

**ASCOT RESOURCES LTD.**  
Suite 1550 – 505 Burrard Street  
Vancouver, B.C., V7X 1M5

**NOTICE OF ANNUAL GENERAL MEETING**  
**(“Notice”)**

**NOTICE** is hereby given that the Annual General Meeting (the “**Meeting**”) of the shareholders of **ASCOT RESOURCES LTD.** (the “**Company**”) will be held at the offices of Blake, Cassels & Graydon LLP at Suite 2600, 595 Burrard Street, Vancouver, B.C., V7X 1L3 on Tuesday, December 19, 2017 at 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive and consider the financial statements of the Company for the year ended March 31, 2017, together with the report of the auditors thereon;
2. To appoint auditors and to authorize the directors to fix the remuneration to be paid to the auditors;
3. To elect directors for the ensuing year; and
4. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice is the information circular (the “**Circular**”) and a form of proxy (the “**Proxy**”). The Circular includes more detailed information relating to the matters to be addressed at the Meeting. The Circular is deemed to form a part of this Notice.

Members who are unable to attend the Meeting in person are requested to read the enclosed Circular and Proxy, and then complete and deposit the Proxy together with the power of attorney or other authority, if any, under which it was signed or a notarially certified copy thereof with the Company’s transfer agent by delivery to: AST Trust Company (Canada), PO Box 721 Agincourt, Ontario, M1S 0A1, at least forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays) before the time of the Meeting or any adjournment of it unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. You may alternatively fax your proxy to 416-368-2502 or toll free in Canada and United States to 1-866-781-3111 or send your proxy by email to [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com). Unregistered shareholders who received the Proxy through an intermediary must deliver the Proxy in accordance with the instructions given by such intermediary.

Only holders of common shares of the Company of record at the close of business on November 14, 2017 will be entitled to vote at the Meeting.

**DATED** at Vancouver, British Columbia, this 14<sup>th</sup> day of November, 2017.

BY ORDER OF THE BOARD

*“Derek C. White” (signed)*

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Derek C. White  
President & CEO

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## **LETTER TO SHAREHOLDERS FROM THE CHAIRMAN OF THE BOARD**

Dear Ascot Shareholder,

Despite a continued challenging economic environment, Ascot Resources Ltd. (“Ascot” or the “Company”) delivered another year of strong operational performance with outstanding exploration success. We continue to build our business for the long-term, focusing on creating shareholder value. Supporting our objectives are: balance sheet strength; high quality exploration assets; operational excellence; an experienced board of directors; and a new strong leadership team.

During 2017 and heading into 2018, the Board remains sized with 6 candidates nominated for election. Four nominees are returning directors with two new directors, including myself, standing for election. The new Board has been formed intentionally to increase independence to that of a majority. John Toffan and Rick Kasum, two long tenured executive directors are stepping down from their roles in management and the Board this year. John has lead Ascot as President and CEO since its inception and we thank him most heartily for his leadership over this period. Rick is stepping down as a director, but will be staying around to conduct future drilling requirements at the site for us. We also thank him for his hard work and field leadership over the past years. Additional directors, with appropriate skills and experience, may be appointed as the Company considers its future requirements.

Leadership and strategic vision for the Company has now passed to Derek White, our new President and CEO. Derek has a wealth of experience in the exploration and development of mining projects and we are extremely lucky to have attracted such a high-quality individual. Please join me and the Board, in welcoming Derek to the Company. You can be assured we will give him the support needed to optimize our shareholder value for this exciting property.

Please take some time to read through our Information Circular and Proxy Statement in determining your vote. On behalf of the Board and management, we thank you for your ongoing support and confidence in Ascot and we look forward to seeing you on Tuesday, December 19, 2017 at the offices of Blake, Cassels & Graydon, LLP, Suite 2600, 595 Burrard Street, Vancouver, BC V7X 1L3, at 10:00 a.m. (PT).

Sincerely,

*“Rick Zimmer” (signed)*

Rick Zimmer

Chairman of the Board

## **ASCOT RESOURCES LTD.**

Suite 1550 – 505 Burrard Street  
Vancouver, B.C., V7X 1M5

### **INFORMATION CIRCULAR**

THIS INFORMATION CIRCULAR CONTAINS INFORMATION  
AS AT NOVEMBER 14, 2017

#### **PERSONS MAKING THE SOLICITATION**

This Information Circular is furnished in connection with the solicitation of proxies by management of Ascot Resources Ltd. (the “**Company**”) for use at the annual general meeting of shareholders of the Company to be held at 10:00 a.m. on Tuesday, December 19, 2017 (the “**Meeting**”) and any adjournment thereof, for the purposes set forth in the attached Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as at November 14, 2017.

All costs of this solicitation will be borne by the Company. In addition to the solicitation of proxies by mail, directors, officers and employees may solicit proxies personally, by telephone, facsimile or email, but will not receive compensation for so doing.

#### **APPOINTMENT OF PROXYHOLDER**

The persons named as proxyholder in the accompanying form of proxy were designated by the management of the Company (“**Management Proxyholder**”). **A shareholder desiring to appoint some other person (“Alternate Proxyholder”) to represent him at the Meeting may do so by inserting such other person's name in the space indicated or by completing another proper form of proxy.** A person appointed as proxyholder need not be a shareholder of the Company. All completed proxy forms must be deposited with the Company’s transfer agent, AST Trust Company (Canada), by delivering the proxy to: Proxy Department, AST Trust Company (Canada), PO Box 721, Agincourt, Ontario M1S 0A1, fax number: 416-368-2502 or toll free in North America: 1-866-781-3111, or by email to proxyvote@astfinancial.com, not less than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment of it unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

#### **REVOCATION OF PROXY**

Every proxy may be revoked by an instrument in writing:

- (a) executed by the shareholder or by his attorney authorized in writing or, where the shareholder is a corporation, by a duly authorized officer or attorney of the corporation; and
- (b) delivered either to the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it at which the proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof,

or in any other manner provided by law.

**Only registered shareholders have the right to revoke a proxy. Non-Registered Holders (as defined herein) who wish to change their vote must, at least seven days before the Meeting, arrange for their respective intermediaries to revoke the proxy on their behalf.**

#### **EXERCISE OF DISCRETION BY PROXYHOLDER**

The shares represented by the proxy 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 the shareholder specifies a choice with respect to any matter to

be acted upon, the shares will be voted accordingly. **In the absence of any such direction, the Management Proxyholder will vote in favour of matters described in the proxy. In the absence of any direction as to how to vote the shares, an Alternate Proxyholder has discretion to vote them as he or she chooses.**

**The enclosed form of proxy confers discretionary authority upon the proxyholder with respect to amendments or variations to matters identified in the attached Notice of Meeting and other matters which may properly come before the Meeting.** At present, management of the Company knows of no such amendments, variations or other matters.

## NON-REGISTERED HOLDERS

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

In accordance with applicable Canadian securities laws, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy (collectively, the “**Meeting Materials**”) indirectly to the Non-Registered Holders through Intermediaries.

The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each Non-Registered Holder unless such Non-Registered Holder has waived the right to receive the Meeting Materials. Management of the Company does not intend to pay for Intermediaries to forward to beneficial owners of securities that have provided instructions to their Intermediary that such beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**OBOs**”) under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* the Meeting Materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and each OBO will not receive the Meeting Materials unless their Intermediary assumes the cost of delivery.

Meeting Materials sent to Non-Registered Holders who have not waived the right to receive Meeting Materials are accompanied by a voting instruction form (“**VIF**”). This form is similar to the proxy provided to registered shareholders of the Company. By returning the VIF in accordance with the instructions noted on it, a Non-Registered Holder is able to instruct the registered shareholder how to vote on behalf of the Non-Registered Holder. VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. **Non-Registered Holders receiving a VIF cannot use that form to vote common shares directly at the Meeting. Non-Registered Holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.** Should a Non-Registered Holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Non-Registered Holder may request a legal proxy as set forth in the VIF, which will grant the Non-Registered Holder or his or her nominee the right to attend and vote at the Meeting.

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, 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.

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

Except as disclosed herein, no Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors and the appointment of auditors. For the purpose of this paragraph, "Person" shall include each person: (a) who has been a director or executive officer of the Company at any time during the most recently completed financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person included in (a) or (b).

## RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value. As at the date of this Information Circular, there are 147,692,407 common shares issued and outstanding, each common share carrying the right to one vote. The Company has no other classes of voting securities.

In accordance with applicable laws, the board of directors of the Company (the "Board") has provided notice of and fixed the record date as of November 14, 2017 (the "Record Date") for the purposes of determining Shareholders entitled to receive notice of, and to vote at, the Meeting, and has obtained a list of all persons who are Registered Shareholders at the close of business on the Record Date and the number of common shares registered in the name of each Registered Shareholder on that date. Each Registered Shareholder as at the close of business on the Record Date will be entitled to receive notice of the Meeting and will be entitled to one vote at the Meeting for each common share registered in his or her name as it appears on the list.

To the knowledge of the directors and executive officers of the Company, no one shareholder beneficially owns, or controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company, other than the following:

Shareholder Name	Number of Common Shares Held <sup>(1)</sup>	Percentage of Issued Common Shares
Eric S. Sprott	18,628,006	12.61%

Notes:

(1) The above information was supplied to the Company by the shareholder and/or from the insider reports available at [www.sedi.ca](http://www.sedi.ca).

## RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for the financial year ended March 31, 2017 and accompanying auditor's report will be presented at the Meeting and have been previously filed under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

## PARTICULARS OF MATTERS TO BE ACTED UPON

### ELECTION OF DIRECTORS

The term of office of each of the directors expires at the Meeting. At the 2016 annual general meeting, the Company's shareholders elected six (6) directors; however, on October 6, 2017, the Board appointed two additional directors, Rick Zimmer and James Stypula, all in accordance with the Company's Articles, increasing the Board to eight (8) members. The Company proposes to keep the size of the Board set at six (6) and to nominate the persons named in the table below for election as directors of the Company. The nominees include the existing directors of the Company with exception to John Toffan and Rick Kasum, who are not seeking re-election, along with newly appointed directors, Rick Zimmer and James Stypula. Each director elected will hold office until the next annual general meeting or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia) or he or she becomes disqualified to act as a director.

The table below sets forth for each management nominee for election as director, (i) their name, (ii) the province or state and country where they reside, (iii) their age, (iv) all offices of the Company now held by each of them, including

the committees on which they serve, (v) the period of time during which each has been a director of the Company, (vi) 2016 voting results, (vii) their principal occupations, businesses or employment, (viii) the number of common shares of the Company that each nominee beneficially owns, or controls or directs, directly or indirectly, as at the date hereof, and (ix) skills and qualifications relevant to the Company. The Board recommends a vote “FOR” the appointment of each of the following nominees as directors.

Name, Residence, Age, Present Position with the Company, and Voting Results <sup>(1)</sup>	Principal Occupation and Occupations during past 5 years <sup>(1)</sup>	# of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>	Skills & Qualifications <sup>(1)</sup>
<p><b>RICK ZIMMER</b><sup>(2)(3)(5)(6)</sup>            B.Sc., B.Eng., MBA, P.Eng            Vancouver, BC            Age: 69  <i>Independent Director &amp; Board Chairman since Oct 6, 2017</i></p> <p><i>2016 Voting Results:</i>            N/A<sup>(3)</sup></p>	<p>Professional Director; Currently also a director of:            Capstone Mining Corp. (since 2011);            Alexco Resources Corp. (since 2012)</p>	<p>58,335            common shares</p>	<ul style="list-style-type: none"> <li>• Over 40 years of operating and development experience in Gold and Copper mining</li> <li>• Numerous CEO, headship and management oversight positions</li> <li>• Board experience/corporate governance</li> <li>• Experience with budgeting and planning for mining operations</li> <li>• Commercial dealings/contract negotiation &amp; analysis</li> <li>• Joint ventures, mergers &amp; acquisitions experience</li> <li>• Professional Mining Engineer</li> </ul>
<p><b>JAMES STYPULA</b><sup>(4)(5)(7)</sup>            Cranbrook, BC            Age: 68  <i>Independent Director since Oct 6, 2017</i></p> <p><i>2016 Voting Results:</i>            N/A<sup>(3)</sup></p>	<p>Professional Director</p>	<p>83,500            common shares</p>	<ul style="list-style-type: none"> <li>• Over 40 years of capital markets/corporate finance</li> <li>• Former CEO</li> <li>• Board experience/corporate governance</li> <li>• Commercial dealings/contract negotiation &amp; analysis</li> <li>• International transactions</li> <li>• Mergers and acquisitions</li> <li>• Financial expertise/industry literacy</li> </ul>
<p><b>Capt. L. John Swann</b>            Vancouver, BC            Age: 74  <i>Independent Director since Sep 25, 2006</i></p> <p><i>2016 Voting Results:</i>            For: 62,871,412            Withheld: 1,000</p>	<p>Marine Consultant &amp; Engineer; President of L.J. Swann &amp; Associates Ltd., Marine Consultants &amp; Engineers</p>	<p>Nil</p>	<ul style="list-style-type: none"> <li>• Over 50 years of operating design and development experience in marine transportation of bulk materials particularly for the oil and mining industry</li> <li>• Leadership and general business management, including corporate policy, budget setting, implementation and oversight.</li> <li>• Board experience</li> <li>• Holds 11 US &amp; International patents on safety equipment</li> </ul>

Name, Residence, Age, Present Position with the Company, and Voting Results <sup>(1)</sup>	Principal Occupation and Occupations during past 5 years <sup>(1)</sup>	# of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly <sup>(1)</sup>	Skills & Qualifications <sup>(1)</sup>
<p><b>ROBERT A. EVANS</b><sup>(3)(5)(8)</sup> Surrey, BC Canada Age: 64 <i>Non-Independent Director</i></p> <p><i>2016 Voting Results:</i> For: 62,821,012 Withheld: 51,400</p>	<p>Chartered Accountant; Former Secretary/Treasurer, and Chief Financial Officer (from 1989 to 2017) and currently a Director of the Company (since 1989 to present)</p>	<p>105,000 common shares</p>	<ul style="list-style-type: none"> <li>• Over 40 years of financial Reporting experience</li> <li>• Former CFO</li> <li>• Chartered accountant</li> <li>• Board experience</li> <li>• Commercial dealings/contract negotiation &amp; analysis</li> </ul>
<p><b>KENNETH M. CARTER</b><sup>(4)(6)</sup> Halfmoon Bay, BC Canada Age: 69 <i>Independent Director since Apr 15, 1993</i></p> <p><i>2016 Voting Results:</i> For: 62,871,412 Withheld: 1,000</p>	<p>Professional Director, Retired Geologist</p>	<p>750,100 common shares</p>	<ul style="list-style-type: none"> <li>• Over 40 years of operating and development experience in base metals mining</li> <li>• Former general manager with headship and management oversight positions</li> <li>• Experience with budgeting and planning for mining operations</li> <li>• Board experience</li> <li>• Commercial dealings/contract negotiation &amp; analysis</li> <li>• Professional Geologist</li> </ul>
<p><b>GREG GIBSON</b><sup>(3)(4)(6)</sup> Toronto, On Canada Age: 55 <i>Independent Director since Aug 5, 2016</i></p> <p><i>2016 Voting Results:</i> For: 62,871,412 Withheld: 1,000</p>	<p>Currently President and CEO of Sprott Mining and Jerritt Canyon Gold LLC and a director of Latin American Minerals, Sprott Mining Inc., Jerritt Canyon Canada, Metanor Resources Inc. and Novo Resources Corp. Former director of Barkerville, Kerr Mines.</p>	<p>Nil</p>	<ul style="list-style-type: none"> <li>• Over 30 years of operating and development experience in gold and copper mining</li> <li>• Numerous CEO, headship and management oversight positions</li> <li>• Board experience/corporate governance</li> <li>• Capital markets/corporate finance</li> <li>• Commercial dealings/contract negotiation &amp; analysis</li> <li>• International transactions</li> <li>• Joint ventures, mergers &amp; acquisitions experience</li> </ul>

Notes:

- (1) All information in the table above is not within the knowledge of the management of the Company and has been furnished by the representative nominees.
- (2) Mr. Zimmer joined the Board on October 6, 2017 as an independent director and was appointed non-executive chairman of the Board on October 7, 2017.
- (3) Member of the Audit Committee.
- (4) Member of the Compensation Committee.
- (5) Member of the Governance and Nomination Committee.
- (6) Member of the Health, Safety, Environmental and Technical Committee.
- (7) Mr. Stypula joined the Board on October 6, 2017 as an independent director.
- (8) Mr. Evans resigned from his positions as CFO, Treasurer and Secretary effective November 1, 2017. Ms. Carol Li was appointed the CFO and Ms. Jody Harris was appointed the Corporate Secretary on the same date.

### ***Cease Trade Orders, Bankruptcies, Penalties or Sanctions***

No nominee director of the Company:

- (a) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity:
  - (i) was the subject of a cease trade or similar order, or an order that denied the other relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
  - (ii) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

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

### **APPOINTMENT OF AUDITOR**

Management is recommending that shareholders vote to re-appoint BDO Dunwoody LLP Chartered Accountants, of 600 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, as auditor for the Company for the current financial year and to authorize the directors to fix their remuneration.

In the absence of a contrary instruction, the persons named in the accompanying form of proxy intend to vote for the re-appointment of BDO Dunwoody LLP as auditor of the Company to hold office until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board to fix the remuneration of the auditor.

### **EXECUTIVE COMPENSATION**

#### **Named Executive Officers**

Set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”) during the year ended March 31, 2017:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);
- (c) each of the Company’s three most highly compensated executive officers, including any of its subsidiaries, or three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end

of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and

- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year.

As at March 31, 2017, the end of the most recently completed financial year of the Company, the Company had three Named Executive Officers, whose names and positions held within the Company within the year ended March 31, 2017, are set out under “*Summary Compensation Table*”.

### **Compensation Philosophy and Objectives**

The Company’s executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives’ interests with those of the Company’s shareholders. The chief goal of the Company’s compensation strategy is to enhance shareholder value over the long term. In order to meet the Company’s objectives, the Company’s Board is guided by:

- providing executives with an equity-based incentive plan – namely, a stock option plan;
- aligning employee compensation with Company corporate objectives and best practices corporate governance; and
- attracting and retaining highly qualified individuals in key positions.

The Company has no formal compensation policy. The Board as a whole is responsible for reviewing and approving corporate goals and objectives relevant to an NEO’s compensation, evaluating the NEO’s performance in light of those goals and objectives and making recommendations with respect to the NEO’s compensation based on this evaluation.

The Board monitors levels of executive remuneration to ensure overall compensation reflects the Company’s objectives and philosophies and meets the Company’s desired relative compensation position. Executive officers’ compensation is designed in a manner to recognize and reward executive officers based upon individual and corporate performance, to be competitive with the compensation arrangements and programs established by other resource companies with which the Company compares itself, and to be consistent with the executive officers’ respective contributions to the overall benefit of the Company.

An NEO or director is not permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. The Board has not considered risks associated with the Company’s compensation policies and practices.

### **Compensation Elements**

The Company’s compensation structure is primarily composed of two components – base salary (consulting fees) and stock options.

#### *Base Salary (Consulting Fees)*

The compensation payable to the CEO and other executive officers is considered and approved by the Company’s independent directors according to their understanding as to the amount of compensation that is reasonable in the circumstances. Compensation is set based on a discussion by the independent directors without any formal objectives, criteria or analysis except for a review of certain subjective criteria that relate to the performance of the Company and the contribution of the executive officer to that performance.

#### *Option-based Awards*

As a junior exploration company, stock option grants are considered a significant component of the Company’s overall compensation strategy in order to appropriately incentivize the NEOs in a manner that is consistent with shareholders’

interests. Options are granted to the Company’s executive officers under its incentive stock option plan (the “**Option Plan**”) as determined by the Board on a discretionary basis subject to only the subjective criteria discussed above.

The Company established the Option Plan in order to attract and retain directors, executive officers and employees who will be motivated to work towards ensuring the success of the Company. Proposed grants are submitted to the Board for approval. Prior grants to executive officers are taken into consideration when considering new grants. The Board administers the Option Plan and has the authority to amend the plan, subject to applicable shareholder and regulatory approvals.

### SUMMARY COMPENSATION TABLE

The following table is a summary of compensation paid to the NEOs for each of the Company’s three most recently completed financial years ended March 31, 2015, March 31, 2016 and March 31, 2017:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards \$( <sup>1</sup> )	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
John A. Toffan <i>CEO</i>	2017	Nil	Nil	1,083,544 <sup>(2)</sup>	Nil	Nil	Nil	365,000 <sup>(3)</sup>	1,448,554
	2016	Nil	Nil	Nil	Nil	Nil	Nil	200,000 <sup>(4)</sup>	200,000
	2015	Nil	Nil	473,443 <sup>(2)</sup>	Nil	Nil	Nil	200,000 <sup>(4)</sup>	673,443
Robert A. Evans <i>Secretary/ Treasurer/ CFO</i>	2017	215,000	Nil	1,083,554 <sup>(2)</sup>	Nil	Nil	Nil	150,000 <sup>(5)</sup>	1,448,554
	2016	200,000	Nil	Nil	Nil	Nil	Nil	Nil	200,000
	2015	200,000	Nil	473,443 <sup>(2)</sup>	Nil	Nil	Nil	Nil	673,443
Rickki L. Kasum <i>Project Manager at Dilworth and Premier</i>	2017	200,576	Nil	663,636 <sup>(2)</sup>	Nil	Nil	Nil	Nil	864,212
	2016	180,294	Nil	Nil	Nil	Nil	Nil	Nil	180,294
	2015	168,646	Nil	378,754 <sup>(2)</sup>	Nil	Nil	Nil	Nil	547,400

Notes:

- (1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.
- (2) These numbers are calculated in accordance with section 3870 of the CICA handbook and are the same numbers as used in the Company’s financial statements.
- (3) Consists of consulting fees in the amount of \$215,000 and a bonus in the amount of \$150,000.
- (4) Consulting fees paid to the NEO.
- (5) Consists of a bonus paid to the NEO.

### INCENTIVE PLAN AWARDS

#### Outstanding share-based awards and option-based awards

The following table sets out the option-based awards made by the Company to the NEOs which were outstanding as at March 31, 2017. Further details about the granting of options and determination of their terms are discussed under “*Compensation Discussion and Analysis – Compensation Elements – Option-based Awards*”.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
John A. Toffan	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	750,000	0.88	June 20, 2019	787,500	Nil	Nil	Nil
	500,000	1.68	July 21, 2021	125,000	Nil	Nil	Nil
	400,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
Robert A. Evans	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	750,000	0.88	June 20, 2019	787,500	Nil	Nil	Nil
	500,000	1.68	July 21, 2021	125,000	Nil	Nil	Nil
	400,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
Rickki L. Kasum	600,000	0.95	Sept. 17, 2018	588,000	Nil	Nil	Nil
	600,000	0.88	June 20, 2019	630,000	Nil	Nil	Nil
	400,000	1.68	July 21, 2021	100,000	Nil	Nil	Nil
	150,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil

Note:

<sup>(1)</sup> Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at March 31, 2017 (\$1.93 closing price on the TSX Venture Exchange on March 31, 2017) and the exercise price of the options.

#### Incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
John A. Toffan	1,083,544	Nil	Nil
Robert A. Evans	1,083,544	Nil	Nil
Rickki L. Kasum	663,636	Nil	Nil

Note:

<sup>(1)</sup> All options vest immediately and are granted at the market price. The weighted average fair value at grant date of options vested during the year ended March 31, 2017 was \$1.86 (2016: nil).

#### Discussion of plan-based awards

During the financial year ended March 31, 2017, directors and officers exercised 250,000 stock options at \$1.20, 30,000 stock options at \$0.95 and 50,000 stock options at \$0.88. In addition, during the financial year ended March 31, 2017, the Company granted a total of 400,000 stock options at \$2.34, 1,600,000 stock options at \$1.68 and 1,150,000 stock options at \$1.93.

The Board administers the Company's Option Plan and, as such, all proposed stock option grants are submitted to the Board for their approval. In considering new grants, the Board considers prior grants made to directors and executive officers.

## PENSION PLAN BENEFITS

The Company has not established any pension plans or deferred compensation plans for directors and executive officers that provide for payments or benefits at, following, or in connection with retirement.

## TERMINATION AND CHANGE OF CONTROL BENEFITS

### Description of Termination and Change of Control Benefits

The Company has entered into employment agreements with each of Mr. Toffan, Mr. Evans and Mr. Kasum which provide for certain termination and change of control benefits and are summarized below.

#### *John A. Toffan*

Mr. Toffan's employment may be terminated by the Company by providing Mr. Toffan with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Toffan may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Toffan's employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Toffan a lump sum equal to his base salary for the notice period required to be provided by Mr. Toffan or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the Company is permitted or able to provide under the applicable rules of the relevant plans for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company's election.

If, within twelve (12) months immediately following a Change of Control (as defined herein), Mr. Toffan elects to terminate his employment, Mr. Toffan's employment agreement provides for a severance payment of twelve (12) months' salary and all unvested options vest immediately.

#### *Robert A. Evans*

Mr. Evans' employment may be terminated by the Company by providing Mr. Evans with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Evans may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Evans' employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Evans a lump sum equal to his base salary for the notice period required to be provided by Mr. Evans or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the Company is permitted or able to provide under the applicable rules of the relevant plans for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company's election.

If, within twelve (12) months immediately following a Change of Control, Mr. Evans elects to terminate his employment, Mr. Evans' employment agreement provides for a severance payment of twelve (12) months' salary and all unvested options vest immediately.

#### *Ricki L. Kasum*

Mr. Kasum's employment may be terminated by the Company by providing Mr. Kasum with twelve (12) months' written notice or twelve (12) months' base salary in lieu of such notice (at the Company's sole discretion) or any combination thereof. Mr. Kasum may terminate his employment with the Company by providing not less than ninety (90) days' written notice, at which point the Company shall have the right to elect to terminate Mr. Kasum's employment at any time prior to the effective date of the resignation and, upon such election, shall provide Mr. Kasum a lump sum equal to his base salary for the notice period required to be provided by Mr. Kasum or to such proportion of that notice period that remains outstanding at the time of the election and shall continue to provide all medical and healthcare benefits that the Company is permitted or able to provide under the applicable rules of the relevant plans

for the lesser of the applicable notice period or the period of time that remains outstanding at the time of the Company’s election.

If, within twelve (12) months immediately following a Change of Control, Mr. Kasum elects to terminate his employment, Mr. Kasum’s employment agreement provides for a severance payment of twelve (12) months’ salary and all unvested options vest immediately.

*“Change of Control”*

A **“Change of Control”** is defined in such employment agreements as any of the following:

- (a) at least 50% in fair-market value of all the assets of the Company are sold; or
- (b) there is direct or indirect acquisition by a person or group of persons (excluding the respective employee or any person associated with the respective employee) acting jointly or in concert of voting securities of the Company that when taken together with any voting securities owned directly or indirectly by such person or group of persons at the time of the acquisition, constitute 40% or more of the outstanding voting securities of the Company; or
- (c) a majority of the then-incumbent board of directors’ nominees for election to the board of directors of the Company are not elected at any annual or special meeting of shareholders of the Company; or
- (d) a liquidation, dissolution or winding-up of the Company; or
- (e) the amalgamation, merger or arrangement of the Company with or into another where the shareholders of the Company immediately prior to the transaction will hold less than 51% of the voting securities of the resulting entity upon completion of the transaction;

but does not include any transaction that may occur between the Company, any affiliate or subsidiary of the Company or, as applicable, any person associated with the Company or any affiliate or subsidiary of the Company, which, but for such relationship the transaction would otherwise constitute a Change of Control hereunder.

Other than as described above, the Company and its subsidiaries have no compensatory plans or arrangements with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other termination of employment of such officers’ employment with the Company or its subsidiaries, from a Change of Control of the Company and its subsidiaries or a change in the Named Executive Officers’ responsibilities.

**Estimated Incremental Payments**

The following table sets forth the estimated incremental payments that would be made to each of Mr. Toffan, Mr. Evans and Mr. Kasum assuming that termination occurred on March 31, 2017:

<b>Name</b>	<b>Triggering Event</b>	<b>Payment pursuant to NEO Agreement (\$)</b>	<b>Payment pursuant to accelerated vesting of options triggered by termination</b>	<b>Total (\$)</b>
John A. Toffan	Termination without cause by the Company <sup>(1)</sup>	260,000	Nil	260,000
	Termination by employee <sup>(2)</sup>	65,000	Nil	65,000
	Change of Control	260,000	Nil	260,000
Robert A. Evans	Termination without cause by the Company <sup>(1)</sup>	260,000	Nil	260,000
	Termination by employee <sup>(2)</sup>	65,000	Nil	65,000
	Change of Control	260,000	Nil	260,000

Name	Triggering Event	Payment pursuant to NEO Agreement (\$)	Payment pursuant to accelerated vesting of options triggered by termination	Total (\$)
Rickki L. Kasum	Termination without cause by the Company <sup>(1)</sup>	200,576	Nil	200,576
	Termination by employee <sup>(2)</sup>	50,144	Nil	50,144
	Change of Control	200,576	Nil	200,576

Notes:

- (1) Assuming the Company provides twelve (12) months' base salary in lieu of twelve (12) months' written notice upon termination.  
(2) Assuming the Company elects to terminate the employee's employment immediately upon receiving the employee's notice, resulting in base salary payable for ninety (90) days.

## DIRECTOR COMPENSATION

### Director compensation table

The following table is a summary of compensation paid to non-NEO directors of the Company for the most recently completed financial year ended March 31, 2017:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$) <sup>(1)</sup>
Kenneth M. Carter	Nil	Nil	240,617	Nil	Nil	Nil	240,617
L. John Swann	Nil	Nil	240,617	Nil	Nil	Nil	240,617
Greg Gibson	Nil	Nil	594,349	Nil	Nil	Nil	594,349

Notes:

- (1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

These numbers are calculated in accordance with section 3870 of the CICA handbook and are the same numbers as used in the Company's financial statements.

### Discussion of director compensation

The directors of the Company do not receive compensation for services provided in their capacity as directors, including any fees for serving on the Board or committees thereof or for attending Board meetings.

However, directors may be compensated from time to time for consulting services provided. The compensation payable for consulting services is considered and approved by the Company's independent directors according to their understanding as to the amount of compensation that is reasonable in the circumstances. During the most recently completed financial year, the aggregate direct remuneration paid or payable by the Company to its directors for consulting services was nil.

Directors are eligible to receive stock options granted pursuant to the Company's Option Plan. The Board, as a whole, determines stock option grants for each director. During the most recently completed financial year, the Company granted incentive stock options to purchase an aggregate of 800,000 shares to its non-NEO directors.

## Outstanding share-based awards and options-based awards

The following table sets out the option-based awards made by the Company to the non-NEO directors which were outstanding as at March 31, 2017.

Name	Option Based Awards				Share Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed
Kenneth M. Carter	150,000	0.95	Sept. 17, 2018	147,000	Nil	Nil	Nil
	150,000	0.88	June 20, 2019	157,500	Nil	Nil	Nil
	100,000	1.68	July 21, 2021	25,000	Nil	Nil	Nil
	100,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
L. John Swann	120,000	0.95	Sept. 17, 2018	117,600	Nil	Nil	Nil
	50,000	0.88	June 20, 2019	52,500	Nil	Nil	Nil
	100,000	1.68	July 21, 2021	25,000	Nil	Nil	Nil
	100,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil
Greg Gibson	400,000	2.34	Aug 6, 2021	Nil	Nil	Nil	Nil

Note:

- (1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at March 31, 2017 (\$1.93 closing price on the TSX Venture Exchange on March 31, 2017) and the exercise price of the options.

## Incentive-based awards – value vested or earned during the year

The following table sets out the aggregate dollar value that would have been realized by each non-NEO director if he exercised, on the applicable vesting dates, those options held by him under option-based awards, which vested during the most recently completed financial year ended March 31, 2017.

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Kenneth M. Carter	240,617	Nil	Nil
L. John Swann	240,617	Nil	Nil
Greg Gibson	594,349	Nil	Nil

Note:

- (1) All options vest immediately and are granted at the market price. The weighted average fair value at grant date of options vested during the year ended March 31, 2017 was \$1.86 (2016: nil).

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the year ended March 31, 2017 with respect to compensation plans under which equity securities of the Company are authorized for issuance under the Company's Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuances under equity compensation plan
Equity compensation plans approved by securityholders (Stock Option Plan)	10,020,000	\$1.32	8,447,897
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	10,020,000	-	8,447,897

Note:

(1) The number of shares available for grant under the stock option plan was approved by Shareholders on August 23, 2017 and fixed at 20,247,897. See “*Summary of Stock Option Plan*” below.

### ***Summary of Stock Option Plan***

At a Meeting of Shareholders held on August 23, 2016, the Shareholders approved an amendment to the existing Option Plan (the “**Amended Option Plan**”) to provide that the number of Common Shares issuable pursuant to Options to purchase Shares granted pursuant to the Option Plan shall not in the aggregate exceed 15% of the issued and outstanding Shares of the Company at the time of implementation of the Option Plan, being 20,247,897 Common Shares, including the Common Shares issuable upon the exercise of outstanding options under the Option Plan. As of the date of this Information Circular, the Company has 16,740,000 common shares issuable upon the exercise of outstanding options and 1,657,897 common shares available for future option grants.

The Amended Option Plan provides that options to purchase common shares may be granted to directors, officers, employees or consultants of the Company, as determined by the Board, subject to limitations imposed by the stock exchange on which the common shares are listed for trading. The options shall vest and expire at a date determined by the Board, but in no case will such date be more than five years from the date of the option grant. The Board will also set the exercise price for each stock option granted, subject to TSX-V minimum pricing rules.

If an optionee ceases to be an employee or other Eligible Person (as defined in the Amended Option Plan), other than as a result of termination with cause, or ceases to act as a director of the Company, any option they hold will be exercisable only for 90 days thereafter, or prior to its expiration, whichever is sooner. Options granted to an optionee who is engaged in Investor Relations Activities (as defined in the Amended Option Plan) must expire within 30 days after the optionee ceases to be employed to provide Investor Relations Activities. If an optionee is dismissed from employment for cause, the option will immediately terminate and no longer be exercisable.

The aggregate number of common shares reserved for issuance pursuant to the Amended Option Plan are subject to the following limitations: (i) the number reserved for issuance to any participant within a one-year period must not exceed 5% of the common shares outstanding at the time of grant; (ii) the number reserved for issuance to any consultant within a one-year period must not exceed 2% of the common shares outstanding at the time of grant; (iii) the number reserved for issuance to an employee conducting Investor Relations Activities (as defined in the Amended Option Plan) within a one-year period must not exceed 2% of the common shares outstanding at the time of grant; and (iv) the number reserved for issuance to Insiders (as defined in the Amended Option Plan) must not exceed 10% of the common shares outstanding from time to time. The aggregate number of options that may be granted pursuant to the Amended Option Plan to Insiders (as defined in the Amended Option Plan) within a one-year period must not exceed 10% of the common shares outstanding from time to time.

### **STATEMENT OF CORPORATE GOVERNANCE PRACTICE**

The Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 (the “**Disclosure**”). The Disclosure addresses matters relating to constitution and

independence of directors, the functions to be performed by the directors of a company and their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices (collectively, the “**Guidelines**”) specified by the Canadian securities regulators.

The Company has reviewed its own corporate governance practices in light of these Guidelines. In certain cases, the Company’s practices comply with the Guidelines; however, the Board considers that some of the Guidelines are not suitable for the Company at its current stage of development and, therefore, such Guidelines have not been adopted. The Company’s approach to corporate governance in the context of the specific Disclosure issues outlined in Form 58-101F2 is set out below.

***Composition and Independence of the Board of Directors***

The Company’s Board is currently comprised of six directors. As set out in the table under the heading *Election of Directors* above, all six of the current directors are proposed to be nominated for election at the Meeting. The Board considers that five of the six current directors (Messrs. Zimmer, Stypula, Swann, Carter and Gibson) are independent in accordance with the definition of “independence” set forth in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Mr. Evans is not considered independent by virtue of the fact that he was formerly the Secretary, Treasurer and Chief Financial Officer of the Company until retiring from these positions effective November 1, 2017. Accordingly, the Board considers that a majority (83%) of the directors are independent.

***Participation of Directors as a Director of Other Reporting Issuers***

<b>Name of Director</b>	<b>Participation in Other Reporting Issuers as a Director</b>
Rick Zimmer	Capstone Mining Corp., Alexco Resources Corp.
James Stypula	None
Kenneth M. Carter	None
Robert A. Evans	None
L. John Swann	None
Greg Gibson	Director of Latin American Minerals, Sprott Mining Inc., Jerritt Canyon Canada, Metanor Resources Inc. and Novo Resources Corp.

***Management Supervision by the Board of Directors***

The size of the Company is such that all of the Company’s operations are conducted by a small management team. The Board believes that management is effectively supervised by the independent directors on an informal basis since the independent directors are actively and regularly involved in reviewing the operations of the Company and have regular and full access to management. Further supervision is performed through the Company’s audit committee. To assist the Board in its oversight responsibilities, the Board, Audit Committee and Governance and Nomination Committee will hold in-camera sessions regularly to facilitate open and candid discussion amongst the independent directors without the presence of management, non-independent directors and any directors with a conflict related to the topic of discussion.

***Orientation and Continuing Education***

While the Company does not have formal orientation and training programs, new directors are provided with:

1. information respecting the functioning of the Board and its committees, and copies of the Company’s policies;
2. access to recent publicly filed documents of the Company; and
3. access to management.

Directors are encouraged to communicate with management and the auditor to keep themselves current with industry trends and developments and changes in legislation to attend related industry seminars and to visit the Company's operations. Directors have full access to the Company's records. The Governance and Nomination Committee will review, approve and report to the Board on the orientation process for new directors. By using a board of directors composed of experienced professionals with a wide range of financial, legal, exploration and mining expertise, the Company ensures that the Board operates effectively and efficiently. The Governance and Nomination Committee will review, approve and report to the Board on plans for the ongoing development of existing board members including the provision of continuing education opportunities for all directors, so that individuals may maintain or enhance their skills and abilities as directors, as well as ensure their knowledge and understanding of the Company's business remains current.

### ***Ethical Business Conduct***

The Board has adopted a written Code of Ethics (the "Code") for the directors, officers and employees of the Company which sets out the legal, ethical and regulatory standards that the Company must follow to promote integrity and deter wrongdoing. Compliance with the Code is mandatory for every director, officer, employee and consultant of the Company. Each director, officer, employee and consultant verifies that he or she has reviewed and understands the Code and will abide by its terms. A copy of the Code is available on the Company's website at [www.ascotgold.com](http://www.ascotgold.com) or may be obtained under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The Board requires the Company's employees, officers and directors to act with honesty and integrity and to avoid any relationship or activity that might create, or appear to create, a conflict between their personal interests and the interests of the Company. Such individuals (and their immediate family members) are prohibited from using their positions with the Company to solicit gifts or other benefits from the Company's customers, suppliers and contractors.

The Company is committed to providing a healthy and safe workplace in compliance with applicable laws, rules and regulations. The Company has a commitment to foster a work environment in which all individuals are treated with respect and dignity. The Company is an equal opportunity employer and does not discriminate against employees, officers, directors or potential employees, officers or directors on the basis of race, color, religion, gender, national origin, age, sexual orientation or disability or any other category protected by Canadian federal or provincial laws and regulations, or any laws or regulations applicable in the jurisdiction where such employees, officers or directors are located.

### ***Governance and Nomination Committee***

The Board has established a Governance and Nomination Committee which is comprised of a majority of independent directors: James Stypula (Chair), Rick Zimmer and Robert Evans.

The Governance and Nomination Committee is responsible for providing the Board with recommendations relating to the corporate governance in general, including, without limitation: (a) all matters relating to the stewardship role of the Board in respect of management of the Company; (b) board size and composition, including the candidate selection process and the orientation of new members (see Orientation and Continuing Education above); (c) such procedures as may be necessary to allow the Board to function independently of management; and (d) maintaining the currency and relevancy of the company's corporate governance structures, including its charters, policies, mandates and terms of reference, taking into account changes in the corporate governance landscape.

### ***Nomination of Directors***

The Board views good corporate governance as an integral component to the success of the Company and to meeting responsibilities to the Company's shareholders.

The Governance and Nomination Committee is responsible for identifying new candidates for election to the Board. The Governance and Nomination will prepare a shortlist of potential candidates through discussion with respected financial, legal and commercial institutions and interviews the interested candidates. The key criteria include the following: (i) professional background and related qualifications; (ii) industry experience and relevant professional relationships; (iii) other Board appointments; (iv) professional standing and reputation in the investment and mining

communities; (v) membership of industry committees; and (vi) particular technical or financial background depending on the mix of experience on the Board at that time.

### ***Compensation Committee***

The Board has recently established a Compensation Committee which is comprised of three independent directors: Jim Stypula (Chair), Greg Gibson, and Ken Carter. The Compensation Committee has the primary responsibility of discharging the Board's responsibilities relating to compensation and benefits of the executive officers and directors of the Company.

For the year ended March 31, 2017, please refer to the disclosure in this Information Circular under "Executive Compensation" and "Director Compensation" for disclosure about how compensation of directors and executive officers has been determined.

### ***Health, Safety, Environmental and Technical Committee***

The Board has established a Health, Safety, Environmental and Technical Committee (the "HSE&T") which is comprised of three independent directors: Rick Zimmer (Chair), Greg Gibson and Ken Carter. The primary purpose of the HSE&T committee is to provide recommendations to the Board relating to HSE&T practices, policies and policy improvements that comply with applicable laws, regulations and best practice during exploration, development, operations, rehabilitation and closure activities.

### ***Other Board Committees***

At this time the Company has an Audit Committee, Governance and Nomination Committee, Compensation Committee, Disclosure Committee and a Health, Safety, Environmental and Technical Committee.

### ***Assessment***

The Governance and Nomination Committee is responsible for establishing appropriate processes for the regular evaluation of the effectiveness of the Board and its members and its committees and their charters. The Governance and Nomination Committee is also responsible for reviewing on an annual basis: (i) the performance of individual directors, the Board as a whole, and committees of the Board; (ii) the performance evaluation of the CEO, including performance against corporate objectives; and (iii) the range of capabilities represented on the Board as well as those needed for proper board function.

## **MANAGEMENT CONTRACTS**

Management functions of the Company and its subsidiaries are not, to any material degree, performed by anyone other than directors or executive officers of the Company.

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

None of the directors, executive officers, employees or proposed nominees for election as directors of the Company or any of its subsidiaries, nor any former director, executive officer or employee of the Company or any of its subsidiaries or any associate of the foregoing has been indebted for the purchase of securities or otherwise to the Company or any of its subsidiaries at any time during its last completed financial year, or has had any indebtedness to any other entity where such indebtedness is supported by a guarantee, support agreement, letter of credit or other similar arrangement provided by the Company or any of its subsidiaries during the most recently completed financial year.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as disclosed herein, during the most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the

Company or any of its subsidiaries. An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if, and for so long as, it has purchased, redeemed or otherwise acquired any of its shares. During the fiscal year ended March 31, 2017, the Company paid no fees to non-executive directors or companies controlled by non-executive directors.

## **AUDIT COMMITTEE**

NI 52-110 requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of its audit committee and its relationship with its independent auditor, as set forth in the following.

### ***Composition of the Audit Committee***

The Company’s audit committee is composed of three directors: Messrs. Zimmer (Chair), Evans, and Gibson. As defined in NI 52-110, all of the audit committee members are “independent” except for Mr. Evans who was formerly the CFO, Secretary and Treasurer of the Company. Messrs. Zimmer and Gibson are independent directors of the Company. Also as defined in NI 52-110, all of the audit committee members are “financially literate.”

### ***Relevant Education and Experience***

Mr. Zimmer has worked with public companies since 2011. He is currently a member of the audit committee of Alexco Resources Corp.

Mr. Evans is a chartered accountant who has been working with public junior resource companies for the past forty years.

Mr. Gibson is President and CEO of Sprott Mining and Jerritt Canyon Gold LLC. Mr. Gibson has been a director of several public companies.

### ***Audit Committee Charter***

The Company has adopted a charter of the audit committee of the Board (the “**Charter**”), which is attached as Schedule “A” to this Information Circular.

### ***Audit Committee Oversight***

During the most recently completed financial year, the Company’s Board has not failed to adopt a recommendation of the audit committee to nominate or compensate an external auditor.

### ***Reliance on Certain Exemptions***

During the most recently completed financial year, the Company has not relied on the exemptions contained in section 2.4 or under part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

### ***Pre-Approval Policies and Procedures***

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as described in the audit committee Charter set forth at Schedule “A”.

### ***External Auditor Service Fees***

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories. The fees billed to the Company by its auditor during the two most recently completed financial years, by category, are as follows:

Fiscal Year Ended	Audit Fees	Audit Related Fees	Tax Fees <sup>(1)</sup>	All Other Fees
March 31, 2017	48,000	2,200	4,950	4,564
March 31, 2016	48,150	Nil	10,395	Nil

Notes: <sup>(1)</sup> Tax Fees are related to the preparation of annual tax returns.

### ***Exemption***

The Company is relying on the exemption provided by section 6.1 of NI 52-110 which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## **OTHER BUSINESS**

The Company will consider and transact such other business as may properly come before the Meeting or any adjournment thereof. As of the date of this Information Circular, management knows of no other matters to be acted upon at this Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by the proxy.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

Financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis (“**MD&A**”) for its most recently completed financial year. Shareholders may contact the Company at Suite 1550 – 505 Burrard Street, Vancouver, B.C. V7X 1M5 or by telephone at (778) 725-1060 to request copies of the Company’s financial statements and MD&A.

## **BOARD APPROVAL AND STATEMENT OF DIRECTORS**

This Information Circular contains information as at November 14, 2017, except where another date is specified. The contents of this Information Circular have been approved and its mailing authorized by the Board of the Company.

**DATED:** November 14, 2017

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Derek C. White”* (signed)

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Derek C. White  
President & CEO

## **SCHEDULE “A”**

### **ASCOT RESOURCES LTD. (the “Company”)**

#### **AUDIT COMMITTEE CHARTER**

##### **1. General**

The Board of Directors of the Company (the “Board”) has established an Audit Committee (the “Committee”) to assist the Board in fulfilling its oversight responsibilities. The Committee will review and oversee the financial reporting and accounting process of the Company, the system of internal control and management of financial risks, the external audit process, and the Company’s process for monitoring compliance with laws and regulations and its own code of business conduct. In performing its duties, the Committee will maintain effective working relationships with the Board, management, and the external auditors and monitor the independence of those auditors. To perform his or her role effectively, each Committee member will obtain an understanding of the responsibilities of Committee membership as well as the Company’s business, operations and risks.

The Company’s independent auditor is ultimately accountable to the Board and to the Committee. The Board and Committee, as representatives of the Company’s shareholders, have the ultimate authority and responsibility to evaluate the independent auditor, to nominate annually the independent auditor to be proposed for shareholder approval, to determine appropriate compensation for the independent auditor, and where appropriate, to replace the outside auditor. In the course of fulfilling its specific responsibilities hereunder, the Committee must maintain free and open communication between the Company’s independent auditors, Board and Company management. The responsibilities of a member of the Committee are in addition to such member’s duties as a member of the Board.

##### **2. Members**

The Board will in each year appoint a minimum of three (3) directors as members of the Committee. A minimum of two members of the Committee shall be non-management directors and shall be independent within the meaning of all applicable Canadian securities laws and the rules of the TSX Venture Exchange, unless otherwise exempt from such requirements. The Committee Chair will be an independent director.

All members of the Committee shall be able to read and understand fundamental financial statements and must be financially literate within the meaning of all applicable Canadian securities laws or become financially literate within a reasonable period of time following his or her appointment. Additionally, at least one member of the Committee shall be financially sophisticated and shall have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background which results in the individual’s financial sophistication, which may include being or having been a chief executive officer, chief financial officer, or other senior officer with financial oversight responsibilities.

##### **3. Duties**

The Committee will have the following duties:

- Gain an understanding of whether internal control recommendations made by external auditors have been implemented by management.
- Gain an understanding of the current areas of greatest financial risk and whether management is managing these effectively.
- Review significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

- Review any legal matters which could significantly impact the financial statements as reported on by the Company's counsel and engage outside independent counsel and other advisors whenever as deemed necessary by the Committee to carry out its duties.
- Review the Company's annual and quarterly financial statements, including Management's Discussion and Analysis with respect thereto, and all annual and interim earnings press releases, prior to public dissemination, including any certification, report, opinion or review rendered by the external auditors and determine whether they are complete and consistent with the information known to Committee members; determine that the auditors are satisfied that the financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS").
- Pay particular attention to complex and/or unusual transactions such as those involving derivative instruments and consider the adequacy of disclosure thereof.
- Focus on judgmental areas, for example those involving valuation of assets and liabilities and other commitments and contingencies.
- Review audit issues related to the Company's material associated and affiliated companies that may have a significant impact on the Company's equity investment.
- Meet with management and the external auditors to review the annual financial statements and the results of the audit.
- Evaluate the fairness of the interim financial statements and related disclosures including the associated Management's Discussion and Analysis, and obtain explanations from management on whether:
  - actual financial results for the interim period varied significantly from budgeted or projected results;
  - generally accepted accounting principles have been consistently applied;
  - there are any actual or proposed changes in accounting or financial reporting practices; or
  - there are any significant or unusual events or transactions which require disclosure and, if so, consider the adequacy of that disclosure.
- Review the external auditors' proposed audit scope and approach and ensure no unjustifiable restriction or limitations have been placed on the scope.
- Recommend to the Board an external auditor to be nominated for appointment by the Company's shareholders. Subject to the appointment of the Company's external auditor by the Company's shareholders, the Committee will be directly responsible for the appointment, compensation, retention and oversight of the work of external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting. The Company's external auditor shall report directly to the Committee.
- Review with the Company's management, on a regular basis, the performance of the external auditors, the terms of the external auditor's engagement, accountability and experience.
- The Committee Chair will pre-approve all non-audit services to be provided to the Company or its subsidiary entities by the external auditor. The decisions of the Committee Chair relating to the pre-approval of non-audit services must be presented to the full Committee at its next scheduled Committee meeting.

- Consider at least annually the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services obtained by the Company, including:
  - insuring receipt from the independent auditor of a formal written statement delineating all relationships between the independent auditor and the Company, consistent with the Independence Standards Board Standard No. 1 and related Canadian regulatory body standards;
  - considering and discussing with the independent auditor any relationships or services, including non-audit services, that may impact the objectivity and independence of the independent auditor; and
  - as necessary, taking, or recommending that the Board take, appropriate action to oversee the independence of the independent auditor.
  
- Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure contained in the Company's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases; and must periodically assess the adequacy of those procedures.
  
- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
  
- Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
  
- Establish a procedure for:
  - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
  - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.
  
- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately in the absence of management.
  
- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.
  
- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.
  
- Review and oversee all related party transactions.
  
- Perform other functions as requested by the Board.
  
- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.
  
- Review and re-assess annually the adequacy of this Charter and recommend updates to this charter; receive approval of changes from the Board.

- With regard to the Company’s internal control procedures, the Committee is responsible to:
  - review the appropriateness and effectiveness of the Company’s policies and business practices which impact on the financial integrity of the Company, including those related to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management; and
  - review compliance under the Company’s business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate; and
  - review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
- periodically review the Company’s financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- The Committee Chair will participate in shareholder engagement in regards to matters arising in respect to the Committee’s responsibilities.
- Review and approve financial summaries and disclosure made in accordance with the *Extractive Sector Transparency Measures Act*.

#### **4. Chair**

The Committee will in each year appoint the Chair of the Committee from among the members of the Committee by a majority vote. In the Chair’s absence, or if the position is vacant, the Committee may select another member as Chair. The Chair will not have a casting vote.

#### **5. Meetings**

The Committee will meet as often as is required to fulfill its responsibilities or at least once every calendar quarter. Special meetings shall be convened as required. Notices calling meetings shall be sent to all members of the Committee, all Board members and the external auditor. The external auditor of the Company must be given reasonable notice of, and has the right to appear before and to be heard at, each meeting of the Committee. At the request of the external auditor, the Committee must convene a meeting of the Committee to consider any matter that the external auditor believes should be brought to the attention of the Board or shareholders of the Company.

The Committee may invite such other persons (e.g. without limitation, the President or Chief Financial Officer) to its meetings, as it deems appropriate. In-camera sessions will be held during, or after, every committee meeting (including special meetings) for which any guests including non-independent directors, shall be asked to leave. The CEO shall not attend in-camera sessions of the Committee unless his/her presence is deemed appropriate for a portion of the in-camera session, after which the CEO will be requested to leave.

#### **6. Quorum**

A majority of members of the Committee, present in person, by teleconferencing, or by videoconferencing, or by any combination of the foregoing, will constitute a quorum.

#### **7. Removal and Vacancy**

A member may resign from the Committee, and may also be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to be a director of the Company. The Board will fill vacancies in the Committee by appointment from among the directors in accordance with Section 2 of this Charter

or as otherwise permissible under Canadian securities laws. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all of the Committee's powers.

#### **8. Authority**

The Committee may:

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

The Committee may also, within the scope of its responsibilities, seek any information it requires from any employee and from external parties, to obtain outside legal or professional advice, and to ensure the attendance of Company officers at meetings as appropriate.

#### **9. Secretary and Minutes**

The Chair of the Committee will appoint a member of the Committee or other person to act as Secretary of the Committee for purposes of a meeting of the Committee. The minutes of the Committee meetings shall be in writing and duly entered into the books of the Company, and will be circulated to all members of the Board.

#### **10. Funding**

The Committee shall be provided with appropriate funding, as determined by the Committee, for payment of (a) compensation to any registered public accounting firm engaged for the purposes of preparing or issuing an audit report or performing other audit, review or attest services for the Company; (b) compensation to any advisers employed by the Committee; and (c) ordinary administrative expenses of the Committee that are necessary or appropriate in carry out its duties.

This Audit Committee Charter was approved by the Board of Directors of Ascot Resources Ltd. on the 14th day of November, 2017.

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