting of shareholders of a company for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, any shareholder who signed the requisition may call the meeting.

Place of Meetings

The BCBCA provides that meetings of shareholders may be held at the place outside of British Columbia provided by the Articles, or approved in writing by the British Columbia Registrar of Companies before any such meeting is held, or approved by an ordinary resolution (provided such a location outside of British Columbia is not restricted as a location for meetings under the Articles).

The ABCA provides that meetings of shareholders may be held at the place outside of Canada provided by the Articles, or all the shareholders entitled to vote at the meeting agree that the meeting is to be held at that place.

Directors

Both the BCBCA and ABCA provide that a public company in the case of the BCBCA and a distributing corporation in the case of the ABCA must have a minimum of three directors.

While the BCBCA does not have any Canadian or provincial residency requirements for directors, the ABCA requires that at least 25% of the directors of a corporation must be resident Canadians.

Under the ABCA, directors may be removed by ordinary resolution whereas under the BCBCA, directors may be removed by a special resolution or, if the articles of a company otherwise provide that a director may be removed

by a resolution of the shareholders entitled to vote at general meetings passed by less than a special majority or may be removed by some other method, by the resolution or method specified.

Status as a British Columbia Company

Currently, the Corporation's authorized capital consists of an unlimited number of Shares without nominal or par value. If the Corporation's shareholders approve the Continuance, the Corporation will continue with an authorized capital consisting of an unlimited number of Shares.

As an ABCA corporation, the Corporation's charter documents consist of Articles of Incorporation and By-laws and any amendments thereto to date. On completion of the Continuance, the Corporation will cease to be governed by the ABCA and will thereafter be deemed to have been formed under the BCBCA. As part of the Continuance Resolution, the Corporation's shareholders will be asked to approve the adoption of Continuance Application/Notice of Articles and Articles, which comply with the requirements of the BCBCA, copies of which are available for review by the Corporation's shareholders at the Corporation's registered and records office.

Dissent Rights with Respect to the Continuance

In accordance with s. 191(1) of the ABCA, registered shareholders (as defined below) have the right to dissent to the Continuance and require the Corporation to pay the dissenting shareholder a sum representing the fair value of the dissenting shareholder's shares. This summary of s. 191(1) of the ABCA is expressly subject to the provisions of s. 191(1) of the ABCA, the text of which is reproduced in its entirety in Schedule "C" hereto. The Corporation is not required to notify, and will not notify, shareholders of the time periods within which action must be taken in order for shareholders to perfect their dissent rights. It is recommended that shareholders wishing to avail themselves of their dissent rights seek legal advice, as failure to comply strictly with the provisions of s. 191(1) of the ABCA may prejudice any such rights. A "registered shareholder" is a shareholder whose shares are registered in his or her name on the shareholder register maintained by the Corporation or by the registrar and transfer agent of the Corporation, Computershare Trust Company. If a shareholder holds his or her shares through an investment dealer, broker or market intermediary and wishes to invoke his or her dissent rights, then such shareholder should make arrangements to register the shares directly in his or her name, or arrange for the registered shareholder to dissent on behalf of the beneficial shareholder. Any beneficial owner of shares who wishes to register the shares in his or her name is urged to consult with his or her legal or investment advisor, or the registrar and transfer agent of the Corporation at the following address:

Computershare Trust Company
1500 Robert-Bourassa Blvd, 7th floor
Montreal, QC H3A 3S8

Fax: 514-982-7580

In the event that the Continuance Resolution is adopted at the Meeting, any shareholder who dissents ("a dissenting shareholder") in respect of the Continuance in compliance with Section 191(1) of the ABCA, shall be entitled to be paid by the Corporation, a sum representing the fair value of the dissenting shareholder's shares. **No right of dissent or appraisal is available to holders of shares with respect to any other matter to be considered at the Meeting, other than the Continuance.**

A dissenting shareholder must deliver to the Corporation prior to the date of the Meeting at its registered office (Suite 810 - 706 7th Avenue SW, Calgary, AB, T2P 0Z1) or to the scrutineer of the Meeting prior to commencement of the Meeting, a written objection ("a dissent notice") to the Continuance Resolution. **A vote against the Continuance does not constitute a dissent notice.** The ABCA does not provide for partial dissent and, accordingly, a dissenting shareholder may only dissent with respect to all of the shares held directly or on behalf of any one beneficial owner whose shares are registered in his or her name.

Under s. 191(1) of the ABCA, after adoption of the Continuance Resolution, the Corporation or a dissenting shareholder who has sent a dissent notice, may make an application by way of an originating notice to the Court of Queen's Bench of Alberta (the "Court") to fix the fair value of the shares held by a dissenting shareholder. The fair value is to be determined as of the close of business on the last business day before the date on which the Continuance Resolution was adopted. If an application is made to the Court, the Corporation shall, unless the Court otherwise orders, send to each dissenting shareholder at least ten (10) days before the date on which the application is returnable if the Corporation is the applicant, or within ten (10) days after the Corporation is served with a copy of the originating notice if a dissenting shareholder is the applicant, a written offer to pay an amount considered by the board of directors to be the fair value of the dissenting shareholder's shares. Every such offer is to be made on the same terms to every dissenting shareholder and is to be accompanied by a statement indicating how the fair value of the shares was determined by the board of directors.

Upon the occurrence of the earliest of: (i) the effective date of the Continuation Resolution; (ii) an agreement between a dissenting shareholder and the Corporation as to the payment to be made for the dissenting shareholder's shares; or (iii) a pronouncement of the Court fixing the fair value of the dissenting shareholders' shares, a dissenting shareholder ceases to have any rights as a shareholder, other than the right to be paid the fair value for his or her shares in the amount agreed to between the Corporation and the dissenting shareholder, or in the amount fixed by the Court, as the case may be. Until one of these events occurs, a dissenting shareholder may withdraw his or her dissent notice or the Corporation may rescind the Continuation Resolution and in either event, the dissent and appraisal proceedings in respect of such dissenting shareholder shall be discontinued. Section 191(20) of the ABCA provides that, notwithstanding the obligations of a corporation to pay a dissenting shareholder the fair value of the dissenting shareholder's shares, a corporation shall not make a payment to a dissenting shareholder if there are reasonable grounds for believing that the corporation is, or would after such payment, be unable to pay its liabilities as they become due, or the realizable value of the corporation's assets would by reason of such payment, be less than the aggregate of its liabilities. The Board may elect not to proceed with the transactions contemplated in the Continuation Resolution if any notices of dissent are received.

Approval of the Continuation

At the Meeting, the Corporation intends to seek shareholder approval for the Continuation of the Corporation into the Province of British Columbia. If the Continuation is approved by the shareholders of the Corporation, then the Corporation intends to implement the procedure outlined above, as determined by the Board in its sole discretion, in order to give effect to the Continuation.

The Continuation must be approved by special resolution in order to become effective. To pass, a special resolution requires a majority of not less than two-thirds of the votes cast by the shareholders present at the Meeting in person or by proxy.

Shareholders will be asked at the meeting to consider and, if thought fit, approve the Continuation Resolution transferring the Corporation's jurisdiction of incorporation from Province of Alberta to the Province of British Columbia, as follows:

"BE IT RESOLVED, as a special resolution, that, subject to regulatory approval:

1. The Corporation is hereby authorized to apply to the Registrar of Corporations under the ABCA (the "**ABCA Registrar**") for authorization pursuant to Section 189 of the ABCA to discontinue from the ABCA and to apply to the British Columbia Registrar of Companies under the BCBCA for a Certificate of Continuation continuing the Corporation as if it had been incorporated under the BCBCA.
2. Any one or more of the directors or officers of the Corporation is hereby authorized to do, sign and execute all such further things, deeds, documents or writings necessary or desirable in connection with the application by the Corporation for the authorization by the Registrar, or any other matter relating to Section 189 of the ABCA.
3. Subject to and conditional upon the authorization of the ABCA Registrar pursuant to Section 189 of the ABCA:
 - (a) any one or more directors or officers of the Corporation are hereby authorized and directed to make an application to the British Columbia Registrar of Companies for a Certificate of Continuation of the Corporation pursuant to Section 302 of the BCBCA and certify that the Corporation is in good standing and that the continuation will not adversely affect the shareholders' or creditors' rights;
 - (b) upon continuance, the Corporation will have as its Articles, the form of Articles attached hereto as Schedule "B", prepared in accordance with the requirements of the BCBCA including any amendments as determined by counsel to the Corporation to be reasonably necessary, in substitution for the existing By-Laws of the Corporation, which Articles are approved in all respects and any one director of the Corporation is authorized to sign the Articles as required by the BCBCA; and
 - (c) the Continuation Application and Notice of Articles of the Corporation under the BCBCA, which have been presented to the shareholders of the Corporation and are attached hereto as Schedule "B" are approved in all respects and all amendments to the existing constituting documents of the Corporation that are reflected in the Notice of Articles are hereby approved.

4. The Board is hereby authorized to abandon the application to continue without further authorization of the shareholders of the Corporation if, in its discretion, the Board deems such abandonment to be advisable; and
5. Any one director or officer of the Corporation is authorized and directed on behalf of the Corporation, to take all necessary steps and proceedings, including the execution of any documents required to be filed with the British Columbia Registrar of Companies and to execute, deliver and file any and all declarations, agreements, documents and other instruments and do all such other acts and things as may be necessary or desirable to give effect to this special resolution.”

Unless the shareholder has specifically instructed in the enclosed form of proxy that the Shares represented by such proxy are to be voted against the Continuance Resolution, the persons named in the enclosed form of proxy will vote FOR the Continuance Resolution.

In order to be effected, the Continuance Resolution must be approved by two-thirds (2/3) of the votes cast at the Meeting in person or by proxy.

ADDITIONAL INFORMATION

Additional information concerning the Corporation can be found on SEDAR at www.sedar.com and on the Corporation's website at www.aurionresources.com.

Financial information relating to the Corporation is provided in the Corporation's audited financial statements and the management discussion and analysis ("MD&A") for the year ended December 31, 2017. Shareholders may download the financial statements and MD&A from SEDAR (www.sedar.com) or contact the Corporation directly to request copies of the financial statements and MD&A by: (i) mail at #W240, 120 Torbay Road, St. John's, Newfoundland A1A#W240, 120 Torbay oad, St. John's, Newfoundland A1A 2G8; or (ii) fax to 709-364-3086, or e-mail (lhodge@aurionresources.ca). Additional financial information concerning the Corporation may be obtained by any shareholder free of charge through the Corporation's website at www.aurionresources.com or by contacting the Corporation at 709-699-8300.

DATED at Vancouver, British Columbia this 26th day of June 2018.

BY ORDER OF THE BOARD

/s/ "Michael Basha"
President, CEO & Director

Schedule "A"
to the Information Circular of Aurion Resources Ltd.

AUDIT COMMITTEE CHARTER

A. Composition and Process

1. The audit committee of the Corporation (the "Audit Committee") shall be composed of a minimum of three members of the board of directors of the Corporation (the "Board of Directors"), a majority of whom are independent. An independent director, as defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110") is a director who has no direct or indirect material relationship which could, in the view of the Corporation's Board of Directors, be reasonably expected to interfere with the exercise of a members' independent judgment or as otherwise determined to be independent in accordance with NI 52-110.
2. Members shall serve one-year terms and may serve consecutive terms, which are encouraged to ensure continuity of experience.
3. The chairperson of the Audit Committee (the "Chairperson") shall be appointed by the Board of Directors for a one-year term and may serve any number of consecutive terms.
4. Members of the Audit Committee must be financially literate which is defined as the ability to read and understand a set of financial statements that present a breadth and level of complexity comparable to the accounting issues presented in the Corporation's financial statements.
5. The Chairperson shall, in consultation with management, establish the agenda for the meetings to ensure that properly prepared agenda materials are circulated to the members with sufficient time for study prior to the meeting. The Audit Committee may employ a list of prepared questions and considerations as a portion of its review and assessment process.
6. The Audit Committee shall meet at least four times per year and may call special meetings as required. A quorum at meetings of the Audit Committee shall be its Chairperson and one of its other members or the Chairman of the Board of Directors. The Audit Committee may hold its meetings, and members of the Audit Committee may attend meetings, by telephone conference if this is deemed appropriate.
7. The minutes of the Audit Committee meetings shall accurately record the decisions reached and shall be distributed to Audit Committee members with copies to the Board of Directors, the Chief Executive Officer, and the Chief Financial Officer.
8. The Audit Committee reviews, prior to their presentation to the Board of Directors and their release, all material financial information required by securities legislation and policies.
9. The Audit Committee enquires about potential claims, assessments and other contingent liabilities.
10. The Audit Committee periodically reviews with management, depreciation and amortization policies, loss provisions and other accounting policies for appropriateness and consistency.
11. The Charter of the Audit Committee shall be reviewed by the Board of Directors on an annual basis.

B. Authority

12. The Audit Committee is appointed by the Board of Directors pursuant to provisions of the *Business Corporations Act* (Alberta) and the bylaws of the Corporation.
13. Primary responsibility for the Corporation's financial reporting, accounting systems and internal controls is vested in senior management and is overseen by the Board of Directors. The Audit Committee is a standing committee of the Board of Directors established to assist it in fulfilling its responsibilities in this regard. The Audit Committee shall have responsibility for overseeing management reporting on internal controls. While it is management's responsibility to design and implement an effective system of internal control, it is the responsibility of the Audit Committee to ensure that management has done so.
14. In fulfilling its responsibilities, the Audit Committee shall have unrestricted access to the Corporation's personnel and documents and will be provided with the resources necessary to carry out its responsibilities.
15. The Audit Committee shall have direct communication channels with the external auditor to discuss and review specific issues, as appropriate.

16. The Audit Committee shall have the authority to engage independent counsel and other advisors as it determined necessary to carry out its duties.
17. The Audit Committee shall establish the compensation to be paid to any advisor employed by the Audit Committee and such compensation shall be paid by the Corporation as directed by the Audit Committee.

C. Relationship with External Auditor

18. An external auditor must report directly to the Audit Committee
19. The Audit Committee is directly responsible for overseeing the work of the external auditor including the resolution of disagreement between management and the external auditor regarding financial reporting.
20. The Audit Committee shall implement structures and procedures to ensure that it meets with the external auditor on at least an annual basis in the absence of management.

D. Accounting Systems, Internal Controls and Procedures

21. The Audit Committee shall obtain reasonable assurance from discussions with and/or reports from management, and reports from external auditors that accounting systems are reliable and that the prescribed internal controls are operating effectively for the Corporation and its subsidiaries and affiliates.
22. The Audit Committee shall review to ensure to its satisfaction that adequate procedures are in place for the review of the Corporation's disclosure of financial information extracted or derived from the Corporation's financial statements and will periodically assess the adequacy of those procedures.
23. The Audit Committee shall direct the external auditor's examinations to particular areas.
24. The Audit Committee shall review control weaknesses identified by the external auditor, together with management's response.
25. The Audit Committee shall review with the external auditor its view of the qualifications and performance of the key financial and accounting executives.
26. In order to preserve the independence of the external auditor the Audit Committee will:
 - (a) Recommend to the Board of Directors the external auditor to be nominated; and
 - (b) Recommend to the Board of Directors the compensation of the external auditor's engagement.
27. The Audit Committee shall review and pre-approve any engagements for non-audit services to be provided by the external auditor or its affiliates together with estimated fees, and consider the impact on the independence of the external auditor.
28. The Audit Committee shall review with management and with the external auditor any proposed changes in major accounting policies, the presentation and impact of significant risks and uncertainties, and key estimated and judgments of management that may be material to financial reporting.
29. The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employee of the present and most recent former external auditor of the Corporation.
30. The Audit Committee shall 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.
31. The Audit Committee shall on an annual basis, prior to public disclosure of its annual financial statements, ensure that the external auditor has entered into a participation agreement and has not had its participant status terminated, or if its participant status was terminated, has been reinstated in accordance with the Canadian Public Accountability Board ("CPAB") bylaws and is in compliance with any restriction or sanction imposed by CPAB.

E. Statutory and Regulatory Responsibilities

32. The Audit Committee shall review the annual audited financial statements and related management's discussion and analysis ("MD&A"), including any letter to shareholders and related press releases, and

recommend their approval to the Board of Directors, after discussing matters such as the selection of accounting policies (and changes thereto), major accounting judgments, accruals and estimated with management and the external auditor.

33. The Audit Committee shall review the quarterly interim financial statements and related MD&A including any letter to shareholders and related press releases and approve them on behalf of the Board of Directors.
34. The Audit Committee shall review any documents containing financial information extracted or derived from the Corporation's financial statements prior to the public disclosure of the information.

F. Reporting

35. The Audit Committee shall report, through the Chairperson of the Audit Committee, to the Board of Directors following each meeting on the major discussions and decisions made by the Audit Committee.
36. The Audit Committee shall report annually to the Board of Directors on the Audit Committee's responsibilities and how it has discharged them.
37. The Audit Committee shall review the Audit Committee's Charter annually and recommend the approval of any proposed amendments to the Board of Directors.

Schedule "B"
to the Information Circular of
Aurion Resources Ltd. (June 26, 2018)

ARTICLES OF CONTINUANCE

Schedule "C"
to the Information Circular of
Aurion Resources Ltd. (June 26, 2018)

ABCA DISSENT RIGHTS

SECTION 191(1) OF THE *BUSINESS CORPORATIONS ACT* (ALBERTA)

191(1) Subject to sections 192 and 242, a holder of shares of any class of a corporation may dissent if the Corporation resolves to:

- a) amend its articles under section 173 or 174 to add, change or remove any provisions restricting or constraining the issue or transfer of shares of that class;
 - b) amend its articles under section 173 to add, change or remove any restrictions on the business or businesses that the corporation may carry on;
 - b.1) amend its articles under section 173 to add or remove an express statement establishing the unlimited liability of shareholders as set out in section 15.2(1),
 - c) amalgamate with another corporation, otherwise than under section 184 or 187;
 - d) be continued under the laws of another jurisdiction under section 189; or
 - e) sell, lease or exchange all or substantially all its property under section 190.
- 2) A holder of shares of any class or series of shares entitled to vote under section 176, other than section 176(1)(a), may dissent if the corporation resolves to amend its articles in a manner described in that section.
 - 3) In addition to any other right he may have, but subject to subsection (20), a shareholder entitled to dissent under this section and who complies with this section is entitled to be paid by the corporation the fair value of the shares held by him in respect of which he dissents, determined as of the close of business on the last business day before the day on which the resolution from which he dissents was adopted.
 - 4) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by him or on behalf of any one beneficial owner and registered in the name of the dissenting shareholder.
 - 5) A dissenting shareholder shall send to the corporation a written objection to a resolution referred to in subsection (1) or (2):
 - a. at or before any meeting of shareholders at which the resolution is to be voted on; or
 - b. if the corporation did not send notice to the shareholder of the purpose of the Meeting or of his right to dissent, within a reasonable time after he learns that the resolution was adopted and of his right to dissent.
 - 6) An application may be made to the Court by originating notice after the adoption of a resolution referred to in subsection (1) or (2):
 - a. by the corporation; or
 - b. by a shareholder if he has sent an objection to the Corporation under subsection (5),
 to fix the fair value in accordance with subsection (3) of the shares of a shareholder who dissents under this section, or to fix the time at which a shareholder of an unlimited liability corporation who dissents under this section ceases to become liable for any new liability, act or default of the unlimited liability corporation.
 - 7) If an application is made under subsection (6), the corporation shall, unless the Court otherwise orders, send to each dissenting shareholder a written offer to pay him an amount considered by the directors to be the fair value of the shares.
 - 8) Unless the Court otherwise orders, an offer referred to in subsection (7) shall be sent to each dissenting shareholder:
 - a. at least 10 days before the date on which the application is returnable, if the corporation is the applicant; or
 - b. within 10 days after the corporation is served with a copy of the originating notice, if a shareholder is the applicant.

- 9) Every offer made under subsection (7) shall:
 - a. be made on the same terms; and
 - b. contain or be accompanied by a statement showing how the fair value was determined.
- 10) A dissenting shareholder may make an agreement with the corporation for the purchase of his shares by the corporation, in the amount of the corporation's offer under subsection (7) or otherwise, at any time before the Court pronounces an order fixing the fair value of the shares.
- 11) A dissenting shareholder:
 - a. is not required to give security for costs in respect of an application under subsection (6); and
 - b. except in special circumstances shall not be required to pay the costs of the application or appraisal.
- 12) In connection with an application under subsection (6), the Court may give directions for:
 - a. joining as parties all dissenting shareholders whose shares have not been purchased by the corporation and for the representation of dissenting shareholders who, in the opinion of the Court, are in need of representation;
 - b. the trial of issues and interlocutory matters, including pleadings and examinations for discovery;
 - c. the payment to the shareholder of all or part of the sum offered by the corporation for the shares;
 - d. the deposit of the share certificates with the Court or with the corporation or its transfer agent;
 - e. the appointment and payment of independent appraisers, and the procedures to be followed by them;
 - f. the service of documents; and
 - g. the burden of proof on the parties.
- 13) On an application under subsection (6), the Court shall make an order:
 - a. fixing the fair value of the shares in accordance with subsection (3) of all dissenting shareholders who are parties to the application;
 - b. giving judgment in that amount against the corporation and in favour of each of those dissenting shareholders;
 - c. fixing the time within which the corporation must pay that amount to a shareholder; and
 - d. fixing the time at which a dissenting shareholder of an unlimited liability corporation ceases to become liable for any new liability, act or default of the unlimited liability corporation.
- 14) On:
 - a. the action approved by the resolution from which the shareholder dissents becoming effective;
 - b. the making of an agreement under subsection (10) between the corporation and the dissenting shareholder as to the payment to be made by the corporation for his shares, whether by the acceptance of the corporation's offer under subsection (7) or otherwise; or (c) the pronouncement of an order under subsection (13), whichever first occurs, the shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of his shares in the amount agreed to between the corporation and the shareholder or in the amount of the judgment, as the case may be.
- 15) Subsection (14)(a) does not apply to a shareholder referred to in subsection (5)(b).
- 16) Until one of the events mentioned in subsection (14) occurs:
 - a. the shareholder may withdraw his dissent; or
 - b. the corporation may rescind the resolution, and in either event proceedings under this section shall be discontinued,
- 17) The Court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder, from the date on which the shareholder ceases to have any rights as a shareholder by reason of subsection (14) until the date of payment.
- 18) If subsection (20) applies, the corporation shall, within 10 days after:

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- a. the pronouncement of an order under subsection (13); or
 - b. the making of an agreement between the shareholder and the corporation as to the payment to be made for his shares, notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares.
- 19) Notwithstanding that a judgment has been given in favour of a dissenting shareholder under subsection (13)(b), if subsection (20) applies, the dissenting shareholder, by written notice delivered to the corporation within 30 days after receiving the notice under subsection (18), may withdraw his notice of objection, in which case the corporation is deemed to consent to the withdrawal and the shareholder is reinstated to his full rights as a shareholder, failing which he retains a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders.
- 20) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that (a) the corporation is or would after the payment be unable to pay its liabilities as they become due; or (b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities.