



GOWEST GOLD LTD.

ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

October 30, 2018

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

September 18, 2018

GOWEST GOLD LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting of the shareholders of Gowest Gold Ltd. (the “**Corporation**”) will be held at the offices of Wildeboer Dellelce LLP, Wildeboer Dellelce Place, 365 Bay Street, Suite 800, Toronto, Ontario at 10:00 a.m. (Toronto time) on Tuesday, October 30, 2018 (the “**Meeting**”), for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended October 31, 2017, together with the report of the auditors thereon;
2. to elect the directors of the Corporation;
3. to re-appoint UHY McGovern HurleyLLP Chartered Accountants, as auditors of the Corporation for the ensuing year and to authorize the directors to fix the remuneration of the auditors;
4. to re-approve and confirm the stock option plan of the Corporation (the “**Option Plan**”), including the reservation for issuance under the Option Plan at any time of a maximum of 10% of the issued and outstanding shares of the Corporation, in accordance with the policies of the TSX Venture Exchange; and
5. to transact such further and other business as may properly come before the Meeting or any adjournment thereof.

Details of the foregoing matters are contained in the accompanying Management Information Circular of the Corporation.

The Corporation has determined to deliver this notice of meeting and the accompanying Management Information Circular and form of proxy (collectively, the “**Meeting Materials**”) to shareholders by posting the Meeting Materials online at www.gowestgold.com in accordance with the notice and access notification mailed to shareholders of the Corporation. The use of the notice and access procedures under applicable securities laws will significantly reduce the Corporation’s printing and mailing costs.

The Meeting Materials will be available online at www.gowestgold.com as of September 28, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available under the Corporation’s profile on SEDAR at www.sedar.com. All shareholders of the Corporation will receive a notice and access notification containing information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting. Shareholders wishing to receive paper copies of the Meeting Materials at no cost to them can request same from the Corporation by calling toll-free 1-866-393-4891. The Corporation must receive your request prior to 5:00 p.m. (Toronto time) on October 19, 2018 to ensure you will receive paper copies in advance of the deadline to submit your vote.

Only shareholders of record as of September 10, 2018, the record date, are entitled to receive notice of and to vote at the Meeting. Shareholders who wish to vote at the Meeting must attend the Meeting in person or deposit an instrument of proxy in accordance with the instructions set forth below and in the accompanying Management Information Circular.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its executed form of proxy with the Corporation’s transfer agent and registrar, TSX Trust Company, 301-100 Adelaide Street West, Toronto, Ontario, M5H 1S3 (Attention: Proxy Department), on or before 10:00 a.m. (Toronto time) on Friday, October 26, 2018, or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used.

DATED at Toronto, Ontario this September 18, 2018

BY ORDER OF THE BOARD OF DIRECTORS

(signed) “*Gregory Romain*”

Gregory Romain
President and Chief Executive Officer

GOWEST GOLD LTD.

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON October 30, 2018

Except where otherwise indicated, information contained in this management information circular (the “**Circular**”) is given as of September 10, 2018. Unless otherwise indicated, all dollar amounts are expressed in Canadian dollars and references to “\$” are to Canadian dollars.

NOTICE AND ACCESS

Gowest Gold Ltd. (the “**Corporation**”) has elected to take advantage of amendments to National Instrument 54-101 – “Communication with Beneficial Owners of Securities of a Reporting Issuer” (“**NI 54-101**”) which came into force on February 11, 2013 (“**Notice and Access**”). Notice-and-Access is a set of rules that reduces the volume of materials that must be physically mailed to shareholders by allowing issuers to deliver meeting materials to shareholders electronically by providing shareholders with access to these materials online.

In accordance with the Notice and Access provisions, a notice and a form of proxy or voting instruction form (the “**Notice Package**”) has been sent to all shareholders informing them that this Circular is available online and explaining how this Circular may be accessed, in addition to outlining relevant dates and matters to be discussed at the Meeting. The Notice of Meeting (as hereinafter defined), the Circular and the financial statements (collectively, the “**Proxy-Related Materials**”) have been made available online to shareholders of the Corporation at www.gowestgold.com, and under the Corporation’s profile on SEDAR (the System for Electronic Document Analysis and Retrieval) at www.sedar.com. The Corporation will directly send the Notice Package to Non-Registered Holders (as hereinafter defined).

For the Meeting, the Corporation is using Notice and Access for both registered and non-registered (or beneficial) shareholders. Neither registered shareholders nor Non-Registered Holders will receive a paper copy of this Circular unless they contact the Corporation after it is posted, in which case the Corporation will mail this Circular within three business days of any request provided the request is made *prior* to the meeting. Shareholders wishing to receive paper copies of the Proxy-Related Materials at no cost to them can request same from the Corporation by calling toll-free 1-866-393-4891. The Corporation must receive your request prior to 5:00 p.m. (Toronto time) on October 19, 2018 to ensure you will receive paper copies in advance of the deadline to submit your vote.

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation by management of the Corporation of proxies to be used at the annual and special meeting of the shareholders of the Corporation (the “Meeting”) to be held at the offices of Wildeboer Dellelce LLP, Wildeboer Dellelce Place, 365 Bay Street, Suite 800, Toronto, Ontario at 10:00 a.m. (Toronto time) on October 30, 2018, or at any adjournment thereof, for the purposes set forth in the enclosed notice of annual and special meeting of shareholders (the “Notice of Meeting”).

Proxies will be solicited primarily by mail but may also be solicited personally, by telephone or by facsimile by the directors, officers or employees of the Corporation at nominal cost. The costs of solicitation will be borne by the Corporation.

APPOINTMENT OF PROXYHOLDERS AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are representatives of management of the Corporation and are directors and/or officers of the Corporation. **All shareholders of the Corporation (the “Shareholders”) have the right to appoint a person or corporation (who need not be a Shareholder of the Corporation), other than the persons designated in the accompanying form of proxy, to represent the Shareholder at the Meeting. Such right may be exercised by inserting the name of such person or corporation in the blank space provided in the form of proxy or by completing another proper form**

of proxy. A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its executed form of proxy with the Corporation's transfer agent and registrar, TSX Trust Company, 301-100 Adelaide Street West, Toronto, Ontario, M5H 1S3 (Attention: Proxy Department), on or before 10:00 a.m. (Toronto time) on Friday, October 26, 2018, or at least 48 hours, excluding Saturdays, Sundays and holidays, before any adjournment or postponement of the Meeting at which the proxy is to be used. After such time, the Chair of the Meeting may accept or reject a form of proxy delivered to him or her in his or her discretion but is under no obligation to accept or reject any particular late form of proxy. A proxy should be executed by the Shareholder or his or her attorney duly authorized in writing or, if the Shareholder is a corporation, by a duly authorized officer or attorney.

In addition to any other manner permitted by law, a proxy may be revoked, before it is exercised, by an instrument in writing executed in the same manner as a proxy and deposited to the attention of the Secretary of the Corporation at the registered office of the Corporation at any time up to 5:00 p.m. (Toronto time) on the last business day before the day of the Meeting or any adjournment thereof at which the proxy is to be used or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof and thereupon the proxy is revoked. The document used to revoke a proxy must be in writing and completed and signed by the Shareholder or his or her attorney authorized in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized.

A registered Shareholder attending the Meeting has the right to vote in person and, if the Shareholder does so, his, her or its proxy is nullified with respect to the matters such Shareholder votes upon and any subsequent matters thereafter to be voted upon at the Meeting or any adjournment thereof.

Under normal conditions, confidentiality of voting is maintained by virtue of the fact that the Corporation's transfer agent tabulates proxies and votes. However, such confidentiality may be lost as to any proxy or ballot if a question arises as to its validity or revocation or any other like matter. Loss of confidentiality may also occur if the board of directors of the Corporation (the "**Board**") decides that disclosure is in the interests of the Corporation or its Shareholders.

EXERCISE OF DISCRETION BY PROXYHOLDERS

The common shares of the Corporation (the "**Shares**") represented by proxies in favour of management nominees will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if a Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Shares represented by proxy shall be voted accordingly.

If a specification is not made with respect to any matter, the proxy will confer discretionary authority and will be VOTED "FOR" ALL THE RESOLUTIONS DESCRIBED BELOW. The enclosed form of proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting in such manner as such person, in his or her judgment, may determine. At the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

NON-REGISTERED SHAREHOLDERS

The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold their Shares in their own name and are considered non-registered beneficial Shareholders. Only registered holders of Shares or the persons they appoint as their proxyholder are permitted to vote at the Meeting. However, in many cases, Shares beneficially owned by a person (a "**Non-Registered Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") (including, among others, banks, trust companies, securities dealers, brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, TFSAs and similar plans) that the Non-Registered Holder deals with in respect of the Shares; or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant. Non-Registered Holders should note that only proxies deposited by Shareholders whose names appear on the records of the Corporation as the registered holders of Shares can be recognized and acted upon at the Meeting. In accordance with the requirements of the Canadian Securities Administrators, the Corporation will have distributed copies of the Notice Package to the clearing agencies and Non-Registered Holders, or

Intermediaries for onward distribution to Non-Registered Holders, as applicable. If you are a Non-Registered Holder, your Intermediary will be the entity legally entitled to vote your Shares at the Meeting. Shares held by an Intermediary can only be voted upon the instructions of the Non-Registered Holder. Without specific instructions, Intermediaries are prohibited from voting Shares.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Non-Registered Holders in advance of the Meeting. Often, the form of proxy supplied to a Non-Registered Holder by its Intermediary is identical to the form of proxy provided to registered Shareholders; however, its purpose is limited to instructing the registered Shareholder how to vote on behalf of the Non-Registered Holder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically mails a scannable voting instruction form in lieu of the form of proxy. The Non-Registered Holder is requested to complete and return the voting instruction form to Broadridge by mail or facsimile. Alternatively, the Non-Registered Holder may call a toll-free telephone number or access the internet to provide instructions regarding the voting of Shares held by the Non-Registered Holder. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting. A Non-Registered Holder receiving a voting instruction form cannot use that voting instruction form to vote Shares directly at the Meeting, as the voting instruction form must be returned as directed by Broadridge well in advance of the Meeting in order to have such Shares voted.

Non-Registered Holders should ensure that instructions respecting the voting of their Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary or Broadridge, as applicable. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered Holders in order to ensure that their Shares are voted at the Meeting.

Although a Non-Registered Holder may not be recognized directly at the Meeting for the purpose of voting Shares registered in the name of their Intermediary, a Non-Registered Holder may attend the Meeting as proxyholder for the Intermediary and vote the Shares in that capacity. **Non-Registered Holders who wish to attend the Meeting and indirectly vote their Shares as a proxyholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them by their Intermediary and/or Broadridge, as applicable, and return the same in accordance with the instructions provided by their Intermediary and/or Broadridge, as applicable, well in advance of the Meeting.**

In any case, the purpose of the above noted procedures is to permit Non-Registered Holders to direct the voting of the Shares which they beneficially own. Non-Registered Holders should carefully follow the instructions and procedures of their Intermediary or Broadridge, as applicable, including those regarding when and where the form of proxy or voting instruction form is to be delivered.

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as “NOBOs”. Non-Registered Holders who have objected to their Intermediary disclosing the ownership information about themselves to the Corporation are referred to as “OBOs”. The Corporation is relying on the notice-and-access delivery procedures set out in NI 54-101 to distribute copies of Proxy-Related Materials in connection with the Meeting. See “Notice and Access” above. In accordance with the requirements of NI 54-101, the Corporation is sending the Notice Package directly to the NOBOs and, indirectly, through Intermediaries to the OBOs. These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a Non-Registered Holder, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for: (i) delivering these materials to you; and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The Corporation has determined to pay the fees and costs of Intermediaries for their services in delivering Notice Package to OBOs in accordance with NI 54-101.

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

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

No person who has been a director or an executive officer of the Corporation at any time since the beginning of its last completed financial year, proposed nominee for election as a director of the Corporation, or any associate or affiliate of any such director, executive officer or proposed nominee, 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 except as disclosed in this Circular.

RECORD DATE

Persons registered on the records of the Corporation at the close of business on September 10, 2018 (the “**Record Date**”) are entitled to vote at the Meeting. The failure of any Shareholder to receive a copy of the Notice of Meeting does not deprive the Shareholder of the right to vote at the Meeting. Only holders of Shares as of the Record Date are entitled to vote such Shares at the Meeting.

QUORUM

Two Shareholders, present in person or represented by proxy, will constitute a quorum at the Meeting or any adjournment thereof. The Corporation’s list of Shareholders as of the Record Date has been used to deliver to Shareholders the Notice of Meeting and this Circular as well as to determine who is eligible to vote at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The authorized share capital of the Corporation consists of an unlimited number of Shares and 2,000,000 special shares. As at the date hereof, the Corporation has 368,695,243 Shares issued and outstanding, each of which carries the right to one vote at the Meeting. No special shares are currently issued and outstanding.

To the knowledge of the directors and executive officers of the Corporation, the following persons beneficially own, or control or direct, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation.

Name	Number of Shares ⁽¹⁾	Percentage of Outstanding Shares
Fortune Future Holdings Limited	85,000,000	23.05% ⁽²⁾

Notes:

- (1) Indicates the number of Shares beneficially owned, controlled or directed, directly or indirectly, as disclosed in publicly available sources or as otherwise disclosed to the Corporation by the holder.
- (2) Percentage is based on 368,695,243 Shares issued and outstanding as of the date of this Circular.

BUSINESS TO BE TRANSACTED AT THE MEETING

1. Presentation of Financial Statements

The audited financial statements of the Corporation for the financial year ended October 31, 2017, together with the report of the auditors thereon, copies of which accompany this Circular will be presented to Shareholders at the Meeting. Receipt at the Meeting of the financial statements of the Corporation for the financial year ended October 31, 2017 and the auditors’ report thereon will not constitute approval or disapproval of any matters referred to therein.

2. Election of Directors

The articles of the Corporation provide that the Board shall consist of a minimum of three and a maximum of nine directors, to be elected annually. Each director elected at the Meeting will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed, as the case may

be, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the *Business Corporations Act* (Ontario) to which the Corporation is subject or any similar corporate legislation to which the Corporation becomes subject.

The number of directors to be elected at the Meeting has been fixed at eight (8). Management does not contemplate that any of the nominees will be unable to serve as a director of the Corporation, but if that should occur for any reason prior to the Meeting the persons named in the enclosed form of proxy reserve the right to vote for other nominees at their discretion. **Unless the Shareholder directs that his, her or its Shares are to be withheld from voting in connection with the election of directors, the persons named in the enclosed form of proxy will vote FOR the election of the nominees whose names are set forth below.**

The following table and the notes thereto set out the name and the jurisdiction of residence of all nominees for election as directors of the Corporation, the month and year during which each of them first became a director of the Corporation, all positions and offices with the Corporation held by each of them, the principal occupation, business or employment of each of them during the prior five year period and the approximate number of Shares beneficially owned, or controlled or directed, directly or indirectly, by each of them. Not being within the knowledge of the Corporation, the foregoing information has been furnished by the respective nominees individually or obtained from the System for Electronic Disclosure by Insiders (“SEDI”) at www.sedi.ca. The Corporation has an Audit Committee, a Compensation Committee, a Corporate Governance Committee and a Technical Committee, the members of which are also identified below.

Name and Place of Residence	Position(s) with the Corporation and Date First Appointed to the Board	Principal Occupation	Number and Percentage of Shares Beneficially Owned, or Controlled ⁽¹⁾
Gregory Romain Ontario, Canada	President, Chief Executive Officer and Director (May, 2008)	President and Chief Executive Officer of the Corporation since May, 2008.	2,739,425 (0.74%)
C. Fraser Elliott Ontario, Canada	Executive Chairman and Director (May, 2009)	President of CFE Financial Inc. since 1987; From March 2009, Executive Chairman of Gowest Gold Ltd., In 2011 he was appointed Chief Financial Officer of Look Communications Inc. and Unique Broadband Systems, Inc., two publically listed corporations. In July 2013, he became Chief Financial Officer of ONEnergy Inc. (formerly Look Communications Inc.), which is in the business of buying and selling natural gas electricity, resigning in February 2014. Currently a director of Syslogist Ltd. since February 2008..	26,790,478 (7.27%)
Peter Quintiliani ⁽²⁾⁽³⁾ Ontario, Canada	Director (May, 2012)	Senior financial executive; Chief Financial Officer and Executive Vice President Corporate Strategy and Development for Katz Group Pharmacies Inc. from 2004 to 2012.	6,961,401 (1.89%)

Name and Place of Residence	Position(s) with the Corporation and Date First Appointed to the Board	Principal Occupation	Number and Percentage of Shares Beneficially Owned, or Controlled ⁽¹⁾
Larry Phillips ⁽²⁾⁽⁴⁾ Ontario, Canada	Director (June, 2011)	President of Corplex Management Services; President and CEO of Compass Gold Corporation from December 2017; Executive Vice President, Corporate Affairs of IAMGOLD Corporation from October, 2009 to June, 2011; Executive Vice President, Corporate Affairs and General Counsel of IAMGOLD Corporation from December, 2007 to October, 2009 and held various positions with IAMGOLD Corporation over a 20 year period. Currently is a director of California Gold Corporation.	882,142 (0.24%)
John Frostiak ⁽³⁾⁽⁵⁾ Ontario, Canada	Director (April, 2013)	Director of Colossus Minerals Inc. since September, 2007 and Chairman since October, 2012; held various positions with Barrick Gold Corporation, including Corporate Project Manager, from 1995 to 2012; currently is a director of three not for profit corporations and an independent consultant.	763,332 (0.21%)
Yungang Wu ⁽⁴⁾⁽⁵⁾ Ontario, Canada	Director (September, 2014)	President of Wu's Mining Geological Consulting Inc. since March, 2012; Resource Geologist with Coffee Mining Canada from September 2011 to March 2012; Geologist with De Beers Canada from September 2003 to September 2011; currently is a director of New Era Mineral Inc. since July 2017.	218,750 (0.06%)
Meirong Yuan ⁽³⁾ Guangdong, China	Director (November, 2014)	Chief Financial Officer of Yintai Resources since April 2018; Vice President of Fortune Future Holdings Limited since January 2014; Human Resource Manager with Eastbridge Investments PLC (formerly Qihang Equipment Limited) from August 1998 to October 2014; Director and Chief Financial Officer of Wonder Auto Technology Limited from June 2006 to March 2011. Currently a director of Yintai Resources since November 2017.	218,750 (0.06%)
Demin (Fleming)Huang ⁽²⁾ Ontario, Canada	Director (October, 2017)	Vice President Corporate and Interim Chief Financial Officer of Golden Share Resource Corporation since July 2017.	20,000 (0.00%)

Notes:

- (1) Percentages are based on 368,695,243 Shares issued and outstanding as of the date of this Circular.
- (2) Member of the Audit Committee. Mr. Quintiliani is the Chairman of the Audit Committee
- (3) Member of the Compensation Committee. Mr. Frostiak is the Chairman of the Compensation Committee.
- (4) Member of the Corporate Governance Committee. Mr. Phillips is the Chairman of the Corporate Governance Committee.
- (5) Member of the Technical Committee. Mr. Wu is the Chairman of the Technical Committee.

Cease Trade Orders, Bankruptcies, Penalties and Sanctions

Other than as set forth below, to the knowledge of the Corporation, no proposed director of the Corporation is, or within 10 years before the date hereof, has been: (a) a director, chief executive officer or chief financial officer of any company that, (i) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer, or (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or (b) a director or executive officer of any 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. For the purposes of this paragraph, “order” means 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, in each case that was in effect for a period of more than 30 consecutive days.

Mr. C. Fraser Elliott is a director of Vital Retirement Living Inc. (“**VRL**”), a public company, which was previously listed on the TSX Venture Exchange (the “**TSX-V**”), and which is the subject of a cease trade order issued by each of the British Columbia, Alberta and Ontario Securities Commissions for failure to file audited financial statements for the year ended December 31, 2002. VRL has not filed financial statements for any period subsequent to December 31, 2002. By way of an order dated November 9, 2004, the Ontario Securities Commission granted VRL a partial revocation of the cease trade order to permit VRL to complete the sale of two properties in consideration of, among other things, common shares of VRL for cancellation.

To the knowledge of the Corporation, no proposed director of the Corporation has been subject to any: (a) penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or (b) other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Other than as set forth below, to the knowledge of the Corporation, no proposed director of the Corporation has, within the 10 years before the date hereof, 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 director.

Mr. John Frostiak is a director of Colossus Minerals Inc. (“**Colossus**”), a public company, which was previously listed on the Toronto Stock Exchange and which filed a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act* (Canada) on January 14, 2014, during the time of Mr. Frostiak’s directorship. On February 7, 2014, Colossus filed its proposal to its creditors. The creditors approved the proposal on February 25, 2014. Mr. Frostiak remains a director of Colossus as at the date hereof.

3. Appointment of Auditors

UHY McGovern Hurley LLP, Chartered Accountants are the current auditors of the Corporation and were first appointed auditors of the Corporation on June 30, 2010. Shareholders of the Corporation will be asked at the Meeting to re-appoint UHY McGovern Hurley LLP as the Corporation’s auditors to hold office until the close of the next annual meeting of Shareholders, and to authorize the Board to fix the auditors’ remuneration.

The Board recommends that Shareholders vote FOR the appointment of UHY McGovern Hurley LLP as auditors of the Corporation and to authorize the Board to fix their remuneration. Unless the Shareholder directs that his, her or its Shares are to be withheld from voting, the persons named in the enclosed form of proxy will vote FOR the appointment of UHY McGovern Hurley LLP as auditors of the Corporation.

4. Approval of Stock Option Plan

The Corporation adopted a stock option plan on April 25, 2008 (the “**Option Plan**”) for senior officers, directors, employees and key consultants of the Corporation, a copy of which is attached hereto as Schedule “A”. Pursuant to Policy 4.4 – “Incentive Stock Options” of the TSX-V, a company listed on the TSX-V is required to obtain the approval of its shareholders for a “rolling” stock option plan at each annual meeting of shareholders. The Option Plan is a “rolling” plan as the aggregate number of Shares reserved for issuance upon the exercise of options pursuant to the Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time.

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass, with or without amendment, the following resolution to re-approve and confirm the Option Plan of the Corporation (the “**Option Plan Resolution**”):

“RESOLVED THAT:

1. the Corporation’s stock option plan (the “**Option Plan**”), as set forth in Schedule “A” to the Management Information Circular dated September 10, 2018, be and it is hereby re-approved and confirmed, including the reservation for issuance under the Option Plan at any time of a maximum of 10% of the then issued and outstanding common shares of the Corporation, in accordance with the policies of the TSX Venture Exchange; and
2. any one director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to execute and deliver all documents and instruments and take such other actions as such director or officer may determine to be necessary or desirable to implement this ordinary resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments and the taking of any such actions.”

The Board recommends that Shareholders vote FOR the Option Plan Resolution. Unless the Shareholder directs that his, her or its Shares are to be voted against the Option Plan Resolution, the person named in the enclosed form of proxy will vote FOR the Option Plan Resolution. In order to be adopted, the Option Plan Resolution must be passed by the affirmative vote of a majority of the votes cast by Shareholders at the Meeting.

For more information on the Option Plan, please see the section of this Circular entitled “Securities Authorized for Issuance under Equity Compensation Plans – Option Plan”.

STATEMENT OF EXECUTIVE COMPENSATION

In this Circular, a Named Executive Officer (“**NEO**”) means: (a) the Corporation’s Chief Executive Officer; (b) the Corporation’s Chief Financial Officer; (c) the Corporation’s three other most highly compensated executive officers of the Corporation at the end of the financial year ended October 31, 2017 whose total compensation, individually, was greater than \$150,000; and (d) each individual who would be an NEO but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor serving in a similar capacity, at the end of the financial year ended October 31, 2017.

For the financial year ended October 31, 2017, the Corporation had two NEOs, namely: (a) Gregory J. Romain, President and Chief Executive Officer; and (b) Janet O’Donnell, Chief Financial Officer.

Compensation Discussion and Analysis

The Corporation's executive compensation program is designed to provide motivation and incentives to its executives with a view to enhancing shareholder value and successfully implementing the Corporation's business plans, to attracting and retaining key employees, to recognizing the scope and level of responsibility of each position, to providing a competitive level of total compensation to all of its executives, and to rewarding superior performance and achievement. The Corporation evaluates both performance and compensation to ensure that its compensation philosophy and objectives are met. The Corporation periodically reviews its executive compensation philosophy and program to ensure that they are consistent with the Corporation's goal of attracting, retaining and motivating its executive officers to enhance shareholder value.

Role of the Compensation Committee

In February 2010, the Corporation formed a Compensation Committee which is responsible for, among other things, the oversight of the Corporation's compensation plans. Specifically, the Compensation Committee is responsible for reviewing the Corporation's compensation philosophy and developing and fostering a compensation policy that rewards the creation of shareholder value and reflects an appropriate balance between short and long-term performance. It is important to the Corporation to ensure it is capable of attracting, motivating and retaining individuals who will contribute to the long-term success of the Corporation. The Compensation Committee has not yet established a written charter or mandate.

The Compensation Committee is responsible for negotiating the total compensation program for the NEOs and any other executive officers, reviewing and advising on stock option guidelines, including making recommendations on specific option grants, and reviewing and communicating to the Board the compensation policy and principles that will be applied to other employees of the Corporation.

In reviewing executive compensation, the Compensation Committee relies on the advice of the Chief Executive Officer regarding other officers of the Corporation (including the NEOs) and allows him to participate in the Compensation Committee's deliberations on those officers. The Chief Executive Officer will not, however, participate in any manner in the deliberations of the Compensation Committee or the Board on his compensation. The Compensation Committee may not delegate any of its responsibilities to another entity or to an individual without the approval of the Board.

Composition of the Compensation Committee

The Compensation Committee is currently comprised of the following individuals: John Frostiak (Chairman), Peter Quintiliani and Meirong Yuan.

John Frostiak – Mr. Frostiak is a registered professional engineer in the Province of Ontario, a member of the Canadian Institute of Mining Metallurgy and Petroleum and a member of the Society for Mining Engineers. Currently, Mr. Frostiak is Chairman of Colossus Minerals Inc. Previously, Mr. Frostiak held various positions for Barrick Gold Corporation from 1995 until his retirement in July 2012, where as Project Manager Corporate he was responsible for the Kabanga Ni Project, Capital Project Risk Assessment and the Barrick Development System, which outlines the minimum standards required for conducting studies and executing projects.

Peter Quintiliani, CPA, CA – Mr. Quintiliani has over 35 years' experience in Corporate Finance. He has a Bachelor of Arts from McMaster University, an Honours Bachelor of Commerce from the University of Windsor and is a Chartered Accountant. Mr. Quintiliani held the position of Chief Financial Officer and Executive Vice President Corporate Strategy and Development of the Katz Group Pharmacies Inc. from 2004 to 2012.

Meirong Yuan – Mr. Yuan has held the role of Chief Financial Officer of Yintai Resources since April 2018 and is the Vice President of Fortune Future Holdings Limited since January 2014. Prior to this role he was Human Resource Manager with Eastbridge Investments PLC (formerly Qihang Equipment Limited) from August 1998 to October 2014. Mr Yuan was also the Director and Chief Financial Officer of Wonder Auto Technology Limited from June 2006 to March 2011.

Mr. Frostiak and Mr. Quintiliani are considered independent under NI 58-101 (as defined under “Statement of Corporate Governance Practices – The Board of Directors”). Mr. Yuan may not be considered independent under NI 58-101 due to his role as a consultant to the Company. For further details concerning the Compensation Committee, see “Statement of Corporate Governance Practices”.

Objectives of NEO Compensation Program and Compensation Philosophy

The objectives of the Corporation’s NEO compensation program are to: (a) attract, motivate and retain high-caliber individuals; (b) align the interests of the NEOs with those of the Shareholders; (c) establish an objective connection between NEO compensation and the Corporation’s financial and business performance; and (d) incent the NEOs to continuously improve operations and execute on corporate strategy. The NEO compensation program is, therefore, designed to reward the NEOs for increasing shareholder value, achieving corporate performance that meets pre-defined objective criteria and improving operations and executing on corporate strategy.

The Corporation’s policy with respect to the compensation of NEOs is to establish annual goals with respect to corporate development and the individual areas of responsibility of each NEO and then to review total compensation with respect to the achievement of these goals. In addition, the Corporation recognizes the importance of ensuring that overall compensation for NEOs is not only internally equitable, but also competitive within the market segment. Specifically, the Compensation Committee’s review and evaluation will include measurement of, among others, the following areas: (a) the achievement of corporate objectives, such as financings, partnerships and other business development, in particular having regard to budgetary constraints and other challenges facing the Corporation; (b) the Corporation’s financial condition; and (c) the Corporation’s share price and market capitalization.

The NEO compensation program consists of two principal components: (a) base salary; and (b) long-term incentives. Each component has a different function, as described in greater detail below, but each element works together to reward the NEOs appropriately for personal and corporate performance.

There have been no significant changes to the Corporation’s compensation policies or practices since the end of the Corporation’s most recently completed financial year.

Base Salary

Base salaries are considered an essential element in attracting and retaining the Corporation’s senior executives (including the NEOs) and rewarding them for corporate and individual performance. Base salaries are established taking into account performance and experience, level of responsibility and competitive pay practices. Base salaries are reviewed annually and adjusted, if appropriate, to reflect performance and market changes. Any increase to the base salary of the Chief Executive Officer must be approved by the Board and is based on the recommendation of the Compensation Committee. The Chief Executive Officer is responsible for determining and recommending any increase in salary for the other NEOs to the Compensation Committee. In addition, discretionary bonuses may be provided upon approval of the Board.

Long-Term Incentives

The Corporation’s long-term incentive compensation for senior executives (including the NEOs) is provided through stock option grants under the Option Plan. Participation in the Option Plan is considered to be a critical component of compensation that incents the NEOs to create long-term shareholder value, as the value of the options are directly dependent on the market valuation of the Corporation. The Option Plan also serves to assist the Corporation in retaining senior executives as the options granted under the Option Plan typically vest over time.

Each NEO is eligible for an annual option grant to be approved by the Board based on the recommendation of the Compensation Committee. The number of stock options granted is based on the NEO’s level of responsibility and personal performance and also on competitive and market conditions. Special option grants may be considered, if warranted, for performance or other reasons. Each NEO was also granted options upon the commencement of employment with the Corporation. When determining whether and how many new option grants will be made, the Board takes into account the amount and terms of any

outstanding options. The Corporation does not require its NEOs to own a specific number of Shares.

The Option Plan requires that the option exercise price may not be less than the market price of the Shares at the time the option is granted, subject to any discounts permitted by applicable securities laws and stock exchange rules. Options vest at the discretion of the Board and expire five years after the date of the grant. The award of any options under the Option Plan to the NEOs will be subject to the approval of the Board, based on the recommendation of the Compensation Committee.

For further details concerning the Option Plan, see “Securities Authorized for Issuance Under Equity Compensation Plans – Option Plan”.

Summary Compensation Table

The following table sets forth the compensation earned in the financial years ended October 31, 2017, October 31, 2016 and October 31, 2015 by each NEO.

Name and Principal Position	Year	Salary (\$)	Option-Based Awards (\$)⁽¹⁾	Non-equity incentive compensation (\$)⁽²⁾	All other Compensation (\$)	Total Compensation (\$)
Gregory	2017	233,333	53,916	200,000	21,325	508,574
Romain ⁽³⁾⁽⁵⁾	2016	225,000	46,500	Nil	18,753	290,253
	2015	180,000	28,000	Nil	16,402	224,402
Janet						
O'Donnell ⁽⁴⁾	2017	Nil	44,401	90,000	144,500	278,901
	2016	Nil	32,550	Nil	132,000	164,550
	2015	Nil	19,600	Nil	96,000	115,600

Notes:

- (1) Grant date fair value was calculated as accounting fair value using the Black Scholes formula with the following criteria: (a) dividend yield of nil (2016 – nil; 2015 – nil); (b) expected volatility 119% (2016 – 121%; 2015 – 117.26%); (c) risk free interest rate of 1.10% (2016 – 0.70%; 2015 – 0.99%); and (d) expected life of the option set at 5 years (2016 – 5 years; 2015 – 5 years).
- (2) Represents bonus granted to Mr. Romain in the amount of \$200,000 comprised of \$100,000 in cash compensation and the issuance of 500,000 Shares at a price of \$0.20 per share and to Ms. O'Donnell in the amount of \$90,000 comprised of \$60,000 in cash compensation and 150,000 Shares at a price of \$0.20 per share.
- (3) The information noted herein relates to Mr. Romain's services as an NEO. Mr. Romain did not receive any additional compensation for his role as a director of the Corporation.
- (4) Ms. O'Donnell performs her duties as Chief Financial Officer on a consultancy basis. Compensation reflected in this table represents consultant fees paid to Ms. O'Donnell.
- (5) The Corporation paid \$21,325 in benefits on behalf of Mr. Romain for the year ended October 31, 2017. (2016-\$18,753; 2015-\$16,402).

Incentive Plan Awards

Outstanding Option-Based Awards

The following table sets forth all option-based awards outstanding as of October 31, 2017 for each NEO.

Option-based awards

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$)⁽¹⁾
Gregory J.	300,000	0.12	March 1, 2018	7,500
Romain ⁽²⁾	500,000	0.08	February 28, 2019	32,500
	500,000	0.08	June 22, 2020	32,500
	500,000	0.095	June 21, 2021	25,000
	425,000	0.16	March 28, 2022	Nil

Janet	150,000	0.12	March 1, 2018	3,750
O'Donnell	350,000	0.08	February 28, 2019	22,750
	350,000	0.08	June 22, 2020	22,750
	350,000	0.095	June 21, 2021	17,500
	350,000	0.16	March 22, 2022	Nil

Notes:

- (1) The value of unexercised in-the-money options is based on the difference between the exercise price of the options and the closing price of the Shares on the TSX-V on October 31, 2017, being the last trading day of fiscal 2017, of \$0.16 per Share.
- (2) The information noted herein relates to Mr. Romain's services as an NEO. Mr. Romain did not receive any additional compensation for his role as a director of the Corporation.

Value Vested or Earned During the Year ended October 31, 2017

The following table sets forth all incentive plan awards in which the value vested or was earned during the financial year ended October 31, 2017 for each NEO.

Name	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Gregory J. Romain ⁽²⁾	Nil	Nil
Janet O'Donnell	Nil	Nil

Notes:

- (1) Intended to represent the aggregate dollar value that would have been realized if options had been exercised on the vesting date, based on the difference, if any, between the market price of the Shares on the TSX-V on the vesting date and the exercise price of the options. **As the market price of the Shares was equal to or less than the exercise price of the options on the vesting date, no value would have been realized if exercised on the vesting date.**
- (2) The information noted herein relates to Mr. Romain's services as an NEO. Mr. Romain did not receive any additional compensation for his role as a director of the Corporation.

Narrative Discussion

Refer to “Compensation Discussion and Analysis”, above, and “Option Plan”, below, for a description of all plan based awards for executive officers (including NEOs) and their significant terms.

Employment Agreements; Termination and Change of Control Benefits

The Corporation has no contract, agreement plan or arrangement that provides for payments to an NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Corporation or a change in an NEO's responsibilities, except as described below:

Gregory Romain

On June 11, 2013, the Corporation entered into an employment agreement (the “**Employment Agreement**”) with Mr. Gregory Romain, the President and Chief Executive Officer of the Corporation (the “**Executive**”). The Employment Agreement sets out the Executive's duties and responsibilities, annual compensation, and includes non-solicitation provisions ending two years from termination, as well as confidentiality provisions that extend beyond expiration. The Executive is also entitled to receive other benefits and perquisites, including participation in the Corporation's benefits plan, discretionary bonuses and participation in the Option Plan.

The Employment Agreement provides that in the event of the death of the Executive, the Corporation shall satisfy all of its obligations under the terms of the Employment Agreement including all outstanding amounts payable to the Executive. In the event of termination of employment by the Corporation without cause, the Corporation shall pay to the Executive an amount equal to: (i) one times the base salary; plus (ii) one-twelfth the base salary for each full year of employment following May 1, 2008 (provided, however,

such amount shall not exceed one times the base salary); plus (iii) an amount equal to any earned bonus paid (or payable) in respect of the most recently completed financial year multiplied by the number of fully completed months since the most recently completed financial year to the termination date divided by 12 (less applicable statutory deductions). Additionally, the Executive shall be entitled to all health, disability and life insurance benefits for a period of 12 months. In the event of termination of employment by the Corporation, with cause, the Corporation will have no further obligations to the Executive. Where payment is owed to the Executive upon termination, all stock options that have vested as of the date of termination shall be exercisable in accordance with the Option Plan. Similarly, if the Executive is terminated within 12 months of a Change in Control (as defined in the Employment Agreement), without cause, or where a Triggering Event (as defined in the Employment Agreement) subsequently occurs within 12 months of the Change in Control, the Executive is entitled to terminate his employment with the Corporation and to receive a lump sum payment from the Corporation in an amount equal to: (i) two times the base salary; plus (ii) an amount equal to the earned bonus paid (or payable) in respect of the most recently completed financial year multiplied by the number of fully completed months since the most recently completed financial year to the termination date divided by 12 (less applicable statutory deductions). All termination rights of the Executive provided for under the occurrence of a Triggering Event are conditional upon the Executive electing to exercise such rights by notice given to the Corporation within 120 days of the Triggering Event.

Assuming all criteria and preconditions in the Employment Agreement are satisfied, and that the Executive was terminated without cause or pursuant to a Change in Control on October 31, 2017, the estimated amount payable to the Executive by the Corporation is \$470,000.

Janet O'Donnell

On June 11, 2013, the Corporation entered into a consultant agreement (the “**Consultant Agreement**”) with Ms. Janet O'Donnell, the Chief Financial Officer of the Corporation (the “**Consultant**”). The Consultant Agreement sets out the Consultant's duties and responsibilities, annual compensation, and confidentiality provisions that extend beyond expiration. The Consultant is also entitled to receive other benefits and perquisites, including participation in the Corporation's discretionary bonuses and participation in the Option Plan.

The Consultant Agreement provides that in the event of a termination of employment by the Corporation without cause, the Corporation shall pay to the Consultant an amount equal to 12 times the monthly fee, being \$12,250 (the “**Monthly Fee**”). In the event of termination of employment by the Corporation, with cause, the Corporation will have no further obligations to the Consultant. Additionally, where payment is owed to the Consultant, any vested stock options previously granted to the Consultant by the Corporation shall be exercisable in accordance with the Option Plan. If the Consultant is terminated within 12 months of a Change in Control (as defined in the Consultant Agreement), the Consultant shall be entitled to terminate the Consultant Agreement and receive a lump sum payment from the Corporation in an amount equal to 12 times the Monthly Fee. Where payment is owed to the Consultant upon termination pursuant to a Change in Control, all stock options previously granted shall become fully vested, in which case the Consultant shall be entitled to exercise such stock options on the terms granted and otherwise in accordance with the Option Plan.

Assuming all criteria and preconditions in the Consultant Agreement are satisfied, and that the Consultant was terminated without cause or pursuant to a Change in Control on October 31, 2017, the estimated amount of payable to the Consultant by the Corporation is \$147,000.

Director Compensation

During each fiscal quarter of the financial year ended October 31, 2017, each non-management director of the Corporation earned a cash payment of \$2,500 and share based awards of \$2,500, and each chair of a committee receives an additional payment of \$500 for each fiscal quarter. Members of the Board are also reimbursed by the Corporation for all travel and other out-of-pocket expenses.

Each director of the Corporation is eligible to participate in the Option Plan. Option grants for the directors are approved by the Board, based on the recommendation of the Compensation Committee. The number of

stock options granted is based on competitive and market conditions, including based on a comparison of option grants to directors of other corporations of a comparable size and market capitalization. When determining whether and how many new option grants will be made, the Board takes into account the amount and terms of any outstanding options. The Corporation does not require its directors to own a specific number of Shares.

During the financial year ended October 31, 2017, options to purchase an aggregate of 1,900,000 Shares were granted to non-management directors of the Corporation.

Director Compensation Table

The following table sets forth all compensation provided to each non-management director of the Corporation for the financial year ended October 31, 2017. ⁽¹⁾

Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)⁽²⁾⁽³⁾	All Other Compensation (\$)	Total Compensation (\$)
C. Fraser Elliott	12,000	10,000	63,430	100,000	185,430
Peter Quintiliani	12,000	10,000	25,380	Nil	47,380
Larry Phillips	12,000	10,000	25,380	Nil	47,380
John Frostiak	12,000	10,000	25,380	Nil	47,380
Yungang Wu	12,000	10,000	25,380	16,680	64,060
Meirong Yuan	10,000	10,000	25,380	50,400	95,780
Demin (Fleming) Huang	Nil	Nil	46,400	Nil	46,400

Notes:

- (1) The relevant disclosure with respect to Mr. Romain, the Chief Executive Officer of the Corporation, is provided above, under the headings “Summary Compensation Table” and “Incentive Plan Awards”.
- (2) Grant date fair value was calculated as accounting fair value using the Black Scholes formula with the following criteria: (a) dividend yield of nil (2016 – nil; 2015 – nil); (b) expected volatility 119% (2016 – 121%; 2015 – 117.26%); (c) risk free interest rate of 1.10% (2016 – 0.70%; 2015 – 0.99%); and (d) expected life of the option set at 5 years (2016 – 5 years; 2015 – 5 years).

Incentive Plan Awards

Outstanding option- based awards

The following table sets forth all awards outstanding at the end of the financial year ended October 31, 2017 for each non-management director of the Corporation. ⁽¹⁾

Option-Based Awards

Name	Number of Securities Underlying Unexercised Options	Option Exercise Price (\$)	Option Expiration Dates	Value of Unexercised In-the-Money Options (\$) ⁽²⁾
C. Fraser Elliott	200,000	0.12	March 1, 2018	5,000
	400,000	0.095	June 21, 2021	20,000
	500,000	0.16	March 22, 2022	Nil
Peter Quintiliani	200,000	0.12	March 1, 2018	5,000
	200,000	0.08	February 28, 2019	13,000
	200,000	0.08	June 22, 2020	13,000
	200,000	0.095	June 21, 2021	10,000
	200,000	0.16	March 22, 2022	Nil
Larry Phillips	200,000	0.12	March 1, 2018	5,000
	200,000	0.08	February 28, 2019	13,000
	200,000	0.08	June 22, 2020	13,000
	200,000	0.095	June 21, 2021	10,000
	200,000	0.16	March 22, 2022	Nil
John Frostiak	200,000	0.12	March 1, 2018	5,000
	200,000	0.08	February 28, 2019	13,000
	200,000	0.08	June 22, 2020	13,000
	200,000	0.08	June 21, 2021	10,000
	200,000	0.095	March 22, 2022	Nil
Yungang Wu	400,000	0.085	September 30, 2019	24,000
	200,000	0.08	June 22, 2020	13,000
	200,000	0.095	June 21, 2021	10,000
	200,000	0.16	March 22, 2022	Nil
Meirong Yuan	400,000	0.085	November 7, 2019	24,000
	200,000	0.08	June 22, 2020	13,000
	200,000	0.095	June 21, 2021	10,000
	200,000	0.16	March 22, 2022	Nil
Demin (Fleming) Huang	400,000	0.16	October 31, 2022	Nil

Notes:

- (1) The relevant disclosure with respect to Mr. Romain, the Chief Executive Officer of the Corporation, is provided above, under the headings "Summary Compensation Table" and "Incentive Plan Awards".
- (2) The value of unexercised in-the-money options is based on the difference between the exercise price of the options and the closing price of the Shares on the TSX-V on October 31, 2017, being the last trading day of fiscal 2017, of \$0.16 per Share.

Incentive Plan Awards – Value Vested or Earned During the Year Ended October 31, 2017

The following table sets forth all incentive plan awards in which the value vested during the financial year ended October 31, 2017 for each non-management director of the Corporation.⁽¹⁾

Name	Option-Based Awards – Value Vested During the Year (\$) ⁽¹⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
C. Fraser Elliott	Nil	Nil
Peter Quintiliani	Nil	Nil
Larry Phillips	Nil	Nil
John Frostiak	Nil	Nil
Yungang Wu	Nil	Nil
Meirong Yuan	Nil	Nil
Demin (Fleming) Huang	Nil	Nil

Notes:

- (1) The relevant disclosure with respect to Mr. Romain, the Chief Executive Officer of the Corporation, is provided above, under the headings “Summary Compensation Table” and “Incentive Plan Awards”.
- (2) Intended to represent the aggregate dollar value that would have been realized if options had been exercised on the vesting date, based on the difference, if any, between the market price of the Shares on the TSX-V on the vesting date and the exercise price of the options..

Narrative Discussion

Refer to the commentary under the heading “Director Compensation” above and “Option Plan” below for a description of all plan based awards for directors of the Corporation and their significant terms.

Directors’ and Officers’ Liability Insurance

The Corporation has purchased, for the benefit of the Corporation and its directors and officers, insurance against liability incurred by the directors or officers in their capacity as directors or officers of the Corporation which currently has an annual aggregate policy limit of \$10,000,000 (including excess coverage of \$5,000,000). Generally, under this insurance coverage, the Corporation is reimbursed for indemnity payments made to its directors or officers as required or permitted by law or under by-law indemnity provisions for losses, including legal costs incurred by directors and officers in their capacity as such. This policy also provides coverage directly to individual directors and officers without any deductible if they are not indemnified by the Corporation. The insurance coverage for directors and officers has certain exclusions including, but not limited to, those acts determined to be deliberately fraudulent or dishonest or to have resulted in personal profit or advantage. The terms of this policy became effective as of December 21, 2017 for a period of 12 months with terms and premiums to be established on each renewal. The premium for this policy is \$15,650 per annum.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as of October 31, 2017, the number of Shares issuable upon exercise of outstanding options, the weighted exercise price of such outstanding options and the number of Shares remaining available for future issuance under all equity plans previously approved by the Shareholders and all equity plans not approved by the Shareholders. The only equity compensation plan of the Corporation is the Option Plan.

Plan Category	Number of Shares To Be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options	Number of Shares Remaining Available for Future Issuance Under Equity Compensation Plans
Equity compensation plans previously approved by Shareholders	12,575,000	\$0.11	22,888,474 ⁽¹⁾
Equity compensation plans not approved by Shareholders	N/A	N/A	N/A

Note:

- (1) The aggregate number of Shares reserved for issuance under the Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. As of October 31, 2017, 354,634,739 Shares were issued and outstanding.

The aggregate number of Shares reserved for issuance upon the exercise of options pursuant to the Option Plan is such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. As of the date hereof, the maximum number of Shares which may be issued under the Option Plan is 36,869,524 Shares, representing 10% of the 368,695,243 Shares currently issued and outstanding.

As at the date hereof, options to purchase an aggregate of 12,575,000 Shares have been granted and are outstanding pursuant to the Option Plan.

Option Plan

The Option Plan allows the Corporation to grant options to its directors, officers, employees, and other service providers subject to the rules and regulations of applicable regulatory authorities and any Canadian stock exchange upon which the Shares may be listed or may trade from time to time. The Option Plan authorizes the issuance of such number of Shares as is equal to 10% of the total number of Shares issued and outstanding from time to time. The number of Shares reserved for issue to any one person pursuant to the Option Plan, within any 12 month period, may not exceed 5% of the issued and outstanding Shares. The exercise price of options issued under the Option Plan may not be less than the market price of the Shares at the time the option is granted, subject to any discounts permitted by applicable securities laws and stock exchange rules. The maximum number of Shares which may be reserved for issuance to insiders under the Option Plan may not exceed 10% of the Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of options which may be granted to any one consultant under the Option Plan, within any 12 month period, may not exceed 2% of the Shares issued and outstanding at the time of the grant (on a non-diluted basis). The maximum number of options which may be granted to “investor relations persons” under the Option Plan, within any 12 month period, may not exceed in the aggregate 2% of the Shares issued and outstanding at the time of the grant (on a non-diluted basis).

The Option Plan is attached in its entirety as Schedule “A” to this Circular.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No current or former directors, executive officers or employees of the Corporation or any of its subsidiaries, no proposed nominees for election as directors, or any associates of such persons, is currently or has, at any time since the beginning of the Corporation’s most recently completed financial year, been indebted to the Corporation or any of its subsidiaries, and no indebtedness of such persons is the subject of a guarantee, support agreement, letter of credit or other similar arrangement provided by the Corporation.

AUDIT COMMITTEE

National Instrument 52-110 – “Audit Committees” (“**NI 52-110**”) requires the Corporation to disclose annually in its management information circular certain information concerning the constitution of its Audit Committee and its relationship with its independent auditor, as set forth below.

Audit Committee Charter

The Corporation’s Audit Committee is governed by an audit committee charter, the text of which is attached as Schedule “B” to this Circular.

Composition of the Audit Committee

The Corporation’s Audit Committee is currently comprised of Messrs. Quintiliani (Chairman), Phillips and Huang. Each of Messrs. Quintiliani, Phillips and Huang are considered to be “independent” within the meaning of NI 52-110. Each member of the Audit Committee is considered to be “financially literate” which is defined under NI 52-110 as the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements.

Relevant Education and Experience

Peter Quintiliani, CPA, CA – Mr. Quintiliani has over 35 years’ experience in Corporate Finance. He has a Bachelor of Arts from McMaster University, a Honours Bachelor of Commerce from the University of Windsor and is a Chartered Accountant. He was formerly the Chief Financial Officer and Executive Vice President Corporate Strategy and Development of the Katz Group Pharmacies Inc. from 2004 to 2012.

Larry Phillips – Mr. Phillips is President of Corplex Management Services providing advisory services in international business and governmental affairs to private and public companies and is the President and Chief Executive Officer of Compass Gold Corporation. Mr. Phillips was previously with IAMGOLD Corporation for over 20 years. He held the position of Executive Vice President, Corporate Affairs of IAMGOLD Corporation from June 2009 until June 2011. Mr. Phillips held the position of Executive Vice President, Corporate Affairs and General Counsel of IAMGOLD Corporation from December, 2007 to October, 2009. While at IAMGOLD Corporation, Mr. Phillips served as a Director of The World Gold Council. Prior to that, he was the managing partner of a Toronto-based law firm specializing in corporate commercial law. He is an Executive in Residence and a part-time lecturer at Queens University School of Business.

Demin (Fleming) Huang - Mr. Huang is the Vice President Corporate and Interim Chief Financial Officer of Golden Share Resource Corporation since July 2017. Mr. Huang holds a Bachelor Degree in Economics and is a Certified Management Accountant. Mr. Huang has over 15 years of experience in financial management in the mining and other industries.

Pre-Approval Policies and Procedures

The Audit Committee charter of the Corporation requires the Audit Committee to pre-approve all non-audit services to be provided by the external auditors. In the event that the Corporation wishes to retain the services of the Corporation’s external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation or the officer of the Corporation in charge of financial matters shall consult with the Chair of the Audit Committee, who shall have the authority to approve or disapprove on behalf of the Audit Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Audit Committee as a whole.

Audit Fees

The following chart summarizes the aggregate fees billed by the external auditors of the Corporation for professional services rendered to the Corporation for audit and non-audit related services for the financial years ended October 31, 2017 and 2016:

	Fees Billed During the Year Ended October 31, 2017	Fees Billed During the Year Ended October 31, 2016
Audit Fees ⁽¹⁾	\$29,580	\$29,580
Audit-related Fees ⁽²⁾	\$8,160	Nil
Tax Fees ⁽³⁾	\$3,000	\$3,000
All Other Fees	Nil	Nil
Total	\$40,740	\$32,580

Notes:

- (1) Aggregate fees billed for the Corporation's annual financial statements and services normally provided by the auditor in connection with the Corporation's statutory and regulatory filings.
- (2) Aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported as "Audit Fees", including: assistance with aspects of tax accounting, attest services not required by state or regulation and consultation regarding financial accounting and reporting standards.
- (3) Aggregate fees billed for tax compliance, advice, planning and assistance with tax for specific transactions.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – "Corporate Governance Guidelines" sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 – "Disclosure of Corporate Governance Practices" ("**NI 58-101**") requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance. Set out below is a description of the Corporation's approach to corporate governance in relation to the Guidelines.

The Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Board, be reasonably expected to interfere with such member's independent judgment.

The Board is currently comprised of eight members. Messrs. Gregory J. Romain and C. Fraser Elliott are not considered to be "independent" within the meaning of NI 58-101 as a result of their roles as President and Chief Executive Officer and Executive Chairman, respectively. Messrs. Yungang Wu and Meirong Yuan are not considered to be "independent" due to their roles as consultants to the Company. Messrs. Peter Quintiliani, Larry Phillips, John Frostiaik and Fleming Huang, are each considered to be "independent" directors within the meaning of NI 58-101 since they are free from any material relationship with the Corporation.

The Board believes that it functions independently of management. To enhance its ability to act independent of management, the Board meets in the absence of members of management and the non-independent directors or may excuse such persons from all or a portion of any meeting where a potential conflict of interest arises or where otherwise appropriate.

Directorships

The following directors of the Corporation also hold other reporting issuer directorships as set out below:

Director	Reporting Issuer	Symbol	Stock Exchange
C. Fraser Elliott	Sylogist Ltd.	SYZ	TSX-V
	Vital Retirement Living Inc.	N/A	N/A
Larry Phillips	Compass Gold Corporation	CVB	TSX-V
	California Gold Corporation	CGM	TSX-V
John Frostiak	Colossus Minerals Inc.	CSI	TSX
Yungang Wu	New Era Minerals Inc.	NEM	TSX-V
Fleming Huang	Golden Share Resources Corporation	GSH	TSX-V

Orientation and Continuing Education

While the Corporation currently has no formal orientation and education program for new Board members, sufficient information (such as recent annual reports, financial statements, management discussion and analysis, proxy solicitation materials, technical reports and various other operating, property and budget reports) is provided to any new Board member to ensure that new directors are familiarized with the Corporation's business and the procedures of the Board. As well, new directors meet with management of the Corporation to receive a detailed overview of the operations of the Corporation. All directors are encouraged to visit and meet with management on a regular basis. The Corporation also encourages continuing education of its directors and officers where appropriate in order to ensure that they have the necessary skills and knowledge to meet their respective obligations to the Corporation.

Ethical Business Conduct

The Board has adopted a Code of Business Conduct and Ethics which reflects the Corporation's commitment to a culture of honesty, integrity and accountability and outlines the basic principles and policies with which all directors, officers, employees and consultants are expected to comply. The Code of Business Conduct and Ethics addresses such matters as compliance with laws, conflicts of interest, confidential information, protection and proper use of the Corporation's assets, rules and regulations and the reporting of illegal and unethical behaviour.

We encourage personnel who become aware of a conflict or potential conflict or departures from the Code of Business Conduct and Ethics to bring it to the attention of management. We have also established additional procedures for confidential and anonymous reporting of complaints concerning accounting, internal accounting controls and auditing matters. The Board requires every director and executive officer to disclose any direct or indirect conflict of interest that he or she has, and obtains annually from each director and executive officer formal confirmation of compliance with the Code of Business Conduct and Ethics.

Any waivers of the Code of Business Conduct and Ethics for directors or members of senior management may only be granted by the Board (or a committee to whom that authority has been delegated), while any waiver for all other employees may only be made by the Chief Executive Officer and upon prior review and disclosure with the Board. A copy of the Code of Business Conduct and Ethics is available on SEDAR at www.sedar.com.

Nomination of Directors

While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with strong general business knowledge and, in particular, knowledge of mineral exploration and development or other areas necessary for the proper oversight of the Corporation (such as finance). The goal is to have a well-rounded board of directors capable of assisting in guiding the officers of the Corporation in all facets of the business. As such, nominations tend to be the result of recruitment efforts by management of the Corporation and discussions among the directors prior to the consideration of the Board as a whole.

Compensation

The Board meets on an annual basis for the purpose of reviewing the adequacy and form of compensation of directors and the Chief Executive Officer to ensure that such compensation reflects the responsibilities, time commitment and risks involved in being an effective director and/or officer of the Corporation. The Corporation has formed a Compensation Committee which will make recommendations to the Board on all matters relating to the compensation of directors, members of the various committees of the Board and officers and employees of the Corporation, in order to ensure that the Corporation is in a position to attract, motivate and retain high-calibre individuals. Among other functions, the Compensation Committee will monitor and evaluate the performance of the Chief Executive Officer and other members of senior management.

The Compensation Committee is currently comprised of Messrs. John Frostiak, Peter Quintiliani and Meirong Yuan. Each of Messrs. Frostiak, Quintiliani and Yuan is considered independent under NI 58-101. The Compensation Committee does not yet have a written mandate or charter, but intends to establish one in the near future. More information pertaining to compensation can be found under the heading “Statement of Executive Compensation” above.

Corporate Governance

The Corporate Governance Committee is currently comprised of Messrs. Larry Phillips and Yungang Wu. Each of Messrs. Phillips and Wu are considered independent under NI 58-101. The Corporate Governance Committee does not yet have a written mandate or charter, but intends to establish one in the near future.

Technical

The Technical Committee is currently comprised of Messrs. Yungang Wu and John Frostiak. Each of Messrs. Wu and Frostiak are considered independent under NI 58-101. The Technical Committee does not yet have a written mandate or charter, but intends to establish one in the near future.

Assessments

The Board assesses, on an annual basis, its contribution as a whole and the contribution of each of the constituent directors, in order to determine whether each is functioning effectively. No formal assessment criteria have been established and assessments are informal in nature. Given the size of the Board and the candid and open nature of its operation, formal assessment criteria are not considered to be required or warranted at this time; however, the Board may establish more formal assessment criteria in the future.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as described below, no “informed person” (as such term is defined under applicable securities laws) of the Corporation, no proposed director of the Corporation or any associate or affiliate of any informed person or proposed director, has or had a material interest, direct or indirect, in any transaction since the beginning of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation or its subsidiaries.

MANAGEMENT CONTRACTS

Management functions of the Corporation are not performed by any person other than the directors or executive officers of the Corporation.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management of the Corporation knows of no matters to come before the Meeting other than as set forth in the accompanying Notice of Meeting. However, if other matters which are not known to management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Copies of the Corporation's audited financial statements and corresponding management's discussion and analysis for the financial year ended October 31, 2017 are available on SEDAR, or shareholders may request that copies be sent to them upon written request to the Corporation at 80 Richmond Street West, Suite 1400, Toronto, Ontario, M5H 2A4.

The Board has approved the contents and the filing of this Circular.

DATED: September 18, 2018

BY ORDER OF THE BOARD

(signed) "Gregory Romain"
President and Chief Executive Officer

Schedule "A"

GOWEST GOLD LTD.

STOCK OPTION PLAN

1. PURPOSE

The purpose of this stock option plan (the "**Plan**") is to authorize the grant to Eligible Persons (as such term is defined below) of Gowest Gold Ltd. (the "**Corporation**") of options to purchase common shares ("**shares**") of the Corporation's capital and thus benefit the Corporation by enabling it to attract, retain and motivate Eligible Persons by providing them with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

2. ADMINISTRATION

The Plan shall be administered by the board of directors of the Corporation or a committee established by the board of directors for that purpose (the "**Committee**"). Subject to approval of the granting of options by the board of directors or Committee, as applicable, the Corporation shall grant options under the Plan.

3. SHARES SUBJECT TO PLAN

Subject to adjustment under the provisions of paragraph 12 hereof, the aggregate number of shares of the Corporation which may be issued and sold under the Plan will not exceed 10% of the aggregate number of shares issued and outstanding from time to time. The total number of shares which may be reserved for issuance to any one individual under the Plan within any one year period shall not exceed 5% of the outstanding issue. The Corporation shall not, upon the exercise of any option, be required to issue or deliver any shares prior to (a) the admission of such shares to listing on any stock exchange on which the Corporation's shares may then be listed, and (b) the completion of such registration or other qualification of such shares under any law, rules or regulation as the Corporation shall determine to be necessary or advisable. If any shares cannot be issued to any optionee for whatever reason, the obligation of the Corporation to issue such shares shall terminate and any option exercise price paid to the Corporation shall be returned to the optionee.

4. LIMITS WITH RESPECT TO INSIDERS

The maximum number of shares which may be reserved for issuance to insiders under the Plan, any other employer stock option plans or options for services, shall be 10% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).

5. ELIGIBILITY

Options shall be granted only to Eligible Persons, any registered savings plan established by an Eligible Person or any corporation wholly-owned by an Eligible Person. The term "**Eligible Person**" means:

- (a) a senior officer or director of the Corporation or any of its subsidiaries;
- (b) either:
 - (i) an individual who is considered an employee under the *Income Tax Act*,
 - (ii) an individual who works full-time for the Corporation providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source, or
 - (iii) an individual who works for the Corporation on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to

the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source,

any such individual, an “**Employee**”;

- (c) an individual employed by a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual (a “**Company**”) or an individual (together with a Company, a “**Person**”) providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a Person engaged in Investor Relations Activities (as hereafter defined) (a “**Management Company Employee**”);
- (d) an individual (or a company or partnership of which the individual is an employee, shareholder or partner), other than an Employee, Management Company Employee, director or senior officer, who:
 - (i) is engaged to provide on an on-going bona fide basis, consulting, technical, management or other services to the Corporation or an Affiliate of the Corporation under a written contract;
 - (ii) possesses technical, business or management expertise of value to the Corporation or an Affiliate of the Corporation;
 - (iii) spends a significant amount of time and attention on the business and affairs of the Corporation or an Affiliate of the Corporation;
 - (iv) has a relationship with the Corporation or an Affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation; and
 - (v) does not engage in Investor Relations Activities (as hereafter defined)

any such individual, a “**Consultant**”;

- (e) an individual (or a company or partnership of which the individual is an employee, shareholder or partner), other than an Employee, Management Company Employee, director or senior officer, that falls within the definition of Consultant contained in subsections 5(d)(i) through (iv) which provides Investor Relations Activities (an “**Investor Relations Consultant**”); or
- (f) a Person that falls within the definition of Eligible Person contained in any of subsections 5(a), (b) or (d) which provides Investor Relations Activities (an “**Investor Relations Person**”).

For purposes of the foregoing, a Company is an “**Affiliate**” of another Company if: (a) one of them is the subsidiary of the other; or (b) each of them is controlled by the same Person.

The term “**Investor Relations Activities**” means any activities or oral or written communications, by or on behalf of the Corporation or shareholder of the Corporation, that promote or reasonably could be expected to promote the purchase or sale of securities of the Corporation, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Corporation
 - (i) to promote the sale of products or services of the Corporation, or
 - (ii) to raise public awareness of the Corporation,
 - (iii) that cannot reasonably be considered to promote the purchase or sale of securities of the Corporation;

- (b) activities or communications necessary to comply with the requirements of
 - (i) applicable securities laws, policies or regulations,
 - (ii) the rules, and regulations of the TSX Venture Exchange (“**TSX-V**”) or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Corporation;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (1) the communication is only through the newspaper, magazine or publication, and
 - (2) the publisher or writer received no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (c) activities or communications that may be otherwise specified by the TSX-V.

For stock options to Employees, Consultants, Management Company Employees or Investor Relations Persons, the Corporation must represent that the optionee is a *bona fide* Employee, Consultant, Management Company Employee or Investor Relations Person as the case may be. The terms “insider”, “controlled” and “subsidiary” shall have the meanings ascribed thereto in the *Securities Act* (Ontario) from time to time. Subject to the foregoing, the board of directors or Committee, as applicable, shall have full and final authority to determine the persons who are to be granted options under the Plan and the number of shares subject to each option.

6. LIMITS WITH RESPECT TO CONSULTANTS AND INVESTOR RELATIONS PERSONS

- (a) The maximum number of stock options which may be granted to any one Consultant under the Plan, any other employer stock options plans or options for services, within any 12 month period, must not exceed 2% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).
- (b) The maximum number of stock options which may be granted to Investor Relations Persons under the Plan, any other employer stock options plans or options for services, within any 12 month period must not exceed, in the aggregate, 2% of the shares issued and outstanding at the time of the grant (on a non-diluted basis).

7. PRICE

The purchase price (the “**Price**”) for the shares of the Corporation under each option shall be determined by the board of directors or Committee, as applicable, on the basis of the market price, where “market price” shall mean the prior trading day closing price of the shares of the Corporation on any stock exchange on which the shares are listed or last trading price on the prior trading day on any dealing network where the shares trade, and where there is no such closing price or trade on the prior trading day, “market price” shall mean the average of the daily high and low board lot trading prices of the shares of the Corporation on any stock exchange on which the shares are listed or dealing network on which the shares of the Corporation trade for the five (5) immediately preceding trading days. In the event the shares are listed on the TSX-V, the price may be the market price less any discounts from the market price allowed by the TSX-V, subject to a minimum price of \$0.10. The approval of disinterested shareholders will be required for any reduction in the Price of a previously granted option to an insider of the Corporation.

8. PERIOD OF OPTION AND RIGHTS TO EXERCISE

Subject to the provisions of this paragraph 8 and paragraphs 9, 10 and 17 below, options will be exercisable in whole or in part, and from time to time, during the currency thereof. Options shall not be granted for a term exceeding five years. The shares to be purchased upon each exercise of any option (the “**optioned**

shares”) shall be paid for in full at the time of such exercise. Except as provided in paragraphs 9, 10 and 17 below, no option which is held by a service provider may be exercised unless the optionee is then a service provider for the Corporation.

9. CESSATION OF PROVISION OF SERVICES

Subject to paragraph 10 below, if any optionee who is a service provider shall cease to be an Eligible Person of the Corporation for any reason (whether or not for cause) the optionee may, but only within the period of ninety days (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade if required (which approval, for greater certainty, is not available under the current regulations of the TSX-V)), or thirty days if the Eligible Person is an Investor Relations Person (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade if required), next succeeding such cessation and in no event after the expiry date of the optionee's option, exercise the optionee's option unless such period is extended as provided in paragraph 10 below.

10. DEATH OF OPTIONEE

In the event of the death of an optionee during the currency of the optionee's option, the option theretofore granted to the optionee shall be exercisable within, but only within, the period of one year next succeeding the optionee's death (unless such period is extended by the board of directors or the Committee, as applicable, and approval is obtained from the stock exchange on which the shares of the Corporation trade). Before expiry of an option under this paragraph 10, the board of directors or Committee, as applicable, shall notify the optionee's representative in writing of such expiry.

11. NON-ASSIGNABILITY AND NON-TRANSFERABILITY OF OPTION

An option granted under the Plan shall be non-assignable and non-transferable by an optionee otherwise than by will or by the laws of descent and distribution, and such option shall be exercisable, during an optionee's lifetime, only by the optionee.

12. ADJUSTMENTS IN SHARES SUBJECT TO PLAN

The aggregate number and kind of shares available under the Plan shall be appropriately adjusted in the event of a reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other change in the corporate structure or shares of the Corporation. The options granted under the Plan may contain such provisions as the board of directors, or Committee, as applicable, may determine with respect to adjustments to be made in the number and kind of shares covered by such options and in the option price in the event of any such change. If there is a reduction in the exercise price of the options of an insider of the Corporation, the Corporation will be required to obtain approval from disinterested shareholders.

13. AMENDMENT AND TERMINATION OF THE PLAN

The board of directors or Committee, as applicable, may at any time amend or terminate the Plan, but where amended, such amendment is subject to regulatory approval.

14. EFFECTIVE DATE OF THE PLAN

The Plan becomes effective on the date of its approval by the Shareholders of the Corporation.

15. EVIDENCE OF OPTIONS

Each option granted under the Plan shall be embodied in a written option agreement between the Corporation and the optionee which shall give effect to the provisions of the Plan.

16. EXERCISE OF OPTION

Subject to the provisions of the Plan and the particular option, an option may be exercised from time to time by delivering to the Corporation at its registered office a written notice of exercise specifying the number of shares with respect to which the option is being exercised and accompanied by payment in cash or certified cheque for the full amount of the purchase price of the shares then being purchased.

Upon receipt of a certificate of an authorized officer directing the issue of shares purchased under the Plan, the transfer agent is authorized and directed to issue and countersign share certificates for the optioned shares in the name of such optionee or the optionee's legal personal representative or as may be directed in writing by the optionee's legal personal representative.

17. VESTING RESTRICTIONS

Options issued under the Plan may vest at the discretion of the board of directors or Committee, as applicable, provided that if required by any stock exchange upon which the shares of the Corporation trade, (i) any options granted at a Price calculated as an allowable discount to the applicable market price shall contain such vesting restrictions may be required by such stock exchange; and (ii) any options granted to Investor Relations Consultants must vest in stages over 12 months with no more than $\frac{1}{4}$ of the aggregate number of options granted vesting in any single three month period.

18. NOTICE OF SALE OF ALL OR SUBSTANTIALLY ALL SHARES OR ASSETS

If at any time when an option granted under this Plan remains unexercised with respect to any optioned shares:

- (a) the Corporation seeks approval from its shareholders for a transaction which, if completed, would constitute an Acceleration Event; or
- (b) third party makes a bona fide formal offer or proposal to the Corporation or its shareholders which, if accepted, would constitute an Acceleration Event;

the Corporation shall notify the optionee in writing of such transaction, offer or proposal as soon as practicable and, provided that the board of directors or Committee, as applicable, has determined that no adjustment shall be made pursuant to section 12 hereof, (i) the board of directors or Committee, as applicable, may permit the optionee to exercise the option granted under this Plan, as to all or any of the optioned shares in respect of which such option has not previously been exercised (regardless of any vesting restrictions), during the period specified in the notice (but in no event later than the expiry date of the option), so that the optionee may participate in such transaction, offer or proposal; and (ii) the board of directors or Committee, as applicable, may require the acceleration of the time for the exercise of the said option and of the time for the fulfilment of any conditions or restrictions on such exercise.

For these purposes, an Acceleration Event means:

- (a) the acquisition by any "offeror" (as defined in Part XX of the *Securities Act* (Ontario)) of beneficial ownership of more than 50% of the outstanding voting securities of the Corporation, by means of a take-over bid or otherwise;
- (b) any consolidation or merger of the Corporation in which the Corporation is not the continuing or surviving corporation or pursuant to which shares of the Corporation would be converted into cash, securities or other property, other than a merger of the Corporation in which shareholders immediately prior to the merger have the same proportionate ownership of stock of the surviving corporation immediately after the merger;
- (c) any sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Corporation; or

- (d) the approval by the Shareholders of the Corporation of any plan of liquidation or dissolution of the Corporation.

19. RIGHTS PRIOR TO EXERCISE

An optionee shall have no rights whatsoever as a Shareholder in respect of any of the optioned shares (including any right to receive dividends or other distributions therefrom or thereon) other than in respect of optioned shares in respect of which the optionee shall have exercised the option to purchase hereunder and which the optionee shall have actually taken up and paid for.

20. WITHHOLDING

To the extent the exercise of an option hereunder gives rise to any tax or other statutory withholding obligation (including, without limitation, income and payroll withholding taxes imposed by any jurisdiction), the board of directors or the Committee may implement appropriate procedures to ensure that the tax withholding obligations are met. These procedures may include, without limitation, increased withholding from an optionee's regular compensation, cash payments by an optionee, or the sale of a portion of the shares acquired pursuant to the exercise of an option, which sale may be required and initiated by the board of directors or the Committee. Unless otherwise determined by the board of directors or the Committee, any such procedure, including offering choices among procedures, will be applied consistently with respect to all similarly situated optionees in the Plan, except to the extent any procedure may not be permitted under the laws of the applicable jurisdiction.

21. GOVERNING LAW

This Plan shall be construed in accordance with and be governed by the laws of the Province of Ontario and shall be deemed to have been made in said Province, and shall be in accordance with all applicable securities laws.

22. EXPIRY OF OPTION

On the expiry date of any option granted under the Plan, and subject to any extension of such expiry date permitted in accordance with the Plan, such option hereby granted shall forthwith expire and terminate and be of no further force or effect whatsoever as to such of the optioned shares in respect of which the option has not been exercised.

Schedule “B”

GOWEST GOLD LTD.

TEXT OF THE AUDIT COMMITTEE CHARTER

I PURPOSE

The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of the Corporation.

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

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part III of this Charter.

II AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the external auditors.

III RESPONSIBILITIES

A Independent Auditors

1. The Committee shall recommend to the Board the external auditors to be nominated, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors report directly to the Committee.
2. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
3. The Committee shall review the external auditors’ audit plan, including scope, procedures and timing of the audit.
4. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
5. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within generally accepted accounting principles that were discussed with management, their ramifications, and the external auditors’ preferred treatment and material written communications between the Corporation and the external auditors.

6. The Committee shall pre-approve all non-audit services not prohibited by law to be provided by the external auditors.
7. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.
8. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
9. The Committee shall monitor and assess the relationship between management and the external auditors and monitor and support the independence and objectivity of the external auditors.

B Financial Accounting and Reporting Process

10. The Committee shall review the annual audited financial statements to satisfy itself that they are presented in accordance with generally accepted accounting principles and report thereon to the Board and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. The Committee shall also review the interim financial statements. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgments of management with management and the external auditors as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
11. The Committee shall review management's discussion and analysis relating to annual and interim financial statements, earnings press releases, and any other public disclosure documents that are required to be reviewed by the Committee under any applicable laws prior to their being filed with the appropriate regulatory authorities.
12. The Committee shall meet no less frequently than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, deems appropriate.
13. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements other than earnings press releases, and periodically assess the adequacy of these procedures.
14. The Committee shall establish procedures for:
 - (a) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
15. The Committee shall inquire of management and the external auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
16. The Committee shall review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.

17. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel.
18. The Committee shall provide oversight to related party transactions entered into by the Corporation.

C Other Responsibilities

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

IV COMPOSITION AND MEETINGS

1. The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, securities laws, the listing requirements of the TSX Venture Exchange, the *Business Corporations Act* (Ontario) and all applicable securities regulatory authorities.
2. The Committee shall be composed of three or more directors as shall be designated by the Board from time to time, one of whom shall be designated by the Board to serve as Chair.
3. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone shall constitute a quorum.
4. If within one-half of an hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same time on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one-half of an hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same time on the next business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
5. If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.
6. The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by, the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours' notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
7. Any member of the Committee may participate in a meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
8. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
9. The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as it may see fit, from time to time, to attend meetings of the Committee.
10. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a

meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation.

