



RENAISSANCE GOLD INC.

MANAGEMENT INFORMATION CIRCULAR FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD Friday, December 7, 2018

Containing information as at October 31, 2018

PERSONS MAKING THE SOLICITATION

This Management Information Circular (the “**Information Circular**”) is being mailed by the management of Renaissance Gold Inc. (the “**Company**”) to everyone who was a shareholder of record of our company on October 31, 2018, which is the date that has been fixed by the directors of the Company as the record date to determine the shareholders who are entitled to receive notice of the Meeting.

We are mailing this Information Circular in connection with the solicitation of proxies by and on behalf of our management for use at the annual general and special meeting of the shareholders of the Company that is to be held on **December 7, 2018, at 9:00 a.m.** (Vancouver time) at the offices of the Company, Unit 1 – 15782 Marine Drive, White Rock, British Columbia (the “**Meeting**”). The solicitation of proxies will be primarily by mail. Certain employees or directors of the Company may also solicit proxies by telephone or in person. The cost of solicitation will be borne by the Company.

Under our Articles, at least two shareholders must be present in person or represented by proxy holding or representing not less than 5% of the shares entitled to vote at the Meeting before any action may validly be taken at the Meeting. If such a quorum is not present in person or by proxy, we will reschedule the Meeting.

References to dollars (\$) in this Information Circular shall mean Canadian dollars unless otherwise indicated.

PART 1 – VOTING

HOW A VOTE IS PASSED

All of the matters that will come to a vote at the Meeting as described in the attached Notice of Meeting are ordinary resolutions and can be passed by a simple majority – that is, if more than half of the votes that are cast are in favour, the resolution is approved.

WHO CAN VOTE?

If you are a registered shareholder of the Company as at October 31, 2018, you are entitled to attend at the Meeting and cast a vote for each share registered in your name on all resolutions put before the Meeting. If the shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf but documentation indicating such officer’s authority should be presented at the Meeting. If you are a registered shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions (see “**Voting by Proxy**”). If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled “Non-registered Shareholders” set out below.

It is important that your shares be represented at the Meeting regardless of the number of shares you hold. If you will not be attending the Meeting in person, we invite you to complete, date, sign and return your form of proxy as soon as possible so that your shares will be represented.

VOTING BY PROXY

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder. You can either tell that person how you want to vote, or you can let him or her decide for you. You can do this by completing a form of proxy.

In order to be valid, you must return the completed form of proxy forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or adjournment thereof to our transfer agent, TSX Trust Company, Suite 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, by fax number 1-416-595-9593 or go to www.voteproxyonline.com and enter the 12 digit control number located on either your proxy or voting instruction form.

What is a proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Information Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a proxyholder

You can choose any individual to be your proxyholder. It is not necessary for the person whom you choose to be a shareholder. To make such an appointment, simply fill in the person's name in the blank space provided in the enclosed form of proxy. To vote your shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are directors and/or officers of the Company.

Instructing your proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your shares at the Meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as the auditor of the Company and to authorize the directors to fix the remuneration to be paid to the auditor; and**
- ✓ **FOR the resolution to approve the Company's stock option plan**

For more information about these matters, see Part 3 - The Business of the Meeting. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Information Circular, the management of the

Company is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of the Company at Unit 1 – 15782 Marine Drive, White Rock, B.C. V4B 1E6 or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 in the afternoon (Vancouver time) on the last business day before the day of the Meeting, or any adjournment thereof, or delivered to the person presiding at the Meeting before it (or any adjournment) commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares but to do so you must attend the Meeting in person.

NON-REGISTERED SHAREHOLDERS

If your shares are not registered in your own name, they will be held in the name of a “nominee,” usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your common shares and must seek your instructions as to how to vote your shares.

Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders’ meetings, you will have received this Information Circular from your nominee, together with a form of proxy or a request for voting instruction form. If that is the case, **it is most important that you comply strictly with the instructions that have been given to you by your nominee on the voting instruction form.** If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your shares are not registered in your own name, the Company’s transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the Meeting, therefore, please insert your own name in the space provided on the form of proxy or voting instruction form that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the Meeting in person. Please register with the transfer agent, TSX Trust Company, upon arrival at the Meeting.

The Notice of Meeting, this Information Circular and a Financial Statement Request Form to receive our Consolidated Financial Statements and Management Discussion and Analysis for the fiscal year ended June 30, 2018, are being sent to both registered and non-registered owners of our common shares. If you are a non-registered owner and we have sent these materials to you directly, your name and address and information about your holdings of common shares of the Company have been obtained in accordance with applicable securities regulatory requirements from the nominee holding the securities on your behalf. By choosing to send these materials to you directly, the Company (and not your nominee) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions form.

The Meeting materials are not being sent to registered or beneficial owners using the Notice and Access procedure contained in NI 54-101. The Company is sending the Meeting materials directly to non-objecting beneficial holders (as defined in NI 54-101). The Company will pay for intermediaries to deliver the Meeting materials to objecting

beneficial holders (as defined in NI 54-101) and objecting beneficial holders will receive the Meeting materials from the intermediary.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized voting share capital of the Company consists of an unlimited number of common shares. The Company has authorized capital of an unlimited number of preferred shares of which none have been issued. Each holder of common shares is entitled to one vote for each common share registered in his or her name at the close of business on October 31, 2018, the date fixed by our directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on October 31, 2018, there were 62,744,814 common shares outstanding (the “**Outstanding Shares**”). To the knowledge of our directors and officers, there were no persons or companies who beneficially own, directly or indirectly or exercise control or direction over shares carrying more than 10% of the voting rights attached to all Outstanding Shares of the Company.

PART 3 – THE BUSINESS OF THE MEETING

1. Financial Statements

The Consolidated Financial Statements and Management Discussion and Analysis of the Company for the fiscal year ended June 30, 2018, will be placed before you at the Meeting. These financial statements may be requested by completing the enclosed Financial Statement Request Form that accompanies this Information Circular or may be viewed on www.sedar.com.

2. Election of Directors

Directors of the Company are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time.

Number of Directors

Under the Company’s Articles, the number of directors may be fixed or changed from time to time by ordinary resolution but shall not be fewer than three. The number of directors was last fixed at seven. There are currently seven directors and seven nominees are proposed by management for election as directors at the Meeting.

Majority Voting Policy

The board of directors has adopted a majority voting policy which requires that any nominee for election as a director in an uncontested election, who receives a greater number of votes “withheld” from his or her election than votes “for” such election, will promptly tender his or her resignation to the board, to be effective upon the board’s acceptance. The board, will promptly, and in any event within 90 days of the final voting results, accept the tendered resignation unless it determines that there are extraordinary circumstances relating to the composition of the board or the voting results that should delay the acceptance of the resignation or justify rejecting it. Subject to any corporate law restrictions, the board may leave a resulting vacancy unfilled until the next annual meeting of shareholders, fill the resulting vacancy through the appointment of a new director, or call a special meeting of shareholders to consider another nominee for election to fill the vacancy.

Gender Diversity

In determining candidates for election to the board or appointment to executive office, the board does not consider the level of representation of women on the board or in senior executive office, but rather makes their nomination and appointment decisions based on merit, by assessing whether a person’s skills and experience are appropriate for

particular roles. The Company has determined that, due to its current stage of development and the fact that the current nomination and appointment procedures have yielded appropriate candidates for nomination to the board and appointment to executive office, it is unnecessary to adopt a policy regarding the identification and nomination of female directors or the appointment of female executive officers, or to set targets for female directors or female executive officers.

As at October 31, 2018, except for Doris Meyer, Corporate Secretary, there are no other women holding executive office in the Company. There are no women currently sitting on the Board of Directors.

Nominees for Election

The following are the nominees proposed for election as directors of the Company together with the number of voting securities of the Company that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. All of the nominees are currently directors of the Company. Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

As of the date hereof, no additional director nominations for the Meeting have been received by the Company in compliance with the Company's Advance Notice Policy adopted by the shareholders on October 27, 2014.

<i>Name and State/Province and Country of Residence</i>	<i>Position with Company</i>	<i>Principal Occupation</i>	<i>Director since</i>	<i>Voting Shares Beneficially Owned or Controlled ⁽³⁾</i>
Ronald L. Parratt Nevada, USA	Director and Executive Chairman	Executive Chairman since May 29, 2017 and Chief Executive Officer of the Company from July 25, 2016 to November 14, 2017.	May 25, 2010	1,586,706
Robert P. Felder Nevada, USA	Director, President and Chief Executive Officer	President of the Company since May 29, 2017 and Chief Executive Officer of the Company since November 14, 2017	May 29, 2017	870,865
Richard L. Bedell, Jr. Nevada, USA	Director	President and Chief Executive Officer of the Company from March 31, 2011 until July 25, 2016 and Executive Vice President of the Company from July 25, 2016 until June 30, 2018.	May 25, 2010	2,609,066
Timothy Janke ⁽²⁾ Nevada, USA	Director	Chief Operating Officer of Pershing Gold Corporation	August 8, 2011	135,677
Lee Graber ⁽¹⁾⁽²⁾ California, USA	Director	Mining industry and private equity consultant	September 17, 2010	336,573
Dieter A. Krewedl ⁽¹⁾⁽²⁾ California, USA	Director	Mining industry consultant	September 17, 2010	310,879
Robert Boaz ⁽¹⁾⁽²⁾ Ontario, Canada	Director	Financial consultant	September 17, 2010	187,729

- (1) Member of the Audit Committee, of which Robert Boaz is the Chairman.
- (2) Member of the Compensation Committee, of which Dieter A. Krewedl is the Chairman.
- (3) Information as to ownership of shares has been taken from insider reports or other disclosure documents electronically filed with regulators by the entity and publicly available through the Internet at the web site for the Canadian System for Disclosure by Insiders (SEDI) at www.sedi.ca or the Canadian System for Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Management of the Company recommends that shareholders vote in favour of the nominees for election as directors. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the seven nominees as directors of the Company for the ensuing year.

Cease Trade Orders and Bankruptcy

No proposed director of the Company is, as at the date of this Information Circular, or was within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. No proposed director or executive officer of the Company has been subject to:

No proposed director or executive officer of the Company:

- (a) is, as at the date of this Information Circular, or has been within the 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) 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
- (b) has, within 10 years before the date of this Information 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, executive officer or shareholder.

No proposed director or executive officer of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor deciding whether to vote for a proposed director.

3. Appointment of the Auditor

Davidson & Company LLP, Chartered Professional Accountants, has served as auditor of the Company since its inception on May 25, 2010. The Company's management recommends that shareholders vote in favour of the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as the Company's auditor for the

ensuing year and in favour of granting the Board of Directors the authority to determine the remuneration to be paid to the auditor.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Davidson & Company LLP to act as our auditor until the close of our next annual general meeting and to authorize the Board of Directors to fix the remuneration to be paid to the auditor.

4. Approval of Stock Option Plan

The Company currently has in place a rolling stock option plan (the "Option Plan") pursuant to which the Company may grant incentive stock options to directors, officers, employees, and consultants of the Company or any of its affiliates ("Eligible Persons"). In accordance with the rules and policies of the TSX Venture Exchange (the "TSX-V"), shareholders must each year approve the Option Plan. The policies require that a stock option plan must specify a maximum number of shares issuable under it, which number can later be increased to a higher specified number only if authorized by the shareholders and accepted by the TSX-V.

The Option Plan permits the granting of options of up to 10% of the common shares of the Company issued and outstanding at the date of grant.

The Board is of the view that it is in the best interests of the Company to approve the Option Plan, which will enable the Board to grant options to Eligible Persons as a means of rewarding positive performance and providing incentive to attract and retain personnel to effectively manage the affairs of the Company.

To summarize, the Option Plan authorizes the Board to grant stock options to the Eligible Persons on the following terms:

1. The number of shares subject to each option is determined by the Board provided that the Option Plan, together with all other previously established or proposed share compensation arrangements may not, during any 12-month period, result in:
 - (a) the issuance of stock options to any one person, within that period, of a number of shares exceeding 5% of the issued shares of the Company;
 - (b) the issuance, within that period, to insiders of the Company of a number of shares exceeding 10%, or to one insider of a number exceeding 5%, or to a consultant of a number exceeding 2%; the aggregate number of shares granted to all eligible recipients employed to provide investor relations activities (as defined by the TSX-V) must not exceed 2% of the issued shares of the Company.
2. The aggregate number of shares which may be issued pursuant to options granted under the Option Plan, inclusive of options granted and outstanding under the previous stock option plan, may not exceed 10% of the issued and outstanding shares of the Company as at the date of the grant (after giving effect to the amendment described above).
3. The exercise price of options must be determined by the Board in compliance with applicable stock exchange policies.
4. The Option Plan provides that options are exercisable for ten years unless the Board provides for another exercise period when the options are granted in compliance with applicable stock exchange policies.
5. Options granted under the Option Plan are non-assignable and non-transferable. The options can only be exercised by the option holder as long as the option holder remains an Eligible Person pursuant to the Option Plan or within a period of not more than 90 days (30 days for providers of investor relations services) after ceasing to be an Eligible Person or, if the option holder dies or can no longer serve the Company due to disability, within the earlier of (a) a period following such death or disability equal to the period of such option holder's service to the Company, and (b) 365 days from the date of the optionee's death or disability.

6. The options granted pursuant to the Option Plan will be vested on a basis to be determined by the Board and may be vested immediately upon granting.
7. On the occurrence of certain “substitution events” (including certain reorganizations, amalgamations, mergers or business combinations and takeover bids), all outstanding options will vest.
8. The Option Plan provides that the options of a deceased option holder expire on the earlier of (a) a period equal to the period the deceased option holder served the Company and (b) 365 days following death.
9. The Option Plan treats options held by employees who are no longer able to serve the Company due to disability the same way as options held by deceased option holders.
10. The Option Plan provides that if a consultant holding options becomes another kind of Eligible Person at the termination of a consulting contract - (e.g. if a consultant is hired as an employee), he or she will continue to hold the options granted when a consultant. Similarly, if an Eligible Person who is not a consultant becomes a consultant, he or she will continue to hold the options granted to him or her prior to becoming a consultant.
11. The Board has the discretion (subject to applicable stock exchange rules) to extend the expiry dates of options granted to consultants following the termination of a consulting agreement in the same way it can extend the expiry dates of options granted to other option holders following termination of service to the Company.

Recommendation

The Company is of the view that the Option Plan provides the Company with the flexibility necessary to attract and maintain the services of senior management and other employees in competition with other companies in the mineral resource industry. A copy of the Option Plan attached hereto as Appendix “C”. The Board shall also have the authority to amend the Option Plan to reduce the benefits to its participants if in their discretion it is necessary or advisable in order to obtain any necessary regulatory approvals.

Shareholder Approval

The Company is asking its Shareholders to vote affirmatively on the following ordinary resolution to adopt and approve the Option Plan (the “**Option Plan Resolution**”):

“**BE IT RESOLVED THAT**, subject to regulatory approval, the Option Plan authorizing the directors to grant options on shares totaling up to a maximum of 10% of the Company’s common shares issued and outstanding from time to time, as at the date of the relevant grant, be and it is hereby approved, together with all options granted thereunder as at the date hereof, and that the Board of Directors be and they are hereby authorized, without further shareholder approval, to carry out the intent of this resolution.”

If this resolution is approved by Shareholders, it is expected that the Board will in due course grant further options under the Option Plan as the Board deems fit in light of the overall compensation program and the relative efforts and contributions of the eligible participants under the Option Plan.

The Board of Directors recommend that shareholders vote for the Option Plan Resolution. In the absence of contrary instructions, the persons named in the enclosed form of proxy intend to vote for the Option Plan Resolution. The discretionary authority granted by the enclosed proxy will be used by management to approve any amendments to the above resolution acceptable to it.

PART 4 – EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy

Our overall compensation philosophy is to provide a compensation package that enables us to attract, retain and motivate executive officers and employees to achieve our short-term and long-term business goals. Consistent with this philosophy, the following goals provide a framework for our executive officer's compensation program:

- Pay competitively to attract, retain, and motivate executive officers;
- Relate total compensation for each executive officer to overall company performance;
- Aggregate the elements of total compensation to reflect competitive market requirements and to address strategic business needs;
- Expose a portion of each executive officer's compensation to risk, the degree of which will positively correlate to the level of the named executive officer's responsibility and performance; and
- Align the interests of our named executive officers with those of our shareholders.

The Company's directors or Named Executive Officer's are not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

Oversight of Executive Compensation Program

The Compensation Committee is responsible for establishing a compensation policy and administering the compensation programs of our executive officers. The members of the Compensation Committee are Dieter A. Krewedl (Chair), Robert Boaz, Lee Graber and Tim Janke, each an independent director under the rules of the TSX Venture Exchange ("TSX-V") and applicable securities legislation.

The amount of compensation paid by the Company to each of its executive officers and the terms of those persons' employment is determined solely by the Compensation Committee. The Compensation Committee considers the implications of risks associated with the Company's compensation policies and practices and considers the compensation paid by the Company to mitigate those policies and practices that could encourage a named executive officer or any employee of the Company to take inappropriate or excessive risks in order to enhance any portion of their compensation package.

The Compensation Committee also recommends the amount of compensation paid by the Company to its independent directors.

Compensation Program Overview

The compensation package is comprised of:

- base salary or fees;
- equity based compensation in the form of stock options to purchase common shares pursuant to the Company's Option Plan.

In making determinations of salary levels for the executive officers, the Compensation Committee considers the equity compensation provided under the Option Plan to provide a compensation package that encourages and motivates performance.

Base Salary

The base salary currently paid to our executive officers is commensurate with the nature of our business and their individual experience, duties and scope of responsibilities.

The Company intends for salary levels to be consistent with competitive practices of comparable institutions and each executive's level of responsibility. The Compensation Committee is likely to determine the level of any salary (or salary increase) after reviewing the qualifications, experience, and performance of the particular executive officer and the nature of our business, the complexity of its activities, and the importance of the executive's contribution to the success of the business through discussion only, with no formal objectives (performance or otherwise) or criteria. The Compensation Committee may also take into consideration salaries paid to others in similar positions in the Company's industry based on the experience of the Compensation Committee members and review of publicly available information. The discussion of the information and factors considered and given weight by the Compensation Committee is not intended to be exhaustive, but it is believed to include all material factors considered by the Compensation Committee. In reaching the determination to approve and recommend the current base salaries of the Company's executive officers, the Compensation Committee did not assign any relative or specific weight to the factors which were considered, and the members may have given a different weight to each factor. The Compensation Committee will review and adjust the base salaries of our executive officers when deemed appropriate.

Option-based awards

Executive officers of the Company, as well as directors, employees and consultants (together the "Optionees"), are eligible to participate in the Company's Option Plan. Stock option grants are an important part of the Company's incentive strategy permitting Optionees to share in any appreciation of the market value of the Company's shares over a stated period of time, and it is intended to reinforce commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of the Company's shares, and enables participants to acquire and maintain an ownership position in the Company.

The Compensation Committee recommends the individual stock options to the Board and the size of the grants are dependent on, among other things, each individual's level of responsibility, authority and importance to the Company and the degree to which such long-term contribution to the Company will be responsible for its long-term success. The Compensation Committee and the Board also evaluate the number of options an individual has been granted, the exercise price of the options and the term remaining on those options when considering further grants. Options are usually priced at the closing trading price of the Company's shares on the business day immediately preceding the date of grant and the current policy of the Board is that options expire five years from the date of grant.

The Company normally grants stock options to an executive officer when they first join the Company based on their level of responsibility. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's ongoing level of responsibility within the Company.

See "Outstanding Option-Based Awards" and "Incentive Plan Awards – Value vested or earned during the year" below, as well as Part 5 – Securities Authorized for Issuance under Equity Compensation Plans.

Benefits and Perquisites

The Company's named executive officers do not receive perquisites or benefits that are not generally available to all employees of the Company. All the Company's employees receive reimbursement for the use of personal vehicles for valid company business. The Company makes contributions equal to 4% of the salaries of participating US

resident employees on their behalf to a 401K defined contribution retirement plan available to all US resident employees of the Company.

Summary Compensation Table

The following table sets forth all compensation for the periods indicated in respect of the individuals who served as the Chief Executive Officer and Chief Financial Officer of the Company at any time during the financial year of the Company, and all other executive officers of the Company who received, during the financial year of the Company salary in excess of \$150,000 (collectively the “Named Executive Officers”).

Name and Principal Position Named Executive Officers ⁽¹⁾	Fiscal Year Ended	Salary ⁽²⁾ (\$)	Share based awards (\$)	Option based awards ⁽⁴⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension Value	All Other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Ronald L. Parratt, Executive Chairman	2018	37,897	Nil	13,320	Nil	Nil	Nil	Nil	51,217
	2017	72,969	Nil	51,697	Nil	Nil	Nil	Nil	124,666
	2016	3,980	15,000	Nil	Nil	Nil	Nil	Nil	18,980
Richard L. Bedell, Executive Vice President	2018	76,201	Nil	8,622	Nil	Nil	Nil	Nil	84,823
	2017	79,603	Nil	47,868	Nil	Nil	Nil	Nil	127,471
	2016	79,620	Nil	Nil	Nil	Nil	Nil	Nil	79,620
Robert P. Felder, President and Chief Executive Officer	2018	171,554	Nil	28,800	Nil	Nil	Nil	Nil	200,354
	2017	15,105	Nil	Nil	Nil	Nil	Nil	Nil	15,105
Golden Oak Corporate Services Ltd., ⁽³⁾ Chief Financial Officer, Corporate Secretary	2018	Nil	Nil	8,622	Nil	Nil	Nil	90,000	98,622
	2017	Nil	Nil	26,806	Nil	Nil	Nil	88,750	115,556
	2016	Nil	Nil	Nil	Nil	Nil	Nil	98,333	98,333

⁽¹⁾ See “Termination of Employment, Change in Responsibilities and Employment Contracts” below.

⁽²⁾ The salaries to Messrs. Parratt, Bedell and Felder are paid in US dollars and have been converted to Canadian dollars for presentation at the average exchange rate for each financial year ended June 30 being 1.2700167 for 2018, 1.326712 for 2017 and 1.326997 for 2016. Mr. Felder’s salary is from May 29, 2017.

⁽³⁾ Consulting fees are paid to Golden Oak Corporate Services Ltd., a company owned by Doris Meyer, which provides Doris Meyer’s and Dan O’Brien’s services to the Company as Corporate Secretary and Chief Financial Officer respectively.

⁽⁴⁾ This amount represents the theoretical fair value, on the date of grant, of stock options granted under the Option Plan during each fiscal year. There was no cash compensation paid to any of the NEOs disclosed in the above table in connection with “option-based awards”. The grant date fair value has been calculated using the Black Scholes Merton model according to IFRS 2 – Share-Based Payments and will be recognized over the vesting term of the option. The key assumptions and estimates used for the calculation of the grant date fair value under this model include the risk-free, expected stock price volatility, expected life and expected dividend yield.

Messrs. Parratt, Bedell and Felder do not receive any additional compensation for their services as directors of the Company.

Outstanding Option-Based Awards

The following table sets forth all awards outstanding as at June 30, 2018, held by Named Executive Officers under the Company’s Plan, as awards under the Plan are considered “optioned-based awards” under applicable securities laws.

Non-Executive Director	Option-based awards					Share-based awards		
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Ronald L. Parratt	60,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	135,000	0.57	August 18, 2021	Nil	Nil	Nil	Nil	Nil
	74,000	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Richard L. Bedell	80,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	125,000	0.57	August 18, 2021	Nil	Nil	Nil	Nil	Nil
	47,900	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Robert P. Felder	160,000	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Dan O'Brien	30,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	35,000	0.57	August 18, 2021	Nil	Nil	Nil	Nil	Nil
	25,000	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Doris Meyer	10,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	35,000	0.57	August 18, 2021	Nil	Nil	Nil	Nil	Nil
	22,900	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil

(1) The underlying securities are common shares of Renaissance Gold Inc.

(2) The value of unexercised “in-the-money options” at financial year-end is the difference between the option exercise price and the closing price of the underlying stock on the TSX-V on June 30, 2018. The closing price of the shares on June 29, 2018 was \$0.19.

Incentive Plan Awards – Value vested or earned during the year

The following table sets forth details of the value vested or earned for all incentive plan awards during the financial year ended June 30, 2018, by each Named Executive Officer.

Name	Option-based awards – Value vested during the year ⁽¹⁾ \$
Ronald L. Parratt	Nil
Robert P. Felder	Nil
Richard L. Bedell	Nil
Dan O'Brien	Nil
Doris Meyer	Nil

Notes:

(1) Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.

Pension Plan Benefits

The Company has no formal pension, retirement or other long-term incentive compensation plan in place for its directors, officers or employees.

Employment Contracts

Mr. Ronald L. Parratt entered into an employment agreement with the Company on July 25, 2016 replacing a contract entered into on November 2, 2010. Under the 2016 agreement, Mr. Parratt is employed for an indefinite period of time unless he is terminated in accordance with the terms of the agreement. Mr. Parratt served as President and Chief Executive Officer from the Company's inception until March 31, 2011, when he was appointed Executive Chairman. On July 25, 2016, Mr. Parratt was re-appointed to the position of President and Chief Executive Officer and the office of Executive Chairman was vacant. On May 29, 2017 Mr. Parratt was appointed Executive Chairman and Chief Executive Officer. On November 14, 2017 Mr. Parratt was appointed Executive Chairman. From July 25, 2016 until November 14, 2017 Mr. Parratt was paid an annual salary of US\$60,000 and from November 14, 2017 Mr. Parratt is paid an annual salary of US\$12,000.

Mr. Richard L. Bedell entered into an employment agreement with the Company on July 25, 2016 replacing a contract entered into on November 2, 2010. Under the 2016 agreement, Mr. Bedell is employed for an indefinite period of time unless he is terminated in accordance with the terms of the agreement. Mr. Bedell served first, as Executive Vice President from the Company's inception until March 31, 2011, when he was appointed President and Chief Executive Officer until July 25, 2016 when he was re-appointed to the position of Executive Vice President until June 30, 2018. The agreement contains provisions in respect of Mr. Bedell's annual base salary, which from July 1, 2013 to June 30, 2018 was US\$60,000 and benefits and from July 1, 2018 is US\$12,000 a year. Mr. Bedell is no longer an executive officer of the Company and is now a Technical Advisor.

Mr. Robert P. Felder entered into an employment agreement with the Company on May 29, 2017 to serves as President of the Company at an annual salary of US\$120,000 and benefits. On November 14, 2017, Mr. Felder was appointed as President and Chief Executive Officer and his annual salary is now US\$144,000 and benefits.

The employment agreements described above for each of Messrs. Parratt, Bedell and Felder provide that any incremental increases in base salary may be determined by the Board. Under each agreement, the employee is entitled to paid vacation time each year, reimbursement for the use of his personal vehicle for valid company business and to participate in any benefit plans provided by the Company to its employees.

Termination and Change of Control Benefits

All three employment agreements described above may be terminated by the employee on giving the Company three months' written notice, provided that the Company may waive such notice, in which case the employee's employment will terminate upon the Company giving such waiver. The agreements can be terminated by the Company for cause without notice and without cause on payment of US\$36,000 for each of Mr. Parratt and Mr. Bedel and US\$144,000 for Mr. Felder. On a defined change of control event and if the employee terminates his employment within 90 days or if his employment is terminated by the Company within one year, the employee would be paid US\$72,000 as severance pay for each of Mr. Parratt and Mr. Bedell and US\$144,000 for Mr. Felder.

The Company acknowledges in the agreements that, each employee shall not acquire any mineral exploration interest in any property other than for the Company, Mr. Parratt and Mr. Bedell may continue to hold the mineral exploration interests set forth in each of their agreements. Mr. Parratt's mineral interests include a 0.5% net smelter return royalty ("NSR") held by him in the Company's Buffalo Canyon property, which is held by held by Mr. Parratt through Parratt Geological Services, LLC. Mr. Bedell's mineral interests include a 0.5% NSR held by him in the Company's Buffalo Canyon property through GeoCorp, a Nevada Company.

Golden Oak Corporate Services Ltd., Chief Financial Officer and Corporate Secretary

On November 2, 2010, the Company entered into a consulting agreement with Doris Meyer and her wholly owned company, Golden Oak Corporate Services Ltd., (the "**Meyer Agreement**") in connection with provision by Dan O'Brien and Doris Meyer of their services as the Chief Financial Officer and Corporate Secretary of the Company and the provision as an independent contractor by Golden Oak Corporate Services Ltd. ("**Golden Oak**") to the Company of accounting, financial, corporate and regulatory compliance services in consideration of an annual

service fee plus applicable taxes and reimbursement of reasonable office costs and expenses and all pre-approved travel and out-of-pocket expenses incurred by Golden Oak in furtherance of or in connection with the business of the Company and its subsidiaries. The Meyer Agreement was for an initial term of one year and, unless terminated in accordance with its terms, is automatically renewed annually. The annual fee of \$90,000 was last set on July 1, 2017. The Meyer Agreement may be terminated by the Company for cause without notice at any time upon ten days' written notice of termination specifying the date of such termination, in which event the Company shall pay to Golden Oak a lump sum of \$90,000 and, upon such payment and reimbursement of any other amounts then due and owing, Golden Oak shall have no further recourse from the Company. On a defined change of control event and if Golden Oak terminates its services within 90 days following the event, or if Golden Oak's services are terminated by the Company without cause, Golden Oak will be entitled to be paid by the Company a lump sum of \$90,000. The Meyer Agreement may be terminated by Golden Oak upon 60 days' written notice to the Company provided that the Company may waive such notice, in which case Golden Oak's services will terminate upon the Company giving such waiver. During the 60 day notice period, Golden Oak and Ms. Meyer will agree to perform their obligations to the Company if the Company requests such performance and will perform such obligations in the manner directed by the Company. The Meyer Agreement contains non-disclosure and non-solicitation provisions typical of an agreement of its nature.

Under the terms of the employment agreements detailed above, in the event of termination other than for cause, then Messrs. Parratt, Bedell and Felder would be entitled to the following compensation and Golden Oak would be entitled to the following fees:

Name	Position	Termination Value without cause	Termination Value on change of control
Ronald L. Parratt	Executive Chairman	\$47,405	\$94,810
Richard L. Bedell	Technical Advisor	\$47,405	\$94,810
Robert P. Felder	President and Chief Executive Officer	\$189,619	\$189,619
Golden Oak	Chief Financial Officer, Corporate Secretary	\$90,000	\$90,000

Note: All options immediately vest on a change of control. Options that have vested as of the date of termination remain exercisable for 90 days following termination. The value of unexercised "in-the-money options" at June 30, 2018 are detailed under "Outstanding option-based awards" above. The US dollar termination values have been translated to Canadian dollar equivalents at an exchange rate of 1.3168 on June 30, 2018.

Directors' and Officers' Insurance

The Company procures a comprehensive directors' and officers' liability insurance program. Subject to policy conditions, this program is intended to cover each individual's liability arising from their duties as a director or officer of the Company provided they acted honestly and in good faith with a view to the best interests of the Company.

Compensation of Non-Executive Directors

The non-executive directors are paid a flat rate of US\$3,000 per annum.

Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors. The Company may, from time to time, grant options to purchase common shares to the directors.

The following table sets out details of all amounts of compensation provided to the non-executive directors of the Company during the fiscal year ended June 30, 2018.

Name	Fees Earned ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Total (\$)
Lee Graber	3,810	-	10,764	14,574
Dieter A. Krewedl	3,810	-	6,264	10,074

Name	Fees Earned ⁽¹⁾ (\$)	Share-based awards (\$)	Option-based awards ⁽²⁾ (\$)	Total (\$)
Robert Boaz	3,810	-	10,764	14,574
Tim Janke	3,810	-	10,764	14,574

⁽¹⁾ The director fees are paid in US dollars and have been converted to Canadian dollars for presentation at the average exchange rate for the financial year ended June 30, 2018 being 1.2700167.

⁽²⁾ This amount represents the theoretical fair value, on the date of grant, of stock options granted under the Option Plan during each fiscal year. There was no cash compensation paid to any of the NEOs disclosed in the above table in connection with “option-based awards”. The grant date fair value has been calculated using the Black Scholes Merton model according to IFRS 2 – Share-Based Payments and will be recognized over the vesting term of the option. The key assumptions and estimates used for the calculation of the grant date fair value under this model include the risk-free, expected stock price volatility, expected life and expected dividend yield.

Outstanding Option-Based Awards

The following table sets forth all awards outstanding as at June 30, 2018, held by the independent directors of the Company, as awards under the Plan are considered “optioned-based awards” under applicable securities laws.

Non-Executive Director	Option-based awards					Share-based awards		
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price (\$)	Expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Lee Graber	40,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	70,000	0.57	August 18, 2021	Nil	Nil	Nil	Nil	Nil
	59,800	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Dieter A. Krewedl	40,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	70,000	0.57	August 16, 2021	Nil	Nil	Nil	Nil	Nil
	34,800	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Robert Boaz	40,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	70,000	0.57	August 16, 2021	Nil	Nil	Nil	Nil	Nil
	59,800	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil
Tim Janke	40,000	0.48	August 19, 2019	Nil	Nil	Nil	Nil	Nil
	70,000	0.57	August 16, 2021	Nil	Nil	Nil	Nil	Nil
	59,800	0.265	July 24, 2022	Nil	Nil	Nil	Nil	Nil

⁽¹⁾ The underlying securities are common shares of Renaissance Gold Inc.

⁽²⁾ The value of unexercised “in-the-money options” at financial year-end is the difference between the option exercise price and the closing price of the underlying stock on the TSX-V on June 30, 2018. The closing price of the shares on June 29, 2018 was \$0.19.

Incentive Plan Awards – Value vested or earned during the year

The following table sets forth details of the value vested or earned for all incentive plan awards during the financial year ended June 30, 2018, by each independent director.

Name	Option-based awards – Value vested during the year ⁽¹⁾ \$
Lee Graber	Nil
Dieter A. Krewedl	Nil
Robert Boaz	Nil
Tim Janke	Nil

Notes:

⁽¹⁾ Value vested is calculated as the dollar value that would have been realized had the option been exercised on the date it was vested less the related exercise price multiplied by the number of vesting shares.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following information is as of June 30, 2018, the Company’s most recently completed financial year.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by securityholders	2,253,000	\$0.43	4,021,481
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	2,253,000	\$0.43	4,021,481

PART 6 – CORPORATE GOVERNANCE DISCLOSURE

Board of Directors

The Board adopted a Charter mandating its responsibilities for the stewardship of the business and for acting in the best interests of the Company and its shareholders, attached hereto as Appendix “A”. Pursuant to the Charter, the Board discharges its responsibilities directly and through its Committees of the Board, currently consisting of the Audit Committee and the Compensation Committee. The Board assigns to these Committees the general responsibility for developing the Company’s approach to: (i) financial reporting and internal controls; (ii) issues relating to compensation of directors, officers and employees; and (iii) corporate governance issues and matters relating to nomination of directors.

The Board facilitates its exercise of independent supervision over management by ensuring that the Board is composed of at least half of independent directors. The Board is composed of seven directors, four of whom are considered to be independent. Messrs. Boaz, Graber, Janke and Dr. Krewedl are considered independent. Messrs. Parratt, Bedell and Felder are not. In determining whether a director is independent, the Board chiefly considers whether the director has a relationship which could or could be perceived to interfere with the director's ability to objectively assess the performance of management. On this basis, Mr. Parratt, Mr. Bedell and Mr. Felder because of holding executive offices are not considered to be independent directors.

The independent directors do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, where deemed necessary by the independent directors, the independent directors hold in-camera sessions exclusive of non-independent directors and members of management, which process facilitates open and candid discussion amongst the independent directors.

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

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

Directorships

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

Name of director	Other reporting issuer (or equivalent in a foreign jurisdiction)
Robert Boaz	<ul style="list-style-type: none"> • Caracara Silver Inc. • PolarX Limited
Lee Graber	<ul style="list-style-type: none"> • First Bauxite Corporation
Richard L. Bedell	<ul style="list-style-type: none"> • Magna Terra Minerals Inc.
Tim Janke	<ul style="list-style-type: none"> • US Gold Corp.

Position Descriptions

The Board has not adopted written position descriptions for the Chief Executive Officer, and the Chairs of each of the Audit Committee and the Compensation Committee delineating the roles and responsibilities inherent to the position being fulfilled. Generally, the Chairperson of each Board Committee is charged with fulfilling the mandate as contained in each Committee charter and is given the specific written authority to execute the business of the Committee as outlined and approved by the Board. Each Committee Chairperson is charged with the responsibility of reviewing and, if necessary, changing and adapting the respective Committee charter to respond to developing issues and presenting the changed charter to the Board for approval. The Committee Chairperson organizes the meetings of the Committee, develops and circulates agendas, conducts the meetings, records minutes, and follows-up on outstanding Committee business. The Committee Chairperson reports to the full Board on each meeting of the Committee and makes recommendations for specific actions and decisions.

The Chief Executive Officer's primary role is to manage the Company in an effective, efficient and forward-looking way and to fulfil the priorities, goals and objectives determined by the Board in the context of the Company's strategic plans, budgets and responsibilities specifically detailed with a view to increasing shareholder value.

Orientation and Continuing Education

The Company has not yet developed an official orientation or training program for new directors, however, any new directors will be provided the opportunity to become familiar with the Company by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Board as developed by the Corporate Governance and Nominating Committee. Potential candidates will be provided with publicly available materials in order to acquaint themselves with the Company and its directors including recent press releases, financial reports and other relevant materials. Upon being appointed, a new director will be provided with a *Board of Directors' Manual* with additional information including articles, in corporate documents, committee charters, certain confidential insider information and other information in order to be fully informed.

The Board encourages each director to stay current on developing corporate governance requirements through continuous improvement and education. Directors are routinely provided information and publications on developing regulatory issues.

Ethical Business Conduct

Code of Ethics and Conduct

The Board has adopted a Code of Business Ethics and Conduct (the "**Code**") applicable to all of its directors, officers and employees, including the Chief Executive Officer, the Chief Financial Officer and other persons performing financial reporting functions. The Code has been developed to communicate to directors, officers and employees' standards for business conduct in the use of the company time, resources and assets, and to identify and clarify proper conduct in areas of potential conflict of interest. Each director, officer and employee is provided a copy of the Code and asked to sign an acknowledgement that the standards and principles of the Code will be maintained at all times on the Company business. The Code is designed to deter wrongdoing and promote (a) honest and ethical conduct; (b) compliance with laws, rules and regulations; (c) prompt internal reporting of Code violations; and (d) accountability for adherence to the Code. Violations from standards established in the Code; and specifically, under "Whistleblower" situations, are reported to the Chairperson of the Audit Committee and can be reported anonymously. The Chairperson of the Audit Committee would report to the Board any reported violations at least quarterly, or more frequently depending on the specifics of the reported violation. To date, there have been no reported violations. The Company intends to timely disclose on its web site amendments to, or waivers from, certain provision of the Code that apply to the Company's directors or executive officers.

The Code of Business Ethics and Conduct is available on the Company web site at www.RenGold.com and is posted on its profile at www.sedar.com.

Conflict of Interest Policy

When proposed transactions or agreements in which directors or officers may have an interest, material or not, are presented to the Board, such interest is disclosed and the persons who have such an interest are excluded from all discussion on the matter and are not allowed to vote on the proposal.

Timely Disclosure, Confidentiality and Insider Trading Policy

The Company has adopted a Timely Disclosure, Confidentiality and Insider Trading Policy to assist directors, officers, employees and contractors in meeting their obligations under applicable securities laws, rules and regulations and the rules and regulations of the stock exchange on which the Company's securities are listed. The policy prohibits trading on material, non-public information and describes certain blackout periods and insider reporting obligations under applicable law.

Whistleblower Policy

The Company has adopted a whistleblower policy that governs the process through which its officers, employees and others, either directly or anonymously, can notify the Chairman of the Audit Committee or counsel to the Company, of concerns relating to the Company's accounting, internal controls or auditing matters.

Audit Committee

The Board has appointed an Audit Committee. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws.

(a) Audit Committee Charter

The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. The Board of Directors of the Company adopted an Audit Committee Charter mandating the role of the Audit Committee in supporting the Board of Directors in meeting its responsibilities to the shareholders on September 17, 2010. The Audit Committee Charter is attached hereto as Appendix "B".

(b) Audit Committee Members

Robert Boaz, Lee Graber and Dieter A. Krewedl are members of the Company's Audit Committee, all of whom are considered "independent" as that term is defined in applicable securities legislation, and all three of the Audit Committee members can be considered to be "financially literate" in that they have the ability to read and understand financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's consolidated financial statements.

(c) Relevant Education and Experience

All of the Audit Committee members are experienced businessmen with experience in financial matters; each has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavor. Mr. Boaz has a master's degree in economics and has extensive experience in fund management, financing and mergers and acquisitions and is considered a "financial expert". Mr. Graber is a mining consultant with over 35 years of experience, who has sat on a number of Boards and Audit Committees of similar types of companies. Dr. Krewedl has a PhD in Geology and has more than 35 years in the mining industry has held positions as an officer and director of several public mining companies. In addition, each of the members of the Audit Committee have knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Company.

(d) Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Company's Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

(e) Pre-Approved Policies and Procedures for Non-Audit Services

The Company's Audit Committee Charter requires that management seek approval from the Audit Committee of all non-audit services to be provided to the Company or any of its subsidiaries by the Company's external auditor prior to engaging the external auditor to perform those non-audit services.

(f) External Auditor Service Fees (by category)

The fees paid or accrued by the Company to its auditor in each of the last two financial years, by category, are as follows:

	June 30, 2018	June 30, 2017
Audit fees	\$40,000	\$30,000
Audit related fees	-	-
Tax preparation fees	7,000	3,500
Total	\$47,000	\$33,500

Nomination of Directors

The Board considers the skills and attributes that would be required of a new director. Current directors and senior management are requested to advise the Chairman of the Board of potential candidates. Once candidates are identified, the Chairman of the Board, alone or with other directors, interviews the individuals and advises the Board of Directors the results of the interviews and makes a recommendation on a candidate to the Board of Directors for its approval.

The Board seeks to select well-qualified candidates with a diversity of background, experience and geographic location to maintain a well-balanced and highly competent group of directors with the ability to act together effectively. The Board is responsible for implementing orientation and education programs for new members of the Board and implementing procedures for assessing the effectiveness of the Board and its committees and for assessing the contribution of each of the Corporation's directors.

Compensation

The Board has established a Compensation Committee, comprised of Dieter A. Krewedl (Chair), Robert Boaz, Lee Graber and Tim Janke. The Committee's primary function is to assist the Board of Directors in fulfilling its oversight responsibilities by establishing appropriate performance criteria for the senior management team and approving the compensation of the senior management team and the directors. Additionally, the Committee is responsible for:

- Reviewing and approving and then recommending to the Board of Directors salary, bonus, and other benefits, direct or indirect, and any change control packages of the Chairperson of the Board of Directors (if any), the President, the Chief Executive Officer and other members of the senior management team.
- Recommendation of salary guidelines to the Board of Directors.
- Administration of the Company's compensation plans, including stock option plans, outside directors' compensation plans, and such other compensation plans or structures as are adopted by the Company from time-to-time.

- Research and identification of trends in employment benefits.
- Establishment and periodic review of the Company’s policies in the area of management benefits and perquisites.

Other Board Committees

There are no other committees currently appointed by the Board.

Assessments

The Board assesses, at least annually, the effectiveness of the Board as a whole, the Committees of the Board and the contribution of individual directors, including considering the appropriate size of the Board.

PART 7 – OTHER INFORMATION

Indebtedness of Directors and Executive Officers

No director, officer or employee, or former director, officer or employee of the Company or its subsidiaries, was indebted to the Company during the most recently completed financial year ended June 30, 2018, for other than “routine indebtedness”, as that term is defined by applicable securities law.

Management Contracts

The management functions of the Company, and its subsidiaries, are performed by our directors and executive officers and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and executive officers of the Company.

Interest of Informed Persons in Material Transactions

Except as set out herein, no proposed nominee for election as a director, and no director or officer of the Company or any of its subsidiaries, who has served in such capacity since the beginning of the last financial year of the Company, and no shareholder holding of record or beneficially, directly or indirectly, more than 10% of the Company’s outstanding common shares, and none of the respective associates or affiliates of any of the foregoing, had any interest in any transaction with the Company or in any proposed transaction since the beginning of the last completed financial year that has materially affected the Company, or any of its subsidiaries, or is likely to do so.

Interest of Certain Persons in Matters to be Acted on at the Meeting

No proposed director or officer of the Company who has served in such capacity since the beginning of the last financial year of the Company, and none of the respective associates or affiliates of any of the foregoing, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors.

Other Matters

Management of the Company is not aware of any other matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Information Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

Additional Information

You may obtain additional financial information about the Company in the comparative Consolidated Financial

Statements and Management Discussion and Analysis for the year ended June 30, 2018, which have been filed with regulators and are available for viewing through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com; and copies of which can be obtained by completing the enclosed Financial Statement Request Form. Additional copies may be obtained without charge upon request to us at Unit 1 – 15782 Marine Drive, White Rock, B.C. V4B 1E6 - telephone (604) 536-2711; fax (604) 604-536-2788. You may also access our public disclosure documents through the Internet on SEDAR at www.sedar.com and on our website at www.RenGold.com.

Board Approval

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

DATED at Vancouver, British Columbia, this 31st day of October, 2018

ON BEHALF OF THE BOARD OF DIRECTORS

“Ronald L. Parratt”

Executive Chairman

APPENDIX “A”

Charter of the Board of Directors of Renaissance Gold Inc.

I. PURPOSE

The Board of Directors is responsible for the stewardship of the business and for acting in the best interests of the Company and its shareholders. The Board of Directors will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee, and the Corporate Governance and Nominating Committee. The Board of Directors shall meet at least quarterly to review the business, operations, corporate governance and financial results of the Company. Meetings of the Board of Directors shall also include meetings as required of the independent members of the Board without management being present.

II. COMPOSITION

The Board of Directors shall be constituted at all times of a majority of independent directors in accordance with NI 58-201. A director is considered to be ‘independent’ if he or she has no direct or indirect material relationship which could in the view of the Board of Directors reasonably interfere with the exercise of a director’s independent judgment. Notwithstanding the foregoing, a director shall be considered to have a material relationship with the Company (and therefore shall be considered a “dependent” director) if he or she falls in one of the categories listed in Schedule “A” attached hereto.

III. RESPONSIBILITIES

The Board of Directors’ mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- The assignment to committees of directors of the Company the general responsibility for developing the Company’s approach to: (i) financial reporting and internal controls; (ii) issues relating to compensation of directors, officers and employees; and (iii) corporate governance issues and matters relating to nomination of directors.
- With the assistance of the Corporate Governance and Nominating Committee:
 - Developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines specific to the Company.
 - Reviewing the composition of the Board of Directors and ensuring it respects its independence criteria.
 - To the extent feasible, satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the Company.
 - Assessing at least annually, the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors and the contribution of individual directors, including, considering the appropriate size of the Board of Directors.
 - Ensuring that an appropriate review selection process for new nominees to the Board of Directors is in place.
 - Ensuring that an appropriate orientation and education program for new members of the Board of Directors is in place.
 - Approving disclosure and securities compliance policies, including communications policies of the Company.

- Reviewing and approving the formal charters of the Company's Committees.
- With the assistance of the Audit Committee:
 - Recommending the appointment of the auditors and assessing the independence and performance of the auditors.
 - Ensuring the integrity of the Company's internal controls, management information systems and disclosure controls and procedures.
 - Ensuring the Company's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
 - Identifying the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks, including, without limitation, insurance policies, as deemed appropriate.
 - Reviewing and approving significant operational and financial matters and the provision of direction to management on these matters.
 - Approving interim and annual financial statements of the Company together with the interim and annual management's discussion and analysis.
 - As required and agreed upon, providing assistance to shareholders concerning the integrity of the Company's reported financial performance.
- With the assistance of the Compensation Committee:
 - Establishing appropriate performance criteria for the senior management team, and approving the compensation of the senior management team and the directors.
- With the assistance of the Chief Executive Officer, monitoring and reviewing feedback provided by the Company's shareholders.
- Succession planning including selecting, appointing, training, monitoring, evaluating and, if necessary, the replacing senior management to ensure management succession.
- Adopting a strategic planning process, approving at least annually a strategic plan that takes into account business opportunities and business risks identified by the Board and/or a committee of the Board and monitoring performance against such plans.
- Reviewing and approving corporate objectives and goals applicable to the Company's senior management and monitoring realization of those objectives.
- Reviewing with senior management:
 - Major corporate decisions which require Board approval and approving such decisions as they arise.
 - Major capital expenditure decisions in excess of thresholds previously authorized in a budget or by resolution of the Board of Directors.
 - Material decisions relating to senior personnel, major property acquisitions or divestments, major investments, etc.
- Performing such other functions as prescribed by law or assigned to the Board of Directors in the Company's constituting documents and by-laws.

IV. MISCELLANEOUS

1. The members of the Board are expected to attend all meetings of the Board of Directors unless prior notification of absence is provided.
2. The members of the Board are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting, to actively participate in Board deliberations, and to take full responsibility for Board decisions.
3. Board members will treat their fellow board members with respect.
4. The members of the Board should endeavour to avoid conflicts between their own personal interests and those of the Company and, where conflicts exist, to fully disclose such conflicts to the Board and refrain from participating in decisions relating to the subject matter of such conflicts.
5. The Board shall provide contact information on the website of the Company or, if no website exists, in the Company's Annual Information Form, of an independent director responsible for receiving feedback from shareholders and such director will report to the whole Board on a regular basis on the feedback received.

Adopted by the Board of Directors of Renaissance Gold Inc. effective November 2, 2010.

SCHEDULE "A"

Subject to the exemptions available under NI 52-101 Audit Committees, the following individuals are considered to have a material relationship with the Company:

- (a) an individual who is, or has been within the last three years, an employee or executive officer of the Company;
- (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the Company;
- (c) an individual who:
 - (i) is a partner of a firm that is the Company's internal or external auditor;
 - (ii) is an employee of that firm; or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;
- (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - (i) is a partner of a firm that is the Company's internal or external auditor;
 - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice; or
 - (iii) was within the last three years a partner or employee of that firm and personally worked on the Company's audit within that time;
- (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the Company's current executive officers serves or served at the same time on the entity's compensation committee; and
- (f) an individual who received, or whose immediate family member who is employed as an executive officer of the Company received, more than \$75,000 in direct compensation from the Company during any 12 month period within the last three years, other than as remuneration for acting in his or her capacity as a member

of the board of Directors or any Board committee, or the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service for the Company if the compensation is not contingent in any way on continued service.

- (g) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the Company or a subsidiary entity of the Company, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee.

APPENDIX “B”

Charter of the Audit Committee of Renaissance Gold Inc.

1. Purpose

- 1.1. The Audit Committee is ultimately responsible for the policies and practices relating to integrity of financial and regulatory reporting, as well as internal controls to achieve the objectives of safeguarding of corporate assets; reliability of information; and compliance with policies and laws. Within this mandate, the Audit Committee’s role is to:
 - (a) support the Board of Directors in meeting its responsibilities to shareholders;
 - (b) verify the independence of the external auditor;
 - (c) facilitate effective communications between management and the external auditor and provide a link between the external auditor and the Board of Directors;
 - (d) increase the credibility and objectivity of the Company’s financial reports and public disclosure.
- 1.2. The Audit Committee will make recommendations to the Board of Directors regarding items relating to financial and regulatory reporting and the system of internal controls following the execution of the Committee’s responsibilities as described herein.
- 1.3. The Audit Committee will undertake those specific duties and responsibilities listed below and such other duties as the Board of Directors from time to time prescribe.

2. Membership

- 2.1. Each member of the Audit Committee must be a director of the Company.
- 2.2. The Audit Committee will consist of at least three members, the majority of whom are neither officers nor employees of the Company or any of its affiliates.
- 2.3. The members of the Audit Committee will be appointed annually by and will serve at the discretion of the Board of Directors.

3. Authority

- 3.1. In addition to all authority required to carry out the duties and responsibilities included in this charter, the Audit Committee has specific authority to:
 - (a) engage, and set and pay the compensation for, independent counsel and other advisors as it determines necessary to carry out its duties and responsibilities; and
 - (b) communicate directly with management and any internal auditor, and with the external auditor without management involvement.

4. Duties and Responsibilities

4.1. The duties and responsibilities of the Audit Committee include:

- (a) recommending to the Board of Directors the external auditor to be nominated by the Board of Directors;
- (b) recommending to the Board of Directors the compensation of the external auditor;
- (c) reviewing the external auditor's audit plan, fee schedule and any related services proposals;
- (d) overseeing the work of the external auditor;
- (e) verifying that the external auditor is in good standing with the Canadian Public Accountability Board and will enquire if there are any sanctions imposed by the CPAB on the external auditor;
- (f) verifying that the external auditor meets the rotation requirements for partners and staff on the Company's audits;
- (g) reviewing and discussing with management and the external auditor the annual audited financial statements, including discussion of material transactions with related parties, accounting policies, as well as the external auditor's written communications to the Committee and to management;
- (h) reviewing the external auditor's report, audit results and financial statements prior to approval by the Board of Directors;
- (i) reporting on and recommending to the Board of Directors the annual financial statements and the external auditor's report on those financial statements, prior to Board approval and dissemination of financial statements to shareholders and the public;
- (j) reviewing financial statements, MD&A and annual and interim earnings press releases prior to public disclosure of this information;
- (k) ensuring adequate procedures are in place for review of all public disclosure of financial information by the Company, prior to its dissemination to the public;
- (l) overseeing the adequacy of the Company's system of internal accounting controls and internal audit process and obtaining from the external auditor summaries and recommendations for improvement of such internal controls and processes;
- (m) ensuring the integrity of disclosure controls and internal controls over financial reporting;
- (n) resolving disputes between management and the external auditor regarding financial reporting;
- (o) establishing procedures to deal with complaints and concerns, from employees and others, regarding questionable accounting, internal accounting controls or auditing practises;
- (p) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (q) reviewing and approving the Company's hiring policies with respect to partners or employees (or former partners or employees) of either a former or the present external auditor;
- (r) pre-approving all non-audit services to be provided to the Company or any subsidiaries by the Company's external auditor; and

- (s) overseeing compliance with regulatory authority requirements for disclosure of external auditor services and Audit Committee activities.
- 4.2. The Audit Committee will report, at least annually, to the Board regarding the Committee's examinations and recommendations.

5. Meetings

- 5.1. The quorum for a meeting of the Audit Committee is a majority of the members of the Committee who are not officers or employees of the Company or of an affiliate of the Company.
- 5.2. The members of the Audit Committee must elect a chair from among their number and may determine their own procedures.
- 5.3. The Audit Committee may establish its own schedule of meeting dates that it will provide to the Board of Directors in advance.
- 5.4. The Audit Committee will meet separately with the President and separately with the Chief Financial Officer of the Company at least annually to review the financial affairs of the Company.
- 5.5. The Audit Committee will meet with the external auditor of the Company at least once each year, at such time(s) as it deems appropriate, to review the external auditor's examination and report.
- 5.6. The external auditor must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Audit Committee.
- 5.7. The chair of the Audit Committee must convene a meeting of the Audit Committee at the request of the external auditor, to consider any matter that the auditor believes should be brought to the attention of the Board of Directors or the shareholders.

6. Reports

- 6.1. The Audit Committee will record its recommendations to the Board in written form which will be incorporated as a part of the minutes of the Board of Directors' meeting at which those recommendations are presented.

7. Minutes

- 7.1. The Audit Committee will maintain written minutes of its meetings, which minutes will be filed with the minutes of the meetings of the Board of Directors.

Adopted by the Board of Directors of Renaissance Gold Inc. on September 17, 2010.

APPENDIX “C”
RENAISSANCE GOLD INC.
STOCK OPTION PLAN
Effective Date: November 14, 2017

Approved by the Board of
Directors on September 27, 2017

Approved by the Shareholders on November 14, 2017

Accepted by the TSX Venture Exchange on November 21, 2017

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STOCK OPTION PLAN

SECTION 1 DEFINITIONS AND INTERPRETATION

1.1 Definitions

As used herein, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the meanings set forth below:

- (a) “Administrator” means such Executive or Employee of the Company as may be designated as Administrator by the Committee from time to time, if any.
- (b) “Associate” means, where used to indicate a relationship with any person:
 - (i) any relative, including the spouse of that person or a relative of that person’s spouse, where the relative has the same home as the person;
 - (ii) any partner, other than a limited partner, of that person;
 - (iii) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
 - (iv) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the corporation.
- (c) “Black-Out” means a restriction imposed by the Company on all or any of its directors, officers, employees, insiders or persons in a special relationship whereby they are to refrain from trading in the Company’s securities until the restriction has been lifted by the Company.
- (d) “Board” means the board of directors of the Company.
- (e) “Change of Control” means an occurrence when either:
 - (i) a Person or Entity, other than the current “control person” of the Company (as that term is defined in the *Securities Act*), becomes a “control person” of the Company; or
 - (ii) a majority of the directors elected at any annual or extraordinary general meeting of shareholders of the Company are not individuals nominated by the Company’s then-incumbent Board.
- (f) “Committee” means a committee of the Board appointed in accordance with this Plan or if no such committee is appointed, the Board itself.
- (g) “Company” means Renaissance Gold Inc.
- (h) “Consultant” means an individual who:
 - (i) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is described in the *Securities Act*);
 - (ii) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined in clause (h)(v) below);

- (iii) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (iv) has a relationship with the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company or is otherwise permitted by applicable Regulatory Rules to be granted Options as a Consultant or as an equivalent thereof,

and includes:

- (v) a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a “Consultant Entity”); or
 - (vi) an RRSP or RRIF established by or for the individual under which he or she is the beneficiary.
- (i) “Disability” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than 12 months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability.
- (j) “Employee” means:
- (i) an individual who works full-time or part-time for the Company or any Subsidiary and such other individual as may, from time to time, be permitted by applicable Regulatory Rules to be granted Options as an employee or as an equivalent thereto; or
 - (ii) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes:

- (iii) a corporation wholly-owned by such individual; and
 - (iv) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (k) “Executive” means an individual who is a director or officer of the Company or a Subsidiary, and includes:
- (i) a corporation wholly-owned by such individual; and
 - (ii) any RRSP or RRIF established by or for such individual under which he or she is the beneficiary.
- (l) “Exercise Notice” means the written notice of the exercise of an Option, in the form set out as Schedule “B” hereto, duly executed by the Option Holder.
- (m) “Exercise Period” means the period during which a particular Option may be exercised and is the period from and including the Grant Date through to and including the Expiry Time on the Expiry Date provided, however, that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (n) “Exercise Price” means the price at which an Option is exercisable as determined in accordance with section 5.4.
- (o) “Expiry Date” means the date the Option expires as set out in the Option Certificate or as otherwise determined in accordance with sections 5.2, 5.5, 6.2, 6.3, 6.4 or 11.4.

- (p) “Expiry Time” means the time the Option expires on the Expiry Date, which is 5:00 p.m. local time in Vancouver, British Columbia on the Expiry Date.
- (q) “Grant Date” means the date on which the Committee grants a particular Option, which is the date the Option comes into effect provided however that no Option can be exercised unless and until all necessary Regulatory Approvals have been obtained.
- (r) “Insider” means an insider as that term is defined in the *Securities Act*;
- (s) “Market Value” means the market value of the Shares as determined in accordance with section 5.4.
- (t) “Option” means an incentive share purchase option granted pursuant to this Plan entitling the Option Holder to purchase Shares of the Company.
- (u) “Option Certificate” means the certificate, in substantially the form set out as Schedule “A” hereto, evidencing the Option.
- (v) “Option Holder” means a Person or Entity who holds an unexercised and unexpired Option or, where applicable, the Personal Representative of such person.
- (w) “Outstanding Issue” means the number of Shares that are outstanding (on a non-diluted basis) immediately prior to the Share issuance or grant of Option in question.
- (x) “Person or Entity” means an individual, natural person, corporation, government or political subdivision or agency of a government, and where two or more persons act as a partnership, limited partnership, syndicate or other group for the purpose of acquiring, holding or disposing of securities of an issuer, such partnership, limited partnership, syndicate or group shall be deemed to be a Person or Entity.
- (y) “Personal Representative” means:
 - (i) in the case of a deceased Option Holder, the executor or administrator of the deceased duly appointed by a court or public authority having jurisdiction to do so; and
 - (ii) in the case of an Option Holder who for any reason is unable to manage his or her affairs, the person entitled by law to act on behalf of such Option Holder.
- (z) “Plan” means this stock option plan as from time to time amended.
- (aa) “Regulatory Approvals” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder.
- (bb) “Regulatory Authorities” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder.
- (cc) “Regulatory Rules” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including, without limitation, those of the applicable Regulatory Authorities.
- (dd) “*Securities Act*” means the *Securities Act* (British Columbia), RSBC 1996, c.418 as from time to time amended.
- (ee) “Share” or “Shares” means, as the case may be, one or more common shares without par value in the capital stock of the Company.
- (ff) “Subsidiary” means a wholly-owned or controlled subsidiary corporation of the Company.

- (gg) “Triggering Event” means:
- (i) the proposed dissolution, liquidation or wind-up of the Company;
 - (ii) a proposed merger, amalgamation, arrangement or reorganization of the Company with one or more corporations as a result of which, immediately following such event, the shareholders of the Company as a group, as they were immediately prior to such event, are expected to hold less than a majority of the outstanding capital stock of the surviving corporation;
 - (iii) the proposed acquisition of all or substantially all of the issued and outstanding shares of the Company by one or more Persons or Entities;
 - (iv) a proposed Change of Control of the Company;
 - (v) the proposed sale or other disposition of all or substantially all of the assets of the Company; or
 - (vi) a proposed material alteration of the capital structure of the Company which, in the opinion of the Committee, is of such a nature that it is not practical or feasible to make adjustments to this Plan or to the Options granted hereunder to permit the Plan and Options granted hereunder to stay in effect.
- (hh) “TSXV” means the TSX Venture Exchange Inc.
- (ii) “Vest” or “Vesting” means that a portion of the Option granted to the Option Holder which is available to be exercised by the Option Holder at any time and from time to time.

1.2 Choice of Law

The Plan is established under, and the provisions of the Plan shall be subject to and interpreted and construed in accordance with, the laws of the Province of British Columbia. The Company and each Option Holder hereby attorn to the exclusive jurisdiction of the Courts of British Columbia in respect of any legal proceedings relating to the Plan or Options granted hereunder.

1.3 Headings

The headings used herein are for convenience only and are not to affect the interpretation of the Plan.

SECTION 2 PURPOSE AND PARTICIPATION

2.1 Purpose of Plan

The purpose of the Plan is to provide the Company with a share-related mechanism to attract, retain and motivate qualified Executives, Employees and Consultants, to incent such individuals to contribute toward the long term goals of the Company, and to encourage such individuals to acquire Shares of the Company as long term investments.

2.2 Participation in Plan

The Committee shall, from time to time and in its sole discretion, determine those Executives, Employees and Consultants, if any, to whom Options are to be granted.

2.3 Limits on Option Grants

If the Company is listed on TSXV, the following limitations shall apply to the Plan and all Options thereunder so long as such limitations are required by the TSXV:

- (a) the maximum number of Options which may be granted to any one Option Holder under the Plan within any 12 month period shall be 5% of the Outstanding Issue (unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (b) the maximum number of Options which may be granted to Insiders within any 12 month period must not exceed 10% of the Outstanding Issue (including any Options which are granted and exercised within that 12 month period unless the Company has obtained disinterested shareholder approval as required by the TSXV);
- (c) with respect to section 5.1, the Expiry Date of an Option shall be no later than the tenth anniversary of the Grant Date of such Option;
- (d) the maximum number of Options which may be granted to any one Consultant within any 12 month period must not exceed 2% of the Outstanding Issue; and
- (e) the maximum number of Options which may be granted within any 12 month period to Employees or Consultants engaged in investor relations activities must not exceed 2% of the Outstanding Issue and such options must vest in stages over 12 months with no more than 25% of the Options vesting in any three month period,

and such limitation will not be an amendment to this Plan requiring the Option Holders consent under section 9.2 of this Plan.

2.4 Notification of Grant

Following the granting of an Option, the Administrator shall, within a reasonable period of time, notify the Option Holder in writing of the grant and shall enclose with such notice the Option Certificate representing the Option so granted. In no case will the Company be required to deliver an Option Certificate to an Option Holder until such time as the Company has obtained all necessary Regulatory Approvals for the grant of the Option.

2.5 Copy of Plan

Each Option Holder, concurrently with the notice of the grant of the Option, shall be provided with a copy of the Plan. A copy of any amendment to the Plan shall be promptly provided by the Administrator to each Option Holder.

2.6 Limitation on Service

The Plan does not give any Option Holder that is an Executive the right to serve or continue to serve as an Executive of the Company or any Subsidiary, nor does it give any Option Holder that is an Employee or Consultant the right to be or to continue to be employed or engaged by the Company or any Subsidiary.

2.7 No Obligation to Exercise

Option Holders shall be under no obligation to exercise Options granted under this Plan.

2.8 Agreement

The Company and every Option Holder granted an Option hereunder shall be bound by and subject to the terms and conditions of this Plan. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms and conditions of this Plan. In the event that the Option Holder receives his, her or its Options pursuant to an oral or written agreement with the Company or a Subsidiary, whether such agreement is an employment agreement, consulting agreement or any other kind of agreement of any kind whatsoever, the Option Holder acknowledges that in the event of any inconsistency between the terms relating to the grant of such Options in that agreement and the terms attaching to the Options as provided for in this Plan, the terms provided for in this Plan shall prevail and the other agreement shall be deemed to have been amended accordingly.

2.9 Notice

Any notice, delivery or other correspondence of any kind whatsoever to be provided by the Company to an Option Holder will be deemed to have been provided if provided to the last home address, fax number or email address of the Option Holder in the records of the Company and the Company shall be under no obligation to confirm receipt or delivery.

2.10 Representation to TSXV

As a condition precedent to the issuance of an Option, the Company and the Option Holder must be able to represent to the TSXV as of the Grant Date that the Option Holder is a *bona fide* Executive, Employee or Consultant of the Company or any Subsidiary. The Option Certificate to which the Option Holder is a party must contain such a representation by the Option Holder.

SECTION 3 NUMBER OF SHARES UNDER PLAN

3.1 Board to Approve Issuance of Shares

The Board shall approve by resolution the issuance of all Shares to be issued to Option Holders upon the exercise of Options, such authorization to be deemed effective as of the Grant Date of such Options regardless of when it is actually done. The Board shall be entitled to approve the issuance of Shares in advance of the Grant Date, retroactively after the Grant Date, or by a general approval of this Plan.

3.2 Number of Shares

Subject to adjustment as provided for herein, the number of Shares which will be available for purchase pursuant to Options granted pursuant to this Plan will not exceed 10% of the number of Shares which are issued and outstanding on the particular date of grant of Options. If any Option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares in respect of such expired or terminated Option shall again be available for the purposes of granting Options pursuant to this Plan.

3.3 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

SECTION 4 GRANT OF OPTIONS

4.1 Grant of Options

The Committee shall, from time to time in its sole discretion, grant Options to such Persons or Entities and on such terms and conditions as are permitted under this Plan.

4.2 Record of Option Grants

The Committee shall be responsible to maintain a record of all Options granted under this Plan and such record shall contain, in respect of each Option:

- (a) the name and address of the Option Holder;
- (b) the category (Executive, Employee or Consultant) under which the Option was granted to him, her or it;
- (c) the Grant Date and Expiry Date of the Option;
- (d) the number of Shares which may be acquired on the exercise of the Option and the Exercise Price of the Option;

- (e) the vesting and other additional terms, if any, attached to the Option; and
- (f) the particulars of each and every time the Option is exercised.

4.3 Effect of Plan

All Options granted pursuant to the Plan shall be subject to the terms and conditions of the Plan notwithstanding the fact that the Option Certificates issued in respect thereof do not expressly contain such terms and conditions but instead incorporate them by reference to the Plan. The Option Certificates will be issued for convenience only and in the case of a dispute with regard to any matter in respect thereof, the provisions of the Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

SECTION 5 TERMS AND CONDITIONS OF OPTIONS

5.1 Exercise Period of Option

Subject to sections 5.2, 5.5, 6.2, 6.3, 6.4 and 11.4, the Grant Date and the Expiry Date of an Option shall be the dates fixed by the Committee at the time the Option is granted and shall be set out in the Option Certificate issued in respect of such Option.

5.2 Extension of Expiry Date of Stock Options Due to a Black-Out

The Expiry Date of outstanding Options held by Options Holders which would expire during a Black-Out, or within 10 business days after the expiry of a Black-Out, will be extended for a period of time ending on the tenth (10th) business day after the expiry date of the Black-Out to provide such Options Holders with an extension to the right to exercise such Options.

5.3 Number of Shares Under Option

The number of Shares which may be purchased pursuant to an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option.

5.4 Exercise Price of Option

The Exercise Price at which an Option Holder may purchase a Share upon the exercise of an Option shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Exercise Price shall not be less than the Market Value of the Shares as of the Grant Date. The Market Value of the Shares for a particular Grant Date shall be determined as follows:

- (a) for each organized trading facility on which the Shares are listed, Market Value will be the closing trading price of the Shares on the day immediately preceding the Grant Date, and may be less than this price if it is within the discounts permitted by the applicable Regulatory Authorities;
- (b) if the Company's Shares are listed on more than one organized trading facility, the Market Value shall be the Market Value as determined in accordance with subparagraph (a) above for the primary organized trading facility on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;
- (c) if the Company's Shares are listed on one or more organized trading facilities but have not traded during the ten trading days immediately preceding the Grant Date, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee; and

- (d) if the Company's Shares are not listed on any organized trading facility, then the Market Value will be, subject to any adjustments as may be required to secure all necessary Regulatory Approvals, such value as is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the Shares in private transactions negotiated at arms' length.

Notwithstanding anything else contained herein, in no case will the Market Value be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question.

5.5 Termination of Option

Subject to such other terms or conditions that may be attached to Options granted hereunder, an Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period. Any Option or part thereof not exercised within the Exercise Period shall terminate and become null, void and of no effect as of the Expiry Time on the Expiry Date. The Expiry Date of an Option shall be the earlier of the date so fixed by the Committee at the time the Option is granted as set out in the Option Certificate and the date established, if applicable, in paragraphs (a) or (b) below or sections 6.2, 6.3, 6.4, or 11.4 of this Plan:

- (a) *Ceasing to Hold Office* - In the event that the Option Holder holds his or her Option as an Executive and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position unless the Option Holder ceases to hold such position as a result of:
 - (i) ceasing to meet the qualifications set forth in the corporate legislation applicable to the Company;
 - (ii) a special resolution having been passed by the shareholders of the Company removing the Option Holder as a director of the Company or any Subsidiary; or
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position; OR

- (b) *Ceasing to be Employed or Engaged* - In the event that the Option Holder holds his or her Option as an Employee or Consultant and such Option Holder ceases to hold such position other than by reason of death or Disability, the Expiry Date of the Option shall be, unless otherwise determined by the Committee and expressly provided for in the Option Certificate, the 90th day following the date the Option Holder ceases to hold such position, unless the Option Holder ceases to hold such position as a result of:
 - (i) termination for cause;
 - (ii) resigning his or her position; or
 - (iii) an order made by any Regulatory Authority having jurisdiction to so order;

in which case the Expiry Date shall be the date the Option Holder ceases to hold such position.

In the event that the Option Holder ceases to hold the position of Executive, Employee or Consultant for which the Option was originally granted, but comes to hold a different position as an Executive, Employee or Consultant prior to the expiry of the Option, the Committee may, in its sole discretion, choose to permit the Option to stay in place for that Option Holder with such Option then to be treated as being held by that Option Holder in his or her new position and such will not be considered to be an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan. Notwithstanding anything else contained herein, in no case will an Option be exercisable later than the Expiry Date of the Option.

5.6 Vesting of Option and Acceleration

The vesting schedule for an Option, if any, shall be determined by the Committee and shall be set out in the Option Certificate issued in respect of the Option. The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options including, without limitation, on a Triggering Event, and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under section 9.2 of this Plan.

5.7 Additional Terms

Subject to all applicable Regulatory Rules and all necessary Regulatory Approvals, the Committee may attach additional terms and conditions to the grant of a particular Option, such terms and conditions to be set out in a schedule attached to the Option Certificate. The Option Certificates will be issued for convenience only, and in the case of a dispute with regard to any matter in respect thereof, the provisions of this Plan and the records of the Company shall prevail over the terms and conditions in the Option Certificate, save and except as noted below. Each Option will also be subject to, in addition to the provisions of the Plan, the terms and conditions contained in the schedules, if any, attached to the Option Certificate for such Option. Should the terms and conditions contained in such schedules be inconsistent with the provisions of the Plan, such terms and conditions will supersede the provisions of the Plan.

SECTION 6 TRANSFERABILITY OF OPTIONS

6.1 Non-transferable

Except as provided otherwise in this section 6, Options are non-assignable and non-transferable.

6.2 Death of Option Holder

In the event of the Option Holder's death, any Options held by such Option Holder shall pass to the Personal Representative of the Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the date of death and the applicable Expiry Date.

6.3 Disability of Option Holder

If the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated by the Company by reason of such Option Holder's Disability, any Options held by such Option Holder shall be exercisable by such Option Holder or by the Personal Representative on or before the date which is the earlier of one year following the termination of employment, engagement or appointment as a director or officer and the applicable Expiry Date.

6.4 Disability and Death of Option Holder

If an Option Holder has ceased to be employed, engaged or appointed as a director or officer of the Company or a Subsidiary by reason of such Option Holder's Disability and such Option Holder dies within one year after the termination of such engagement, any Options held by such Option Holder that could have been exercised immediately prior to his or her death shall pass to the Personal Representative of such Option Holder and shall be exercisable by the Personal Representative on or before the date which is the earlier of one year following the death of such Option Holder and the applicable Expiry Date.

6.5 Vesting

Notwithstanding any vesting schedule to which Options are subject, Options shall cease to vest immediately if the employment or engagement of an Option Holder as an Employee or Consultant or the position of an Option Holder as a director or officer of the Company or a Subsidiary is terminated for any reason whatsoever. In which case, the Option Holder may only exercise such number of Options that are vested as at the date of termination of such Option Holder's employment, engagement or appointment as a director or officer.

6.6 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

SECTION 7 EXERCISE OF OPTION

7.1 Exercise of Option

An Option may be exercised only by the Option Holder or the Personal Representative of any Option Holder. An Option Holder or the Personal Representative of any Option Holder may exercise an Option in whole or in part at any time and from time to time during the Exercise Period up to the Expiry Time on the Expiry Date by delivering to the Administrator the required Exercise Notice, the applicable Option Certificate and a certified cheque or bank draft payable to the Company in an amount equal to the aggregate Exercise Price of the Shares then being purchased pursuant to the exercise of the Option. Notwithstanding anything else contained herein, Options may not be exercised during Black-Out unless the Committee determines otherwise.

7.2 Issue of Share Certificates

As soon as reasonably practicable following the receipt of the Exercise Notice, the Administrator shall cause to be delivered to the Option Holder a certificate for the Shares so purchased. All Share Certificates issued pursuant to the Plan shall be subject to the applicable hold periods set by the Regulatory Rules. If the number of Shares so purchased is less than the number of Shares subject to the Option Certificate surrendered, the Administrator shall also provide a new Option Certificate for the balance of Shares available under the Option to the Option Holder concurrent with delivery of the Share Certificate.

7.3 No Rights as Shareholder

Until the date of the issuance of the certificate for the Shares purchased pursuant to the exercise of an Option, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to such Shares, notwithstanding the exercise of the Option, unless the Committee determines otherwise. In the event of any dispute over the date of the issuance of the certificates, the decision of the Committee shall be final, conclusive and binding.

SECTION 8 ADMINISTRATION

8.1 Board or Committee

The Plan shall be administered by the Board, by a Committee of the Board appointed in accordance with section 8.2 below, or by an Administrator appointed in accordance with subsection 8.4(b).

8.2 Appointment of Committee

The Board may at any time appoint a Committee, consisting of not less than two of its members, to administer the Plan on behalf of the Board in accordance with such terms and conditions as the Board may prescribe, consistent with this Plan. Once appointed, the Committee shall continue to serve until otherwise directed by the Board. From time to time, the Board may increase the size of the Committee and appoint additional members, remove members (with or without cause) and appoint new members in their place, fill vacancies however caused, or remove all members of the Committee and thereafter directly administer the Plan.

8.3 Quorum and Voting

A majority of the members of the Committee shall constitute a quorum and, subject to the limitations in this section 8, all actions of the Committee shall require the affirmative vote of members who constitute a majority of such quorum. Members of the Committee may vote on any matters affecting the administration of the Plan or the grant of Options pursuant to the Plan, except that no such member shall act upon the granting of an Option to himself or herself (but

any such member may be counted in determining the existence of a quorum at any meeting of the Committee during which action is taken with respect to the granting of Options to that member). The Committee may approve matters by written resolution signed by a majority of the quorum.

8.4 Powers of Committee

The Committee (or the Board if no Committee is in place) shall have the authority to do the following:

- (a) administer the Plan in accordance with its terms;
- (b) appoint or replace the Administrator from time to time;
- (c) determine all questions arising in connection with the administration, interpretation and application of the Plan, including all questions relating to the Market Value of the Shares;
- (d) correct any defect, supply any information or reconcile any inconsistency in the Plan in such manner and to such extent as shall be deemed necessary or advisable to carry out the purposes of the Plan;
- (e) prescribe, amend, and rescind rules and regulations relating to the administration of the Plan;
- (f) determine the duration and purposes of leaves of absence from employment or engagement by the Company which may be granted to Option Holders without constituting a termination of employment or engagement for purposes of the Plan;
- (g) do the following with respect to the granting of Options:
 - (i) determine the Executives, Employees or Consultants to whom Options shall be granted, based on the eligibility criteria set out in this Plan;
 - (ii) determine the terms of the Option to be granted to an Option Holder including, without limitation, the Grant Date, Expiry Date, Exercise Price and vesting schedule (which need not be identical with the terms of any other Option);
 - (iii) subject to any necessary Regulatory Approvals and section 9.2, amend the terms of any Options;
 - (iv) determine when Options shall be granted; and
 - (v) determine the number of Shares subject to each Option;
- (h) accelerate the vesting schedule of any Option previously granted; and
- (i) make all other determinations necessary or advisable, in its sole discretion, for the administration of the Plan.

8.5 Administration by Committee

All determinations made by the Committee in good faith shall be final, conclusive and binding upon all persons. The Committee shall have all powers necessary or appropriate to accomplish its duties under this Plan.

8.6 Interpretation

The interpretation by the Committee of any of the provisions of the Plan and any determination by it pursuant thereto shall be final, conclusive and binding and shall not be subject to dispute by any Option Holder. No member of the Committee or any person acting pursuant to authority delegated by it hereunder shall be personally liable for any action or determination in connection with the Plan made or taken in good faith and each member of the Committee and each such person shall be entitled to indemnification with respect to any such action or determination in the manner provided for by the Company.

**SECTION 9
APPROVALS AND AMENDMENT**

9.1 Shareholder Approval of Plan

If required by a Regulatory Authority or by the Committee, this Plan may be made subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company or by a majority of votes cast by disinterested shareholders at a meeting of shareholders of the Company. If shareholder approval is required, any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

9.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder;

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment. If at the time the Exercise Price of an Option is reduced the Option Holder is an Insider of the Company, the Insider must not exercise the option at the reduced Exercise Price until the reduction in Exercise Price has been approved by the disinterested shareholders of the Company, and, if required by the TSXV.

**SECTION 10
CONDITIONS PRECEDENT TO ISSUANCE OF OPTIONS AND SHARES**

10.1 Compliance with Laws

An Option shall not be granted or exercised, and Shares shall not be issued pursuant to the exercise of any Option, unless the grant and exercise of such Option and the issuance and delivery of such Shares comply with all applicable Regulatory Rules, and such Options and Shares will be subject to all applicable trading restrictions in effect pursuant to such Regulatory Rules and the Company shall be entitled to legend the Option Certificates and the certificates representing such Shares accordingly.

10.2 Obligation to Obtain Regulatory Approvals

In administering this Plan, the Committee will seek any Regulatory Approvals which may be required. The Committee will not permit any Options to be granted without first obtaining the necessary Regulatory Approvals unless such Options are granted conditional upon such Regulatory Approvals being obtained. The Committee will make all filings required with the Regulatory Authorities in respect of the Plan and each grant of Options hereunder. No Option granted will be exercisable or binding on the Company unless and until all necessary Regulatory Approvals have been obtained. The Committee shall be entitled to amend this Plan and the Options granted hereunder in order to secure any necessary Regulatory Approvals and such amendments will not require the consent of the Option Holders under section 9.2 of this Plan.

10.3 Inability to Obtain Regulatory Approvals

The Company shall not be liable with respect to the failure to complete any transaction related to this Plan, including the exercise of Options or the lawful issuance and sale of any Shares pursuant to such Options, if the Company was unable to obtain Regulatory Approval from any applicable Regulatory Authority, which Regulatory Approval is deemed by the Committee to be necessary to complete such transaction.

10.4 Withholding Tax Requirements

Upon exercise of an Option, the Option Holder shall, upon notification of the amount due and prior to the delivery of the certificates representing the Shares, pay to the Company amounts necessary to satisfy applicable federal and provincial withholding tax requirements and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or Shares under this Plan the amount of taxes and, if applicable, Canada Pension Plan contributions, in such amount as determined by the Company, to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Option Holder receiving Shares to reimburse the Company for any such taxes and Canada Pension Plan contributions required to be withheld by the Company and withhold any distribution to the Option Holder in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any other cash amounts due or to become due from the Company to the Option Holder an amount equal to such taxes and, if applicable, Canada Pension Plan contributions as determined by the Company. The Company may also retain and withhold or the Option Holder may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Shares having a market value of not less than the amount of such taxes and, if applicable, Canada Pension Plan contributions, as determined by the Company, required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Shares so withheld.

SECTION 11 ADJUSTMENTS AND TERMINATION

11.1 Termination of Plan

Subject to any necessary Regulatory Approvals, the Committee may terminate or suspend the Plan.

11.2 No Grant During Suspension of Plan

No Option may be granted during any suspension, or after termination, of the Plan. Suspension or termination of the Plan shall not, without the consent of the Option Holder, alter or impair any rights or obligations under any Option previously granted.

11.3 Alteration in Capital Structure

If there is a material alteration in the capital structure of the Company and the Shares are consolidated, subdivided, converted, exchanged, reclassified or in any way substituted for, the Committee shall make such adjustments to this Plan and to the Options then outstanding under this Plan as the Committee determines to be appropriate and equitable under the circumstances, so that the proportionate interest of each Option Holder shall, to the extent practicable, be maintained as before the occurrence of such event. Such adjustments may include, without limitation:

- (a) a change in the number or kind of shares of the Company covered by such Options; and
- (b) a change in the Exercise Price payable per Share provided, however, that the aggregate Exercise Price applicable to the unexercised portion of existing Options shall not be altered, it being intended that any adjustments made with respect to such Options shall apply only to the Exercise Price per Share and the number of Shares subject thereto.

For purposes of this section 11.3, and without limitation, neither:

- (c) the issuance of additional securities of the Company in exchange for adequate consideration (including services); nor
- (d) the conversion of outstanding securities of the Company into Shares shall be deemed to be material alterations of the capital structure of the Company.

Any adjustment made to any Options pursuant to this section 11.3 shall not be considered an amendment requiring the Option Holder's consent for the purposes of section 9.2 of this Plan.

11.4 Triggering Events

Subject to the Company complying with section 11.5 and any necessary Regulatory Approvals and notwithstanding any other provisions of this Plan or any Option Certificate, the Committee may, without the consent of the Option Holder or Holders in question:

- (a) cause all or a portion of any of the Options granted under the Plan to terminate upon the occurrence of a Triggering Event; or
- (b) cause all or a portion of any of the Options granted under the Plan to be exchanged for incentive stock options of another corporation upon the occurrence of a Triggering Event in such ratio and at such exercise price as the Committee deems appropriate, acting reasonably.

Such termination or exchange shall not be considered an amendment requiring the Option Holder's consent for the purpose of section 9.2 of the Plan.

11.5 Notice of Termination by Triggering Event

In the event that the Committee wishes to cause all or a portion of any of the Options granted under this Plan to terminate on the occurrence of a Triggering Event, it must give written notice to the Option Holders in question not less than 10 days prior to the consummation of a Triggering Event so as to permit the Option Holder the opportunity to exercise the vested portion of the Options prior to such termination. Upon the giving of such notice and subject to any necessary Regulatory Approvals, all Options or portions thereof granted under the Plan which the Company proposes to terminate shall become immediately exercisable notwithstanding any contingent vesting provision to which such Options may have otherwise been subject.

11.6 Determinations to be Made by Committee

Adjustments and determinations under this section 11 shall be made by the Committee, whose decisions as to what adjustments or determination shall be made, and the extent thereof, shall be final, binding, and conclusive.

11.7 Options Granted to U.S. Residents or Citizens

The Options and the Shares issuable upon exercise of the Options have not been registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any applicable securities law of any state of the United States and may not be granted to, or exercised by or on behalf of, any person in the United States, any U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States unless exempt from the registration requirements of the U.S. Securities Act and any applicable securities law of any state of the United States. The Options granted, and the Shares issued upon exercise of Options, in the United States, to or by or on behalf of a U.S. person or any person acting for the account or benefit of a U.S. person or person in the United States will bear a legend restricting the transfer and exercise of such Options and Shares unless such offer, sale, pledge or transfer is pursuant to an exemption from the U.S. Securities Act and in accordance with any applicable securities laws of any state of the United States. "United States" and "U.S. person" are as defined in Regulation S under the U.S. Securities Act.

Any Option granted under the Plan to an Option Holder who is a citizen or resident of the United States (including its territories, possessions and all areas subject to the jurisdiction) (a "U.S. Option Holder") may be an incentive stock option (an "ISO") within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended, of the United States (the "Code"), but only if so designated by the Company in the agreement evidencing such Option, and only to the extent such option qualifies as an ISO under this Section 11.7. No more than **1,000,000** Shares may be granted under Options intended to be ISOs, subject to adjustment as provided in Section 11.3 above. No provision of this Plan, as it may be applied to a U.S. Option Holder with respect to Options which are designated as ISOs, shall be construed so as to be inconsistent with any provision of Section 422 of the Code. Grants of Options to U.S. Option Holders pursuant to Section 2 hereof which are not designated as or otherwise do not qualify as ISOs will be treated as non-statutory stock options for U.S. federal tax purposes. The Exercise Price for Shares under each Option granted to a U.S. Option Holder pursuant to this Plan shall be not less than 100% of the Market Value of such Shares at the time granted, (unless such Option is granted pursuant to an assumption or substitution for another option in a manner satisfying the provisions of Sections 409A and 424(a) of the Code).

Options will be granted and operated in such a manner that they are either exempt from the application of, or comply with, the requirements of Code Section 409A, except as otherwise determined in the sole discretion of the

Administrator. The Plan and each Option Agreement under the Plan is intended to meet the requirements of Code Section 409A and will be construed and interpreted in accordance with such intent, except as otherwise determined in the sole discretion of the Administrator. Notwithstanding any provision of the Plan to the contrary, in the event that the Administrator determines that any this Plan or any Option hereunder may be subject to Section 409A of the Code and related Treasury Regulations and other interpretive guidance issued thereunder, the Administrator may adopt such amendments to the Plan and the applicable agreement or adopt other policies and procedures (including amendments, policies, and procedures with retroactive effect), or take any other actions, that the Administrator determines are necessary or appropriate to (a) exempt the Option from section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Option, or (b) comply with the requirements of Section 409A of the Code and related Treasury Regulations and other interpretive guidance thereunder and thereby avoid the application of any penalty taxes under such section.

Notwithstanding anything in this Plan contained to the contrary, the following provisions shall apply to ISOs granted to each U.S. Option Holder:

- (a) ISOs shall only be granted to individual U.S. Option Holders who are, at the time of grant, employees of the Company (within the meaning of the Code). Any director of the Company who is a U.S. Option Holder shall be ineligible to vote upon the granting of such Option;
- (b) the aggregate Market Value (determined as of the time an ISO is granted) of the Shares subject to ISOs exercisable for the first time by a U.S. Option Holder during any calendar year under this Plan and all other Company stock option plans, within the meaning of Section 422 of the Code, shall not exceed One Hundred Thousand Dollars in U.S. funds (U.S.\$100,000). To the extent that this (U.S. \$100,000) limit is exceeded, such Options will be treated as non-statutory stock options. For purposes of this Section 11.7(b), (i) ISOs will be taken into account in the order in which they were granted and (ii) the calculation will be performed in accordance with Code Section 422 and Treasury Regulations promulgated thereunder.
- (c) if any U.S. Option Holder to whom an ISO is to be granted under the Plan at the time of the grant of such ISO is the owner of shares possessing more than ten percent (10%) of the total combined voting power of all classes of shares of the Company, then the following special provisions shall be applicable to the ISO granted to such individual:
 - (i) the Exercise Price (per Share) subject to such ISO shall not be less than one hundred ten percent (110%) of the Market Value of one Share at the time of grant; and
 - (ii) for the purposes of this Section 11.7(d)(ii) only, the exercise period shall not exceed five (5) years from the date of grant;
- (d) no ISO may be granted hereunder to a U.S. Option Holder following the expiration of ten (10) years after the date on which this Plan is adopted by the Company or the date on which the Plan is approved by the shareholders of the Company, whichever is earlier;
- (e) no Option granted U.S. Option Holder under the Plan shall be treated as an ISO unless the Plan shall have been approved by the shareholders of the Company within twelve months following the date of its adoption by the Board;
- (f) Options shall lose their qualification as ISOs if any leave of absence exceeds three (3) months, unless reemployment upon expiration is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then six (6) months following the first (1st) day of such leave, any ISO held by a U.S. Option Holder will cease to be treated as an ISO and will be treated for tax purposes as a non-statutory stock option;
- (g) no ISO shall be transferable by a U.S. Option Holder other than by will or the laws of descent and distribution; and
- (h) during the lifetime of the original grantee of an ISO, such ISO may not be exercised by anyone other than such grantee.