



**NOTICE OF 2019 ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
AND
MANAGEMENT INFORMATION CIRCULAR**

DATED AS OF MAY 8, 2019



NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Meeting Information

Date: Thursday, June 20, 2019

Time: 10:00 a.m. (Pacific Time)

Location: Suite 2000
HSBC Building,
885 West Georgia Street,
Vancouver, British Columbia V6C 3E8

Fellow Shareholders,

You are invited to attend the Annual General and Special Meeting of Shareholders of Filo Mining Corp. (the "**Corporation**"). The purpose of the Meeting is:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon;
2. to fix the number of directors at seven;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint PricewaterhouseCoopers, LLP as auditor of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, to pass an ordinary resolution providing for the required annual approval of the Corporation's incentive stock option plan, as more particularly described in the accompanying management information circular (the "**Information Circular**"); and
6. to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

Your vote is important. If you held shares in Filo Mining Corp. on May 17, 2019, you are entitled to receive notice of and vote at this Meeting or any postponement or adjournment of it.

This Notice is accompanied by the Information Circular, a proxy form or voting instruction form and a financial statement request form. The Corporation's financial statements are available under the Corporation's profile on SEDAR at www.sedar.com or on the Corporation's website at www.filo-mining.com. If you are not able to attend the Meeting, please vote by using the proxy form or voting instruction form included with the Information Circular and return it according to the instructions provided before 10:00 a.m. (Pacific Time) on June 18, 2019.

DATED at Vancouver, British Columbia the 8th of May 2019.

Yours truly,

/s/ "Adam I. Lundin"

Adam I. Lundin, President and Chief Executive Officer

MANAGEMENT INFORMATION CIRCULAR

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MANAGEMENT INFORMATION CIRCULAR

GENERAL INFORMATION

This management information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management ("**Management**") of Filo Mining Corp. ("**Filo Mining**" or the "**Corporation**") for use at the annual general and special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares in the capital of the Corporation (the "**Common Shares**") to be held on Thursday, June 20, 2019 at the time and place and for the purposes set out in the accompanying Notice of Annual General and Special Meeting of Shareholders (the "**Notice of Meeting**"). References in this Information Circular to the Meeting include any adjournment(s) or postponement(s) thereof.

You have received this Information Circular because you owned Common Shares on May 17, 2019, being the Record Date for the Meeting. Unless otherwise stated, the information contained in this Information Circular is as of May 8, 2019. All dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars, which is the Corporation's reporting currency.

The board of directors of the Corporation (the "**Board**") has approved the contents of this Information Circular and has directed management to make it available to you.

This Circular provides the information that you need to vote at the Meeting.

- If you are a Registered Shareholder (as defined below), you have been sent a proxy form that you can use if you choose not to vote at the Meeting.
- If you are a Non-Registered (or Beneficial) Shareholder (as defined below), you may receive either a proxy form or voting instruction form and should follow the instructions included.

YOUR VOTE IS IMPORTANT. PLEASE READ THIS CIRCULAR CAREFULLY AND THEN VOTE YOUR COMMON SHARES, EITHER BY PROXY OR IN PERSON AT THE MEETING.

This Information Circular is being sent to both Registered Shareholders and Non-Registered (or Beneficial) Shareholders.

Non-Registered Shareholders who have not objected to their intermediary disclosing certain ownership information about themselves to the Corporation are referred to as Non-Objecting Beneficial Owners ("**NOBOs**"). Those Non-Registered Shareholders who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as Objecting Beneficial Owners ("**OBOs**").

The Corporation does not send proxy-related materials directly to Non-Registered Shareholders In accordance with the requirements as set out in National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer, the Corporation has distributed copies of the Notice of Meeting, this Information Circular and the form proxy to intermediaries for onward distribution to NOBOs and OBOs. The Corporation does not intend to pay for intermediaries to deliver the Meeting materials to OBOs. An OBO will therefore not receive the Meeting materials unless such OBO's intermediary assumes the cost of delivery.

GENERAL VOTING INFORMATION

Request for Proxies

Your proxy is being solicited on behalf of Filo Mining's management in connection with the Meeting. Management will solicit proxies primarily by mail, but proxies may also be solicited personally by telephone by directors, officers and employees of the Corporation at nominal cost. All costs of this solicitation will be borne by the Corporation.

Notice and Access

The Corporation is not using "notice and access", as defined in National Instrument 54-101 – Communications with Beneficial Owners of Securities of a Reporting Issuer and is sending physical copies of the Meeting materials to Shareholders.

Voting Instructions

If you specify how you want to vote on your proxy form or voting instruction form, your proxy holder has to vote that way. If you do not indicate how you want to vote, your proxy holder will decide for you.

The individuals named in the enclosed form of proxy are officers and/or directors of the Corporation (the "Management Proxyholders"). **They will vote your Common Shares for you, unless you appoint someone else to be your proxyholder. A Shareholder desiring to appoint some other person, who need not be a Shareholder, to represent such Shareholder at the Meeting, may do so, either by striking out the names of those persons named in the accompanying form of proxy and inserting such person's name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy. A proxy will not be valid unless the completed form of proxy is received by the Corporation's transfer agent, Computershare Investor Services Inc. ("Computershare"), Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, or via fax to 1-866-249-7775, or via phone to 1-866-732-8683, or via Internet to www.investorvote.com, not less than 48 hours (excluding Saturdays, and holidays) before the time for holding the Meeting, or any adjournment or postponement thereof.**

Registered Shareholder

You are a "Registered Shareholder" if your Common Shares are registered in your name and you have a share certificate.

Non-Registered Shareholder

You are a "Non-Registered (or Beneficial) Shareholder" if your Common Shares are registered: (a) in the name of an intermediary that the Non-Registered Shareholder deals with in respect of the Common 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. Non-Registered Shareholders do not appear on the list of Shareholders maintained by the transfer agent. Most shareholders are Non-Registered (or Beneficial) Shareholders.

If you are unsure if you are a Registered Shareholder or a Non-Registered (or Beneficial) Shareholder, please contact Computershare at:

Computershare Investor Services Inc.
8th Floor, 100 University Avenue
Toronto, Ontario, M5J 2Y1
1-800-564-6253 (toll-free in Canada and U.S.)
1-514-982-7555 (international)
service@computershare.com

How to Vote if you are a Registered Shareholder

- In Person** You should identify yourself to the representative from Computershare before entering the Meeting to register your attendance at the Meeting.
- By Mail** Complete, sign and date your proxy form and return it in the envelope provided. Please see "How to Use Your Proxy Form" below for more information.
- By Telephone:** Call 1-866-732-8683 (toll free in Canada and the United States) from a touch-tone telephone and follow the voting instructions. You will need your 15-digit control number which is noted on your proxy form. International holders wishing to vote by telephone can dial 312-588-4290 to place their vote. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder.
- On the Internet** Go to www.investorvote.com and follow the instructions on the screen. You will need your 15-digit control number which is noted on your proxy form.
- By Fax** Complete, sign and date your proxy form and send it by fax to 1-866-249-7775 (toll free in Canada and the United States) or 1-416-263-9524. Please see "How to Use Your Proxy Form" below for more information.

HOW TO USE YOUR PROXY FORM:

Complete your voting instructions, sign and date your proxy form and return it so that it is received before 10:00 a.m. (Pacific Time) on June 18 2019 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the adjourned or postponed Meeting. **When you sign the proxy form (unless you appoint someone else, see below), you are authorizing the appointees, who are officers or directors of Filo Mining, to vote your Common Shares for you at the Meeting. The Common Shares represented by a proxy form will be voted in favour or withheld from voting or voted against, as applicable, in accordance with your instructions on any ballot that may be called for at the Meeting.** If the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. If you return your proxy form and do not indicate how you want to vote your Common Shares, your vote will be cast:

1. FOR the resolution fixing the number of directors at seven (7);
2. FOR the election of each of the persons nominated for election as directors in this Information Circular;
3. FOR the appointment of PricewaterhouseCoopers LLP as auditor and authorizing the directors to fix its remuneration; and
4. FOR the ordinary resolution providing for the required annual approval of the Corporation's incentive stock option plan.

Your proxyholder will also vote your Common Shares as he or she sees fit on any other matter, including amendments or variations of matters identified in this Information Circular or that may properly come before the Meeting and in respect of which you are entitled to vote. As at the date of this Information Circular, the Board and Management do not know of any amendments or variations to the proposed items of business or any additional matters which may be presented for consideration at the Meeting.

If you are appointing someone else to vote your Common Shares at the Meeting, insert the name of the person you are appointing as your proxyholder in the space provided. Your proxyholder does not have to be a Shareholder. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting. At the Meeting, the person you appoint should register with the Computershare representative at the Meeting.

If you are an individual Shareholder, you or your authorized attorney must sign the proxy form. If the Shareholder is a corporation or other legal entity, an authorized officer or attorney must sign the proxy form.

If you need help completing your proxy form, please contact Computershare at the contact information listed above.

HOW TO CHANGE OR REVOKE YOUR VOTE:

If you wish to change a vote you made by proxy:

- Complete a proxy form that is dated later than the proxy form you are changing and deposit it with Computershare so that it is received before 10:00 a.m. (Pacific Time) on June 18, 2019 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time set for the adjourned or postponed Meeting; or
- Vote again by telephone or on the internet before 10:00 a.m. (Pacific Time) on June 18, 2019 or, in the case of any adjournment or postponement of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and statutory holidays) before the time set for the adjourned or postponed Meeting.

If you have submitted a proxy form, you may revoke it at any time prior to the exercise of the proxy. If you wish to revoke a vote you made by proxy:

- Attend in person at the Meeting;
- Send a notice of revocation in writing from you or your authorized attorney to the registered office of the Corporation, at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, so that it is received by the close of business (Pacific Time) on June 18, 2019 or, in the case of any adjournment or postponement of the Meeting, by the close of business on the last business day before the day of the adjourned or postponed Meeting;
- Give a notice of revocation in writing from you or your authorized attorney to the Chair of the Meeting or the Corporate Secretary on the day of, but prior to the commencement of the Meeting; or
- In any other manner permitted by law.

HOW TO VOTE IF YOU ARE A NON-REGISTERED SHAREHOLDER:

The information set forth in this section is of significant importance as a substantial number of Shareholders do not hold Common Shares in their own name and are Non-Registered Shareholders.

Intermediaries are required to forward the Meeting materials to Non-Registered Shareholders unless a Non-Registered Shareholder has waived the right to receive them. Very often, intermediaries will use service companies to forward the Meeting materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive the Meeting materials will either: (a) be given a form of proxy which has already been signed by the Intermediary, which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed; or (b) be given a voting instruction form which is not signed by the intermediary, and which, when properly completed and signed by the Non-Registered Shareholder and returned to the intermediary or its service company, will constitute voting instructions which the intermediary must follow.

By proxy/voting information form

Your intermediary (your broker, investment dealer, bank, trust company, trustee, nominee or other intermediary) is required to ask for your voting instructions before the

Meeting. The intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed to ensure your Common Shares are voted at the Meeting. Please contact your intermediary if you did not receive a proxy or voting instruction form together with this Circular. You may change your voting instructions given to an intermediary by notifying such intermediary in accordance with the intermediary's instructions.

In person Filo Mining does not have access to the names or holdings of our Non-Registered Shareholders. This means you can only vote your Common Shares in person at the Meeting if you have previously appointed yourself as the proxyholder for your Common Shares by inserting your name in the space provided on the proxy or voting instruction form which you received from your intermediary and submitting it as directed on the form. Non-Registered Shareholders should carefully follow the instructions of their intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.

Only Registered Shareholders have the right to revoke a proxy. A Non-Registered Shareholder who wishes to change its vote must arrange for its intermediary to revoke its proxy on its behalf.

HOW TO VOTE IF YOUR COMMON SHARES TRADE ON THE NASDAQ FIRST NORTH STOCKHOLM EXCHANGE:

The information in this section is of significance to Shareholders who hold their Common Shares through Euroclear Sweden AB ("**Euroclear Registered Securities**"), which trade on the Nasdaq First North Stockholm Exchange. Shareholders who hold Euroclear Registered Securities are not registered holders of Common Shares for the purposes of voting at the Meeting. Instead, Euroclear Registered Securities are registered under CDS & Co., the registration name of the Canadian Depository for Securities. Holders of Euroclear Registered Securities will receive a voting instruction form (the "**Swedish VIF**") by mail directly from Computershare AB ("**Computershare Sweden**"). The Swedish VIF cannot be used to vote securities directly at the Meeting. Instead, the Swedish VIF must be completed and returned to Computershare Sweden strictly in accordance with the instructions and deadlines that will be described in the instructions provided with the Swedish VIF.

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

Except as set out herein, no person who has been a director or executive officer of the Corporation at any time since the beginning of the last financial year, nor any proposed nominee of Management for election as a director of the Corporation and, to the knowledge of the Corporation, no associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon other than the election of directors. Directors and executive officers may also be interested in the approval of the Plan (as defined below) as detailed in this Information Circular, as such persons are entitled to participate in such Plan.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Common Shares are the only voting securities issued by the Corporation and entitled to be voted at the Meeting. Each Shareholder is entitled to one vote for each Common Share held as of the Record Date of May 17, 2019 (the "**Record Date**").

Every individual who is present and is entitled to vote as a Shareholder or as a representative of one or more corporate Shareholders will have one vote for each Common Share registered in that Shareholder's name on the list of shareholders as at the Record Date, which is available for inspection during normal business hours at Computershare and will be available at the Meeting. **Shareholders represented by proxy holders are not entitled to vote on a show of hands.**

To the knowledge of the Corporation’s directors and executive officers, the only persons or companies who beneficially own or exercise control or direction over, directly or indirectly, more than 10% of the Common Shares as of May 8, 2019, being the date of this Information Circular were:

Name	Number of Common Shares	Percentage
Lorito Holdings S.à.r.l. (“ Lorito ”) ⁽¹⁾	5,700,000	7.80%
Zebra Holdings and Investments S.à.r.l.(“ Zebra ”) ⁽¹⁾	16,615,219	22.73%

Note:

- (1) Lorito and Zebra, who report their security holdings as joint actors, are private corporations owned by a trust whose settlor was the late Adolf H. Lundin. Together, Lorito and Zebra hold a total of 22,315,219 Common Shares, which represents approximately 30.53% of the current outstanding Common Shares. In addition, Zebra holds the following:
- a. an unsecured US\$ 5 million Debenture issued by the Corporation (the “**January 2019 Debenture**”), which has a maturity date of July 12, 2020 (the “**January 2019 Debenture Maturity Date**”). For each US\$50,000 drawn and outstanding from time to time on the Debenture, the Corporation will issue an additional 300 Common Shares per month up to the January 2019 Debenture Maturity Date. All securities issued with respect to the Debenture are subject to a four month hold period. As of the date of this Information Circular, there is US\$ 5 million drawn on the January 2019 Debenture. Accordingly, up to 431,613 Common Shares remain issuable pursuant to the January 2019 Debenture;
 - b. an unsecured US\$ 5 million Debenture issued by the Corporation (the “**February 2019 Debenture**”), which has a maturity date of February 28, 2020 (the “**February 2019 Debenture Maturity Date**”). For each US\$50,000 drawn and outstanding from time to time on the Debenture, the Corporation will issue an additional 300 Common Shares per month up to the February 2019 Maturity Date. All securities issued with respect to the Debenture are subject to a four month hold period. As of the date of this Information Circular, there is US\$ 5 million drawn on the February 2019 Debenture. Accordingly, up to 300,000 Common Shares remain issuable pursuant to the February 2019 Debenture; and
 - c. an unsecured US\$ 4 million Debenture issued by the Corporation (the “**April 2019 Debenture**”), which has a maturity date of April 26, 2020 (the “**April 2019 Debenture Maturity Date**”). For each US\$50,000 drawn and outstanding from time to time on the Debenture, the Corporation will issue an additional 300 Common Shares per month up to the April 2019 Maturity Date. All securities issued with respect to the Debenture are subject to a four month hold period. As of the date of this Information Circular, no amounts have been drawn on the April 2019 Debenture. Accordingly, up to 278,606 Common Shares remain issuable pursuant to the April 2019 Debenture.

This information was obtained from publicly disclosed information and has not been independently verified by the Corporation.

Computershare counts and tabulates the votes. It does this independently of Filo Mining to make sure that the votes of individual Shareholders are confidential. Computershare refers proxy forms to Filo Mining only when:

- it is clear that a Shareholder wants to communicate with management;
- the validity of the proxy is in question; or
- the law requires it.

PLAN OF ARRANGEMENT

The Corporation was incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) on May 12, 2016 as a wholly owned subsidiary of NGEx Resources Inc. (“**NGEx**”) for the purposes of completing a plan of arrangement under the CBCA in accordance with the terms of the arrangement agreement entered into between NGEx and the Corporation, and pursuant to the court approved plan of arrangement, whereby NGEx transferred to the Corporation its wholly-owned subsidiaries that directly or indirectly hold the Filo del Sol Project, along with \$3.0 million in cash (the “**Arrangement**”). Under the terms of the Arrangement, which closed on August 16, 2016, NGEx then distributed 100% of the Common Shares it received under the Arrangement to holders (the “**NGEx Shareholders**”) of common shares of NGEx (the “**NGEx Common Shares**”) on a pro rata basis, such that NGEx Shareholders received one Common Share for every four NGEx Common Shares held as of August 23, 2016. In addition, each outstanding stock option of NGEx was deemed to be exchanged for a fully-vested replacement stock option of NGEx (an “**NGEx Replacement Option**”) and one quarter of one fully-vested stock option of the Corporation (an “**Option**”) and the exercise prices for the NGEx Replacement Options and the Options were adjusted to reflect the relative value of the shares. As NGEx Shareholders received the Common Shares in their respective, pre-Arrangement proportionate interests, no change of control resulted in either the Corporation, or the underlying assets or business acquired. The Corporation was listed for trading on the TSXV on August 26, 2016 and on Nasdaq First North Exchange on September 1, 2016 under the trading symbol “**FIL**”.

BUSINESS OF THE MEETING

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon;
2. to fix the number of directors at seven;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint PricewaterhouseCoopers, LLP as auditor of the Corporation for the ensuing year, and to authorize the directors to fix the remuneration to be paid to the auditor;
5. to consider and, if thought fit, to pass an ordinary resolution providing for the required annual approval of the Plan, as more particularly described in this Information Circular; and
6. to transact such further and other business as may properly be brought before the Meeting or any adjournment or postponement thereof.

ANNUAL FINANCIAL STATEMENTS

The Corporation’s Annual Financial Statements will be placed before the Meeting. These documents can also be found on the Corporation’s website at www.filo-mining.com and are available under the Corporation’s profile on SEDAR at www.sedar.com. No vote by the Shareholders is required to be taken with respect to the Annual Financial Statements.

ELECTION OF DIRECTORS

The Board presently consists of seven (7) directors and it is intended to elect seven (7) directors for the ensuing year. The director nominees are:

- Lukas H. Lundin
- Adam I. Lundin
- Alessandro Bitelli
- C. Ashley Heppenstall
- Paul M. McRae
- Pablo Mir
- Wojtek A. Wodzicki

According to its Articles of Incorporation, the Corporation may have a minimum of 1 and a maximum of 10 directors. The term of office of each of the present directors expires at the Meeting. The persons named above will be presented for election at the Meeting as Management's nominees and, unless otherwise instructed, the Management Proxyholders in the accompanying form of proxy intend to vote **FOR** the election of each of the nominees. Management does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed, unless his or her office is earlier vacated in accordance with the by-laws of the Corporation or the provisions of the CBCA.

The Corporation's by-laws provide for an advance notice requirement for nominations of directors by shareholders. The Corporation did not receive notice of any director nominations in connection with the Meeting within the time periods prescribed by the by-laws. Accordingly, at the Meeting, the only persons eligible to be nominated for election to the Board are the proposed directors (as defined below).

The following sets out information about each Management nominee to the Board as of May 8, 2019, including his or her background and experience, status of independence, committee memberships, meeting attendance record, main areas of expertise, other boards of which he or she is a member and his or her equity holdings in the Corporation. Each director has provided the information about the Shares that he or she owns or over which he or she exercises control or direction.

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



Lukas H. Lundin,
 Geneva, Switzerland
Chairman of the Board
Age: 60
Non-Independent Director
Director Since: July 11, 2016
Common
Shares Held: 536,185

Biography: Mr. Lundin is known for recognizing value and superior global investment opportunities in the natural resource sector. His pursuit of highly prospective properties around the world has resulted in numerous large-scale developments and resource discoveries, including Bajo de l'Alumbrera deposit and the multi-million-ounce Veladero gold discovery. Mr. Lundin has also led several companies through highly profitable business acquisitions and mergers such as Lundin Mining Corporation's \$3.3 billion merger with EuroZinc Mining, the \$2 billion sale of Tanganyika Oil Company Ltd. and the \$9.2 billion sale of Red Back Mining Inc. Mr. Lundin is a graduate of the New Mexico Institute of Mining and Technology (Engineering).

Areas of Expertise: Finance, Management, Operations, the Mining and Exploration Industry, International Business, Compensation

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%
 Compensation Committee: One (1) of Two (2) 50%

Other Public Board Directorships

Lucara Diamond Corp. (Chairman) (TSX, Nasdaq Stockholm)
 Lundin Gold Inc. (Executive Chairman) (TSX, Nasdaq Stockholm)
 Lundin Mining Corporation (Chairman) (TSX, Nasdaq Stockholm)
 Lundin Petroleum AB (Nasdaq Stockholm)
 NGEEx Resources Inc.
 (Non-executive Chairman) (TSX, Nasdaq Stockholm)

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



Adam I. Lundin,
 British Columbia, Canada
President and Chief Executive Officer
Age: 32
Non-Independent Director
Director Since: September 11, 2017
Common Shares Held: 202,500

Biography: Adam Lundin's career in the natural resources industry spans close to two decades, commencing with prospecting and core logging jobs through his early years for various Lundin Group companies, including Canadian Gold Hunter, Atacama Minerals and Red Back Mining Inc. Adam is also a former board member of Lundin Gold (formerly Fortress Minerals Corp.) Prior to assuming his role with Filo Mining, Adam garnered significant international work experience forging his reputation in the world of finance and capital markets in London and New York; ultimately leading to his role as Co-Lead of an internationally recognized securities firm in London, UK.

Areas of Expertise: International Finance and Capital Markets, Mining and Exploration Industry, International Business

Board Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%

Other Public Board Directorships

Africa Energy Corp. (TSX-V, Nasdaq First North)



Alessandro Bitelli,
 British Columbia, Canada
Audit Committee Chair
Age: 60
Independent Director
Director Since: July 11, 2016
Common Shares Held: NIL

Biography: Mr. Bitelli has over 30 years of experience in the resource industry and in public accounting, having worked both in North America and Europe. A member of the senior management team at the Lundin Group of Companies, he currently holds the position of Executive VP and Chief Financial Officer of Lundin Gold Inc. Prior to that, he served as Chief Financial Officer for Red Back Mining Inc., a gold mining company with two African operations that traded on the TSX until its \$9.2 billion takeover in 2010, and more recently, as Chief Financial Officer for Orca Gold Inc.

Areas of Expertise: Financial, Finance, Mergers and Acquisitions, Mining and Exploration Industry, International Business

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%

Audit Committee: Four (4) of Four (4) 100%

Corporate Governance and

Nominating Committee: One (1) of One (1) 100%

Compensation Committee: One (1) of One (1) 100%

Other Public Board Directorships

Group Eleven Resources Corp.

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



C. Ashley Heppenstall

London, U.K.

Lead Director, Compensation Committee Chair, Corporate Governance and Nominating Committee Chair

Age: 57

Independent Director

Director Since: July 11, 2016

Common

Shares Held: 2,326,650

Biography: Mr. Heppenstall is the Lead Director of the Board of Directors of Filo Mining. Mr. Heppenstall previously served as the President, Chief Executive Officer and Finance Director of Lundin Petroleum AB, an oil and gas exploration and production company with core assets in Norway and South East Asia, from 2002-2015. Early in his career, Mr. Heppenstall worked in the banking sector where he was involved in project financing of oil and resource sector businesses. Since 1993, Mr. Heppenstall has worked with public companies associated with the Lundin Group of companies. In 1998 he was appointed Finance Director of Lundin Oil AB. Following the acquisition of Lundin Oil by Talisman Energy in 2001, Lundin Petroleum was formed and Mr. Heppenstall was appointed President and Chief Executive Officer in 2002 until his retirement in 2015. Mr. Heppenstall obtained a degree in Mathematics from Durham University.

Areas of Expertise: Corporate Governance, Financial, Finance, Mergers and Acquisitions, Oil Industry, Mining and Exploration Industry, International Business

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%
 Audit Committee: Four (4) of Four (4) 100%
 Compensation Committee: Three (3) of Three (3) 100%
 Corporate Governance
 and Nominating Committee: One (1) of One (1) 100%

Other Public Board Directorships

Africa Energy Corp. (Chairman) (TSX-V, Nasdaq First North)
 Lundin Gold Inc. (Lead Director) (TSX, Nasdaq Stockholm)
 Lundin Petroleum AB (Nasdaq Stockholm)
 International Petroleum
 Corporation (Lead Director) (TSX, Nasdaq Stockholm)

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



Paul McRae

Lisbon, Portugal

Age: 70

Independent Director

Director Since: July 11, 2016

Common Shares Held: NIL

Biography: Mr. McRae is a Corporate Director who has a distinguished global reputation in project and construction management in the mining industry for both surface and underground projects of all scales and complexities. His career spans more than 40 years and includes a track record on time and on budget project management of major underground investments for INCO including McCreedy East, Garson and Birch Tree projects; serving as Project Manager on the highly successful De Beers Victor Project in Northern Canada; and leadership of numerous other projects from conceptual through construction phases in Australia, Canada, Spain, Portugal and South America. He served as Senior Vice-President of Lundin Mining Corporation, a diversified base metals mining company, from 2012 to 2018. Prior to that, Mr. McRae was as a Project Manager at Amec Corp., a British multinational consultancy, engineering and project management company from 2009 to 2011.

Areas of Expertise: Mining and Exploration Industry, International Business, Operations

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%

Audit Committee: Four (4) of Four (4) 100%

Corporate Governance

and Nominating Committee: One (1) of One (1) 100%

Compensation Committee: One (1) of One (1) 100%

Other Public Board Directorships

Lundin Gold Inc. (TSX, Nasdaq Stockholm)

Bluestone Resources Inc. (TSXV: BSR)

NOMINEES FOR ELECTION TO THE BOARD OF DIRECTORS



Pablo Mir
Santiago, Chile
Age: 55
Non-Independent Director
Director Since: November 28, 2016
Common Shares Held: 5,000

Biography: Mr. Mir practices in the area of natural resources law with a focus on mining. He is a senior partner of the Chilean law firm Bofill Mir & Alvarez Jana, one of the largest in Chile, where he leads the natural resources practice. Mr. Mir has advised international mining companies on the exploration, development, financing, construction, and acquisitions of mining projects in Chile, Argentina and Ecuador. He has been recognized by specialized legal publications as one of the top mining lawyers in Latin America. Mr. Mir received his Law Degree from Universidad de Chile and was admitted to practice in 1989.

Areas of Expertise: Mining and Corporate Law, Mining and Exploration Industry, International Business

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%
Compensation Committee: Two (2) of Two (2) 100%

Other Public Board Directorships



Wojtek A. Wodzicki
British Columbia, Canada
Age: 55
Non-Independent Director
Director Since: May 12, 2016
Common Shares Held: 452,050

Biography: Dr. Wodzicki has a doctorate in Geosciences from the University of Arizona and over 30 years of experience in international mineral exploration and corporate management. He has led successful exploration teams throughout the world, and has managed large scale projects from the generative stage through to engineering studies. Teams led by Dr. Wodzicki are responsible for several significant discoveries including Los Helados, Josemaria, Filo del Sol, and El Limon-Guajes. Dr. Wodzicki has worked for the Lundin Group of Companies since 2007 and was previously CEO of Filo Mining and Sanu Resources and has served as a director of several public companies. He is President, CEO, and Director of NGEx Resources Inc., which, pursuant to a plan of arrangement, was responsible for the spinout of Filo Mining.

Areas of Expertise: Mining Industry; Mineral Exploration and Development; Project Management; Compensation; International Business

Board and Committee Meeting Participation during 2018

Board of Directors: Four (4) of Four (4) 100%

Other Public Board Directorships

NGEx Resources Inc. (TSX; Nasdaq Stockholm)

Notes to Election of Directors:

- (1) The information as to the province or state, as applicable, country of residence and principal occupation, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.
- (2) The information as to Common Shares beneficially owned or controlled or directed, directly or indirectly, not being within the knowledge of the Corporation, has been furnished by the respective directors individually.

Other than as disclosed below, none of the proposed directors (or any of their personal holding companies) of the Corporation:

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

Mr. Lukas Lundin was a director of Sirocco Mining Inc. (“**Sirocco**”). Mr. Lundin resigned as a director of Sirocco on January 31, 2014, at which time Sirocco was a publicly-traded company and financially solvent. Pursuant to a Plan of Arrangement completed on January 31, 2014, Canada Lithium Corp. (“**Canada Lithium**”) acquired Sirocco. The final step in the transaction was the amalgamation of Canada Lithium and Sirocco to form RB Energy Inc. (“**RBI**”). In October, 2014, RBI commenced proceedings under the Companies’ Creditors Arrangement Act (“**CCAA**”) and, in November, 2014, the TSX delisted RBI’s common shares for failure to meet its continued listing requirements. Although Mr. Lundin was never a director, officer or insider of RBI, he was a director of Sirocco within the 12-month period prior to RBI filing for protection under the CCAA.

Mr. Alessandro Bitelli was the chief financial officer of RBI when it sought court protection under the CCAA and was granted such protection by an order of the Québec Superior Court on October 14, 2014.

Mr. Pablo Mir was a director of Sirocco. Pursuant to a plan of arrangement completed on January 31, 2014, Canadian Lithium acquired Sirocco. Under the plan of arrangement, Canadian Lithium amalgamated with

Sirocco to form RBI. In October 2014, RBI commenced proceedings under the CCAA. CCAA proceedings continued in 2015 and a receiver was appointed in May 2015. The Toronto Stock Exchange (“TSX”) de-listed RBI’s common shares on November 24, 2014 for failure to meet the continued listing requirements of the TSX. Pablo Mir was a director of RBI from the time of the plan of arrangement with Canadian Lithium to October 3, 2014.

None of the proposed directors (or any of their personal holding companies) 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.

The following table sets out the current membership of the proposed Director nominees on the Corporation’s Committees:

Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee
Alessandro Bitelli (Chair)	C. Ashley Heppenstall (Chair)	C. Ashley Heppenstall (Chair)
C. Ashley Heppenstall	Alessandro Bitelli	Pablo Mir
Paul McRae	Paul McRae	Paul McRae

Note: Following the annual meeting held on June 14, 2018, two committees of the Board were re-configured and Mr. Alessandro Bitelli and Mr. Paul McRae were appointed to the Compensation Committee (replacing Mr. Lukas Lundin and Mr. Pablo Mir) and Mr. Pablo Mir was appointed to the Corporate Governance and Nominating Committee (replacing Mr. Alessandro Bitelli). During the period between June 14, 2018 and December 31, 2018, one (1) meeting of the Compensation Committee was held and there were no meetings held by the Corporate Governance and Nominating Committee.

APPOINTMENT OF AUDITOR

The Board proposes to re-appoint PricewaterhouseCoopers, LLP, Chartered Professional Accountants, as the auditor of the Corporation to hold office until the close of the next annual general meeting of Shareholders. The resolution to approve the re-appointment of PricewaterhouseCoopers, LLP will also authorize the Board to fix its remuneration. PricewaterhouseCoopers, LLP was first appointed as the auditor of the Corporation on November 28, 2016. Additional information on fees paid to PricewaterhouseCoopers, LLP can be found below under “Audit Committee”.

To be effective, the resolution to re-appoint PricewaterhouseCoopers, LLP must be approved by not less than a majority of the votes cast by the holders of Common Shares present in person, or represented by proxy, at the Meeting.

The Board recommends that Shareholders vote FOR the re-appointment of PricewaterhouseCoopers, LLP. The Common Shares represented by the proxies solicited in respect of the Meeting on any ballot that may be called for, unless authority to do so is withheld, will be voted for the appointment of the firm of PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Corporation, and to authorize the directors to fix the remuneration to be paid to the auditor for the ensuing year.

ANNUAL APPROVAL OF 10% ROLLING STOCK OPTION PLAN

As noted under “Securities Authorized for Issuance Under Equity Compensation Plan”, the Corporation’s current 10% rolling stock option plan (the “**Plan**”) governing the issuance of Options was approved by Shareholders on June 14, 2018. See “Securities Authorized for Issuance Under Equity Compensation Plan” for a summary of the terms and conditions governing the Plan.

A copy of the Plan may be inspected at the head office of the Corporation, Suite 2000, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 during normal business hours and at the Meeting. In addition, a copy of the Plan will be mailed, free of charge, to any holder of Common Shares who requests a copy, in writing, from the Corporate Secretary of the Corporation. Any such requests should be mailed to the Corporation, at its head office, to the attention of the Corporate Secretary.

The policies of the TSXV require that rolling plans be approved by shareholders on an annual basis. Accordingly, at the Meeting Shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution to ratify and confirm the Plan as adopted by the Board which permits the issuance of up to 10% of the issued and outstanding Common Shares of the Corporation from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or represented by proxy at the Meeting.

At the Meeting, Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the Plan:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the 10% Rolling Stock Option Plan (the “**Plan**”) of Filo Mining Corp. (the “**Corporation**”), as adopted by the Board of Directors, and as described in the Corporation’s management information circular dated May 8, 2019, be and is hereby approved and ratified, and the Corporation be and is hereby authorized to reserve for issuance pursuant to the Plan up to 10% of the issued and outstanding common shares of the Corporation from time to time;
2. the Board of Directors be and is hereby authorized on behalf of the Corporation to make any amendments to the Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the shareholders of the Corporation, in order to ensure the adoption and efficient function of the Plan; and
3. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with the implementation of the Plan.”

The directors of the Corporation believe that the passing of the foregoing ordinary resolution is in the best interests of the Corporation and recommend that Shareholders vote in favor of the resolution.

The persons named as proxies in the enclosed Proxy intend to cast the votes represented by proxy in favor of the foregoing resolution unless the holder of Common Shares who has given such proxy has directed that the votes be otherwise cast.

AUDIT COMMITTEE

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”), companies are required to provide disclosure with respect to their audit committee, including the text of the audit committee’s charter, the composition of the audit committee and the fees paid to the external auditor.

The Audit Committee oversees the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing

activities of the Corporation and its subsidiaries. All auditing services and non-audit services to be provided to the Corporation by the Corporation’s auditors are pre-approved by the Audit Committee. The Audit Committee reviews, on a continuous basis, any reports prepared by the Corporation’s external auditors relating to the Corporation’s accounting policies and procedures, as well as internal control procedures and systems. The Audit Committee is also responsible for examining all financial information, including annual and quarterly financial statements, prepared for securities commissions and similar regulatory bodies prior to filing or delivery of the same. The Audit Committee also oversees the annual audit process, quarterly review engagements, if any, the Corporation’s internal accounting controls, any complaints and concerns regarding accounting, internal controls or auditing matters and the resolution of issues identified by the Corporation’s external auditors. The Audit Committee recommends to the Board the firm of independent auditors to be nominated for appointment by the shareholders and the compensation of the auditors. The Audit Committee shall meet a minimum of four times per fiscal year. The Audit Committee Charter is attached as Schedule “A” to this Information Circular.

The Audit Committee is currently comprised of Alessandro Bitelli (Chair), C. Ashley Heppenstall and Paul McRae, each of whom is independent and financially literate as such terms are defined under NI 52-110 and the education and experience as it relates to the performance of the duties as an Audit Committee member is detailed above under “Election of Directors”.

Since the commencement of the Corporation’s most recently completed financial year, there has not been a recommendation of the Audit Committee to nominate or compensate an external auditor which was not adopted by the Corporation’s Board of Directors. The Corporation is relying on the exemption in section 6.1 of NI 52-110 regarding reporting obligations.

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Audit Committee Charter attached hereto as Schedule A.

The following table discloses the fees billed to the Corporation by its external auditor during the last two fiscal years ended December 31, 2018, and December 31, 2017:

Financial Year	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2017	53,991	30,000	2,156	NIL
December 31, 2018	54,335	30,500	1,944	32,500

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation’s financial statements and are not disclosed in the audit fees column.
- (3) The aggregate fees billed for tax compliance, tax advice, tax return and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other three columns, including any services rendered in connection with the Company’s short form prospectus dated February 22, 2018, which incorporated by reference certain financial information from the Company’s audited consolidated financial statements for the years ended December 31, 2016 and 2015.

STATEMENT OF EXECUTIVE COMPENSATION

For the purposes of this Information Circular, a Named Executive Officer (a “NEO”) means each of the following individuals: (a) the Chief Executive Officer of the Corporation (“CEO”), (b) the Chief Financial Officer of the Corporation (“CFO”), (c) each of the three most highly compensated executive officers of the Corporation including any of its subsidiaries, or the 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 as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the year ended December 31, 2018; and (d) each individual who

would be a NEO under (c) above but for the fact that the individual was neither an executive officer of the Corporation or its subsidiary, nor acting in a similar capacity, as of December 31, 2018.

During the year ended December 31, 2018, the Corporation had five NEOs, as set out in the following table:

Name	Title
Adam I. Lundin	CEO
Jeff Yip	CFO
Robert Carmichael	Vice President, Exploration
James Beck	Vice President, Corporate Development and Projects
Alfredo Vitaller	General Manager, South American Operations

COMPENSATION DISCUSSION AND ANALYSIS

Overview of Compensation Philosophy

The administration of the Corporation’s compensation mechanism is handled by the compensation committee (the “**Compensation Committee**”) of the Board. On an annual basis, the Compensation Committee shall review the compensation of its NEOs to ensure that each is being compensated in accordance with the objectives of the Corporation’s compensation programs which are to:

- provide competitive compensation that attracts and retains talented employees;
- align compensation with Shareholder interests;
- pay for performance;
- support the Corporation’s vision, mission and values; and
- be flexible to recognize the needs of the Corporation in different business environments.

Role of the Compensation Committee

As at December 31, 2018, the Compensation Committee was comprised C. Ashley Heppenstall, Alessandro Bitelli, and Paul McRae, all of whom are considered to be independent directors. All of these individuals have direct experience that is relevant to their responsibilities in determining executive compensation for the Corporation as they have been previously, and are currently, involved with compensation matters at other companies, both public and private, with which they are directors.

The Compensation Committee has the depth of knowledge and the diversity of skills necessary to make informed and independent decisions on compensation matters. In particular, the following skills and experience enable the Compensation Committee to think critically and to make decisions on the suitability of the Corporation’s compensation policies and practices:

Mr. Heppenstall: Mr. Heppenstall previously served as the President, Chief Executive Officer and Finance Director of Lundin Petroleum AB, an oil and gas exploration and production company with core assets in Norway and South East Asia, from 2002-2015. Early in his career, Mr. Heppenstall worked in the banking sector where he was involved in project financing of oil and resource sector businesses. Since 1993, Mr. Heppenstall has worked with public companies associated with the Lundin Group of companies. In 1998 he was appointed Finance Director of Lundin Oil AB. Following the acquisition of Lundin Oil by Talisman Energy in 2001, Lundin Petroleum was formed and Mr. Heppenstall was appointed President and Chief Executive Officer in 2002 until his retirement in 2015. Mr. Heppenstall obtained a degree in Mathematics from Durham University.

Mr. Alessandro Bitelli: Mr. Bitelli is currently Executive Vice President, Chief Financial Officer of Lundin Gold Inc. Mr. Bitelli is a Chartered Professional Accountant with over 30 years of

experience in the mining industry and in public accounting, having worked in both North America and Europe. Over the years Mr. Bitelli served as Chief Financial Officer of several public companies including, most recently, Orca Gold Inc. and Red Back Mining Inc. from September 2007 to August 2010; He held the position of Vice President of Finance at Ashton Mining of Canada Inc. from 1995 to 2007.

Mr. Paul McRae

Mr. McRae was most recently the Senior Vice-President, Projects, of Lundin Mining Corporation, where he was responsible for the successful development of Lundin Mining Corporation's Eagle Mine in Northern Michigan. His track record includes on time/on budget project management of major underground investments for INCO including McCreedy East, Garson and Birch Tree projects, serving as Project Manager on the highly successful De Beers Victor Project in Northern Canada, and leadership of numerous other projects from conceptual through construction phases in Australia, Canada, Spain, Portugal and South America, over a career spanning more than 40 years. Mr. McRae is also a director of Lundin Gold Inc. and Bluestone Resources.

The Compensation Committee is responsible for implementing and overseeing the Corporation's compensation policies and programs as approved by the Board. The Compensation Committee's responsibilities include:

- recommending compensation policies and guidelines to the Board;
- ensuring that the Corporation has in place programs to attract and develop executive officers of the highest caliber and a process to provide for the orderly succession of executive officers; and
- reviewing and approving corporate goals and objectives relevant to the compensation of executive officers and, in light of those goals and objectives, recommending to the Board the annual salary, bonus and other benefits, direct and indirect, of executive officers.

For the year ended December 31, 2018, the Compensation Committee has determined that the annual review of performance and compensation, including base salaries, performance-based bonuses and stock options shall be conducted in the third quarter of each subsequent year in order to coincide with the completion of the Corporation's exploration field season in South America, where the majority of Corporation's projects and operations are based. As a result, as of the date of this Information Circular, the Compensation Committee has not yet reviewed executive compensation matters for the year ended December 31, 2018.

When evaluating performance and executive compensation, the Compensation Committee considers and evaluates executive compensation levels against available information for "peer group" companies, which are principally comprised of "junior mineral exploration" companies, to ensure that the Corporation's executive compensation levels are within the range of comparable norms. In selecting peer group companies, the Compensation Committee primarily looks for public companies that are comparable in terms of business and size.

Role of Management in Determining Compensation

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but Management has a key role in helping support the Compensation Committee in fulfilling its obligations. For example, the CEO makes recommendations to the Compensation Committee regarding executive officer base salary adjustments, Option grants and discretionary bonuses, other than with respect to the CEO's own remuneration. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The Board can also exercise discretion to increase or decrease amounts prior to making its final determination. The CEO does not

make a recommendation to the Compensation Committee with respect to his own remuneration package, which is determined by the Compensation Committee for recommendation and approval by the Board.

Elements of NEO Compensation

NEO compensation for the year ended December 31, 2018, was comprised of three components:

- Base salaries – The NEO’s base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive’s performance over time. Base salaries are reviewed using a comparator group, thereby enabling the Corporation to compete for and retain executives critical to the Corporation’s long-term success and are also used as the basis to determine other elements of compensation and benefits. As payment of base salaries does not depend on the performance of any specific targets or goals, it is not viewed as “at risk” compensation.
- Performance-based Bonuses – Discretionary performance-based bonuses are considered from time to time to reward those who have achieved exceptional performance and meet the objectives of the Corporation’s compensation program by rewarding pay for performance.
- Stock Options – The stock option component of executive compensation, which includes a vesting element to ensure retention, meets the objectives of the Corporation’s compensation program by both motivating the executive towards increasing share value and enabling the executive to share in the future success of the Corporation. The vesting provisions also reduce the risk of short-term decision making. See “Incentive Awards”.

Other benefits do not form a significant part of the remuneration package of any of our NEOs.

A number of factors are considered by the Compensation Committee and the Board when determining NEO compensation, including:

- the NEO’s individual contribution to the benefit of the Corporation and the assessment of each NEO’s individual performance;
- the long-term interests of the Corporation and its Shareholders including exploration success;
- the NEO’s responsibilities, length of service and levels of compensation provided by industry competitors; and
- the operational performance and the Corporation’s financial position.

Base Salary

Base salaries are a fixed component of compensation to ensure that the Corporation remains competitive and continues to attract and retain qualified and experienced executives. The annual base salaries of the NEOs are paid pursuant to respective employment agreements between each individual and the Corporation.

Base salaries are reviewed and, if appropriate, adjusted annually. The Corporation endeavours to pay the salaries of its NEOs at the mid-range level of industry standards while providing NEOs with additional performance-based compensation such as discretionary performance-based bonuses and Options, as further discussed below. There will, however, be occasions when the Corporation pays salaries above or below this level depending on the individual skills and experience of the executive.

Performance-based Bonuses

The Compensation Committee may provide recommendations on discretionary cash bonuses from time to time. Bonuses are a variable, or “at-risk”, component of compensation designed to pay for performance and support the Corporation’s vision, mission and values. To determine the amount of discretionary cash bonuses to award to a NEO the Compensation Committee will consider the performance factors described above in the section under the heading “Elements of NEO Compensation”

as well as taking into consideration both individual and corporate performance measures, including financials, budgetary, projects and other initiatives. Such performance measures are based on a subjective assessment by the Compensation Committee in light of overall performance achieved during that year and are not based on objectively defined targets. The Compensation Committee may review bonuses paid by other “peer group” companies, which are principally comprised of “junior mineral exploration”, however, the Compensation Committee may not formally benchmark bonuses.

As of the date of this Information Circular, no payments of bonuses to the NEOs for their performance in 2018, nor decisions with respect thereto, have been made by the Board. Notwithstanding the foregoing, this does not preclude the Board from awarding an incentive bonus subsequent to this date, if so recommended by the Compensation Committee, pursuant to the guidelines and considerations outlined herein.

Stock Options

The Corporation provides long-term incentives through Option grants pursuant to the Plan. Options are a variable, or “at-risk”, component of compensation which are considered to be an effective vehicle for deepening a sense of ownership amongst executives and increasing alignment with the interests of Shareholders, as they vest over time and provide an incentive to create long-term growth.

The purpose of the Plan is to promote the interests of the Corporation by:

- providing its directors, officers, employees, management company employees and consultants (the “**Eligible Persons**”) with additional incentive;
- encouraging stock ownership by such Eligible Persons;
- increasing proprietary interest of Eligible Persons in the success of the Corporation;
- encouraging Eligible Persons to remain with the Corporation or its affiliates; and
- attracting new employees, directors and officers.

All NEOs are eligible to participate in the Plan. Reference is made to the heading “Equity Compensation Plan Information” for a description of the Plan.

Options are generally awarded to Eligible Persons at the commencement of employment and periodically thereafter. In making a determination as to whether a grant of Options is appropriate, and if so, the number of Options that should be granted, consideration is given to: in addition to the performance factors referred to under “Elements of NEO Compensation”, the number and terms of outstanding Options held by the NEO; past and expected future performance of the NEO; the potential dilution to Shareholders; general industry standards; and the limits imposed by the terms of the Plan and the TSXV. The Corporation considers the granting of Options to be a particularly important element of compensation as it allows the Corporation to reward each NEO’s efforts to increase value for Shareholders without requiring the Corporation to use cash from its treasury. Options also allow the Corporation to be flexible to recognize the needs of the Corporation in different business environments. The terms and conditions of the Corporation’s Option grants, including vesting provisions and exercise prices, are governed by the terms of the Plan, which are described under “Incentive Plan Awards” and “Equity Compensation Plan Information”. Although the Compensation Committee reviews Options granted by the peer group noted above, the Compensation Committee does not formally benchmark Option grants.

Taking into account the factors described above, the Compensation Committee recommended and the Board approved the following Option grants to the NEOs during the year ended December 31, 2018:

Name	Options Granted ⁽¹⁾ (#)	Option Exercise Price (\$)	Option Expiration Date
Adam I. Lundin President & CEO	425,000	2.20	August 14, 2023
Jeff Yip , CFO	150,000	2.20	August 14, 2023
Robert Carmichael , VP Exploration	150,000	2.20	August 14, 2023
James Beck , VP Corporate Development	150,000	2.20	August 14, 2023
Alfredo Vitaller , General Manager, South America Operations	150,000	2.20	August 14, 2023

Note:

⁽¹⁾ Options granted vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. See "Incentive Plan Awards".

Benefits and Perquisites

Benefits do not form a significant part of the remuneration package of any of the NEOs. In most cases, employment benefits, health care and life insurance are provided in a manner which is in keeping with industry standards. During the year ended December 31, 2018, none of the NEOs received any perquisites which in the aggregate were greater than \$50,000 or 10% of the respective NEO's salary.

Risks Associated with Corporation's Compensation Policies and Practices

Given the current stage of development of the Corporation, neither the Board nor the Compensation Committee has proceeded to a formal evaluation of the implications of the risks associated with the Corporation's compensation policies and practices; however, risk management is a consideration of the Board generally when implementing its compensation program. The Board and the Compensation Committee do not believe that the Corporation's compensation program results in unnecessary or inappropriate risk taking and the Board and the Compensation Committee have not identified any risks arising from the compensation policies and practices that are reasonably likely to have a material adverse effect on the Corporation.

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

SUMMARY COMPENSATION TABLE

Summary Compensation Table

Pursuant to the Arrangement, the Corporation became a reporting issuer on August 16, 2016. Prior to that date, the Corporation was a private company and no compensation was paid to or earned by the Corporation's NEOs. The following table sets forth a summary of the total compensation earned by and paid to the NEO and attributable to their service to the Corporation during the period from completion of the Arrangement on August 16, 2016 up to December 31, 2018:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based Awards (\$) ⁽¹⁾	Non-equity Incentive Plan Compensation (\$)		Pension value (\$) ⁽³⁾	All other Compensation (\$)	Total Compensation (\$)
					Annual incentive plans ⁽²⁾	Long-term incentive plans			
Adam I. Lundin ⁽⁴⁾ President and CEO	2018	250,000	Nil	476,239	Nil	Nil	Nil	Nil	726,239
	2017	76,389	Nil	615,441	80,000	Nil	Nil	Nil	771,830
Jeff Yip ⁽⁵⁾ CFO	2018	166,250 ⁽⁶⁾	Nil	168,084	Nil	Nil	Nil	Nil	334,334
	2017	105,000 ⁽⁶⁾	Nil	144,810	55,000	Nil	Nil	Nil	304,810
	2016	Nil ⁽⁶⁾	Nil	175,079	20,000	Nil	Nil	Nil	195,079
Robert Carmichael VP Exploration	2018	182,000 ⁽⁷⁾	Nil	168,084	Nil	Nil	Nil	Nil	350,084
	2017	189,200 ⁽⁷⁾	Nil	144,810	100,000	Nil	Nil	Nil	434,010
	2016	63,525 ⁽⁷⁾	Nil	175,079	40,000	Nil	Nil	Nil	278,604
James Beck VP Corporate Development and Projects	2018	112,500 ⁽⁸⁾	Nil	168,084	Nil	Nil	Nil	Nil	280,584
	2017	118,375 ⁽⁸⁾	Nil	144,810	85,000	Nil	Nil	Nil	348,185
	2016	34,875 ⁽⁸⁾	Nil	175,079	25,000	Nil	Nil	Nil	234,954
Alfredo Vitaller General Manager, South America Operations	2018	103,600 ⁽⁹⁾⁽¹⁰⁾	Nil	168,084	Nil	Nil	Nil	Nil	271,684
	2017	117,643 ⁽⁹⁾⁽¹⁰⁾	Nil	144,810	60,000	Nil	Nil	Nil	322,453
	2016	81,750 ⁽⁹⁾⁽¹⁰⁾	Nil	175,079	33,000	Nil	Nil	Nil	289,829

Notes:

- (1) The Corporation used the Black-Scholes option pricing model for determining the fair value of Options issued at grant date. The Corporation selected the Black-Scholes model given its prevalence of use within North America. The key assumptions used for this determination for 2018 were: a) average risk-free rate of 2.16%; b) expected life of 5 years; c) the price of the Common Shares on the grant date; d) expected volatility of 63.03%; and e) no expected dividend payments. The key assumptions used for this determination for 2017 were: a) average risk-free rate of 1.39%; b) expected life of 5 years; c) the price of the Common Shares on the grant date; d) expected volatility of 62.55%; and e) no expected dividend payments. For 2016 the key assumptions used were: a) average risk-free rate of 0.9%; b) expected life of 5 years; c) the price of the Common Shares on the grant date; d) expected volatility of 63.3%; and e) no expected dividend payments. The amount presented in the table represents the fair value of the Options granted in the period. It should be recognized that the actual future value will be based on the difference between the market value of the Common Shares at time of exercise and the exercise price of the Options. Therefore, the value attributed to the Options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized.
- (2) During the year ended December 31, 2017, the Corporation paid performance-based bonuses to the NEOs of the Corporation in recognition of their efforts during 2016. The performance-based bonuses were approved by the Board in June 2017, on the recommendation of the Compensation Committee, and paid shortly thereafter. Similarly, the Corporation paid performance-based bonuses to the NEOs of the Corporation in March 2018 in recognition of their efforts during 2017. As at the date of this Information Circular, the Corporation has not paid, nor has the Board approved, performance-based bonuses to the NEOs of the Corporation in recognition of their efforts during 2018.
- (3) The Corporation does not have any pension, retirement or deferred compensation plans, including defined contribution plans.
- (4) Mr. Lundin was appointed to the position of President and Chief Executive Officer on September 11, 2017. Mr. Adam Lundin is also a director of the Corporation and does not receive any additional compensation in his role as a director.
- (5) Mr. Yip was appointed Chief Financial Officer of the Corporation on November 28, 2016.

- (6) Up until May 31, 2018, Mr. Yip was also the Chief Financial Officer of Orca Gold Inc. (“Orca”) and his services to Orca were carried out pursuant to an employment agreement with Orca and a services agreement between the Corporation and Orca dated January 1, 2017 (the “CFO Services Agreement”). During the year ended December 31, 2018, the CFO Services Agreement was terminated. Only the amounts attributable to Mr. Yip’s service to the Corporation are provided in the table above. During the year ended December 31, 2018, the Corporation paid a base salary of \$210,000 to Mr. Yip, and pursuant to the CFO Services Agreement, Orca reimbursed the Corporation \$43,750, which represented 50% of Mr. Yip’s total base salary for his service to both the Corporation and Orca during the period up until May 31, 2018. During the year ended December 31, 2017, the Corporation paid a base salary of \$210,000 to Mr. Yip, and pursuant to the CFO Services Agreement, Orca has reimbursed the Corporation \$105,000, which represents 50% of Mr. Yip’s total base salary for his service to both the Corporation and Orca. During the year ended December 31, 2016, Mr. Yip did not receive a salary from the Corporation. See “Services Agreement with Orca Gold Inc.” below.
- (7) Mr. Carmichael is also the Vice President, Exploration of NGEx and his services to NGEx are carried out pursuant to an employment agreement with NGEx and a services agreement between the Corporation and NGEx, dated September 11, 2017, as amended May 1, 2018 (the “Services Agreement”). Only the amounts attributable to Mr. Carmichael’s service to the Corporation are provided in the table above. During the year ended December 31, 2018, the Corporation paid a base salary of \$260,000 to Mr. Carmichael, and pursuant to the Services Agreement, NGEx has reimbursed the Corporation \$78,000, which represents 30% of Mr. Carmichael’s total base salary for the year. During the year ended December 31, 2017, the Corporation paid a base salary of \$248,000 to Mr. Carmichael, and pursuant to the Services Agreement, NGEx has reimbursed the Corporation \$58,800, which represents 24% of Mr. Carmichael’s total base salary for the year. During the year ended December 31, 2016, the Corporation paid a base salary of \$90,750 to Mr. Carmichael, of which NGEx reimbursed the Corporation \$27,225, representing 30% of Mr. Carmichael’s total base salary for the period. See “Services Agreement with NGEx Resources Inc.” below.
- (8) Mr. Beck is also the Vice President, Corporate Development and Projects of NGEx and his services to NGEx are carried out pursuant to an employment agreement with NGEx and the Services Agreement. Only the amounts attributable to Mr. Beck’s service to the Corporation are provided in the table above. During the year ended December 31, 2018, the Corporation paid a base salary of \$225,000 to Mr. Beck, and pursuant to the Services Agreement, NGEx has reimbursed the Corporation \$112,500, which represents 50% of Mr. Beck’s total base salary for the year. During the year ended December 31, 2017, the Corporation paid a base salary of \$221,750 to Mr. Beck, and pursuant to the Services Agreement, NGEx has reimbursed the Corporation \$103,375, which represents 47% of Mr. Beck’s total base salary for the year. During the year ended December 31, 2016, the Corporation paid a base salary of \$69,750 to Mr. Beck, of which NGEx reimbursed the Corporation \$34,875, representing 50% of Mr. Beck’s total base salary for the period. See “Services Agreement with NGEx Resources Inc.” below.
- (9) Mr. Vitaller is also the General Manager, South America Operations, and a consultant of NGEx. His services to NGEx are carried out pursuant to an employment agreement with a subsidiary of NGEx, a consulting agreement with NGEx and the Services Agreement. Only the amounts attributable to Mr. Vitaller’s service to the Corporation as a NEO are provided in the table above. During the year ended December 31, 2018, Mr. Vitaller’s total cumulative base remuneration for his service to both the Corporation and NGEx was \$206,621, of which NGEx paid, either directly or as a reimbursement to the Corporation, \$103,020 or approximately 50%. During the year ended December 31, 2017, Mr. Vitaller’s total cumulative base remuneration for his service to both the Corporation and NGEx was \$241,505, of which NGEx paid, either directly or as a reimbursement to the Corporation, \$123,862 or approximately 51%. During the year ended December 31, 2016, Mr. Vitaller’s total cumulative base remuneration for his service to both the Corporation and NGEx was \$211,429, of which NGEx paid, either directly or as a reimbursement to the Corporation, \$129,679 or approximately 61%. See “Services Agreement with NGEx Resources Inc.” below.
- (10) Represents salaries and fees. The salaries and a portion of the fees have been paid in Argentine pesos and are converted into Canadian dollars using the exchange rate of: 20.2470 per Canadian dollar for the reporting year of December 31, 2018; 12.7389 per Canadian dollar for the reporting year of December 31, 2017; and 11.5407 per Canadian dollar for the reporting year of December 31, 2016. In addition, a portion of the fees are paid in United States dollars and are converted into Canadian dollars using the exchange rate of: 0.7718 per Canadian dollar for the reporting year of December 31, 2018; 0.7692 per Canadian dollar for the reporting year of December 31, 2017; and 0.7448 per Canadian dollar for the reporting year of December 31, 2016.

Services, Employment and Consulting Agreements

Services Agreement with NGEx

The Corporation has a cost sharing arrangement with NGEx. Under the terms of the Services Agreement, NGEx provides accounting and technical advisory services (the “NGEx Services”) to the Corporation, while the Corporation provides management, corporate secretarial, business and corporate development services (the “Filo Management Services”) to NGEx. In consideration of the Filo Management Services,

NGEx pays the Corporation a monthly fee as reimbursement for the Filo Management Services; and, in consideration of the NGEx Services, the Corporation pays NGEx a monthly fee as reimbursement for the NGEx Services.

CFO Services Agreement with Orca Gold Inc.

The Corporation had a cost sharing arrangement with Orca, which was terminated on May 31, 2018, whereby the Corporation provided Orca with financial and management services (the “**CFO Services**”) pursuant to the CFO Services Agreement between the Corporation and Orca dated January 1, 2017. Under the terms of the CFO Services Agreement, in consideration of the Corporation directing its CFO to provide the CFO Services to Orca, Orca paid a monthly fee to the Corporation as reimbursement for the CFO Services.

Employment Agreements

Mr. Adam I. Lundin’s services are provided pursuant to an employment agreement with the Corporation dated September 11, 2017 (the “**Lundin Employment Agreement**”). Pursuant to the Lundin Employment Agreement, Mr. Lundin is paid an annual salary of \$250,000 for his services as the President and Chief Executive Officer of the Corporation. The Corporation also reimburses Mr. Lundin for any reasonable travelling and other direct expenses incurred by Mr. Lundin in connection with his services. The Lundin Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 60 days written notice or by Mr. Lundin (voluntarily) on 90 days written notice. Pursuant to the Lundin Employment Agreement, Mr. Lundin receives standard employment benefits, including medical, extended health, and where applicable, life insurance.

Mr. Yip’s services are provided pursuant to an employment agreement with the Corporation dated January 1, 2017, as amended on June 1, 2018 (the “**Yip Employment Agreement**”). Pursuant to the Yip Employment Agreement, Mr. Yip is paid a cumulative annual salary of \$210,000 for his services as the Chief Financial Officer of the Corporation, and for his services as the Chief Financial Officer of Orca, pursuant to the CFO Services Agreement, until its termination on May 31, 2018. \$166,250 of Mr. Yip’s cumulative base salary for the year ended December 31, 2018 was attributable to his services to the Corporation. The Corporation also reimburses Mr. Yip for any reasonable travelling and other direct expenses incurred by Mr. Yip in connection with his services. The Yip Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 60 days written notice or by Mr. Yip (voluntarily) on 90 days written notice. Pursuant to the Yip Employment Agreement, Mr. Yip receives standard employment benefits, including medical, extended health, and, where applicable, life insurance.

Mr. Carmichael’s services are provided pursuant to an employment agreement with the Corporation dated August 16, 2016, as amended on September 1, 2017, (the “**Carmichael Employment Agreement**”) and the Services Agreement. Pursuant to the Carmichael Employment Agreement and the Services Agreement, Mr. Carmichael is paid a cumulative annual salary of \$260,000 for his services as the Vice President, Exploration of the Corporation and for his services as the Vice President, Exploration of NGEx. \$182,000 of Mr. Carmichael’s cumulative base salary for the year ended December 31, 2018 was attributable to his services to the Corporation. The Corporation also reimburses Mr. Carmichael for any reasonable travelling and other direct expenses incurred by Mr. Carmichael in connection with his services. The Carmichael Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 60 days written notice or by Mr. Carmichael (voluntarily) on 90 days written notice. Pursuant to the Carmichael Employment Agreement, Mr. Carmichael receives standard employment benefits, including medical, extended health, and where applicable, life insurance.

Mr. Beck’s services are provided pursuant to an employment agreement with the Corporation dated February 1, 2017, as amended May 31, 2018 (the “**Beck Employment Agreement**”), and the Services

Agreement. Pursuant to the Beck Employment Agreement, and the Services Agreement, Mr. Beck is paid a cumulative annual salary of \$225,000 for his services as the Vice President, Corporate Development and Projects of the Corporation and for his services as the Vice President, Corporate Development and Projects of NGEx. \$112,500 of Mr. Beck's cumulative base salary for the year ended December 31, 2018 was attributable to his services to the Corporation. The Corporation also reimburses Mr. Beck for any reasonable travelling and other direct expenses incurred by Mr. Beck in connection with his services. The Beck Employment Agreement has an indefinite term and automatically renews each year unless terminated by the Corporation (without Cause) on 60 days written notice or by Mr. Beck (voluntarily) on 90 days written notice. Pursuant to the Beck Employment Agreement, Mr. Beck receives standard employment benefits, including medical, extended health, and where applicable, life insurance.

Mr. Vitaller's services are provided pursuant to a consulting agreement dated October 1, 2017 with the Corporation, the Services Agreement, and a work contract dated October 1, 2017, most recently amended January 1, 2019, with Filo del Sol Exploracion S.A. as described below (collectively the "**Vitaller Agreements**"). Pursuant to the Vitaller Agreements, Mr. Vitaller provides consulting services on an exclusive basis to the Corporation and NGEx and for the services rendered by Mr. Vitaller to the Corporation, the Corporation pays Mr. Vitaller a monthly rate of US\$3,500 and annual salary of 2,738,962 Argentine pesos (\$99,077, converted into Canadian dollars using the exchange rate of 27.6449 per Canadian dollar as of December 31, 2018) and annual fees of approximately 51,856 Argentine pesos (\$1,876, converted into Canadian dollars using the exchange rate of 27.6449 per Canadian dollar as of December 31, 2018). The Corporation also reimburses Mr. Vitaller for any reasonable travelling and other direct expenses incurred by Mr. Vitaller in connection with his services, and where applicable, pre-approved by the Corporation. The Vitaller Agreements, subject to Argentine labour laws in effect, as amended from time to time, have an indefinite term and automatically renew each year unless terminated by the Corporation or by Mr. Vitaller on 30 days written notice. Pursuant to his work contract with Filo del sol Exploracion S.A., Mr. Vitaller receives standard employment benefits, including medical, extended health, and where applicable, life insurance.

See "Termination and Change of Control Benefits" below for details regarding termination and change of control benefits payable to the NEOs.

INCENTIVE PLAN AWARDS

Outstanding Option-Based Awards

The following table sets forth for the NEOs, the Options outstanding pursuant to the Plan as at December 31, 2018, including Options that were issued to the NEOs as a result of holding NGEx options under the terms of the Arrangement. The Corporation does not grant any share-based awards.

Name and Position	Number of Securities Underlying Unexercised Options (#) and percentage of class	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-money Options (\$) ⁽¹⁾	
				Exercisable	Unexercisable
Adam I. Lundin ⁽²⁾ President and CEO	425,000 ⁽³⁾	2.20	Aug. 14, 2023	Nil	Nil
	425,000 ⁽⁴⁾	2.50	Sep. 13, 2022	Nil	Nil
Jeff Yip CFO	150,000 ⁽³⁾	2.20	Aug. 14, 2023	Nil	Nil
	100,000 ⁽⁴⁾	2.50	Sep. 13, 2022	Nil	Nil
	200,000 ⁽⁵⁾	2.00	Dec. 5, 2021	40,000	Nil
Robert Carmichael VP Exploration	150,000 ⁽³⁾	2.20	Aug. 14, 2023	Nil	Nil
	100,000 ⁽⁴⁾	2.50	Sep. 13, 2022	Nil	Nil
	200,000 ⁽⁵⁾	2.00	Dec. 5, 2021	40,000	Nil
	50,000 ⁽⁶⁾	0.50 ⁽⁷⁾	Feb. 24, 2019	85,000	Nil
James Beck Vice President, Corporate Development and Projects	150,000 ⁽³⁾	2.20	Aug. 14, 2023	Nil	Nil
	100,000 ⁽⁴⁾	2.50	Sep. 13, 2022	Nil	Nil
	200,000 ⁽⁵⁾	2.00	Dec. 5, 2021	40,000	Nil
	15,000 ⁽⁶⁾	0.50 ⁽⁷⁾	Feb. 24, 2019	25,500	Nil
Alfredo Vitaller General Manager, South America Operations	150,000 ⁽³⁾	2.20	Aug. 14, 2023	Nil	Nil
	100,000 ⁽⁴⁾	2.50	Sep. 13, 2022	Nil	Nil
	200,000 ⁽⁵⁾	2.00	Dec. 5, 2021	40,000	Nil
	50,000 ⁽⁶⁾	0.50 ⁽⁷⁾	Feb. 24, 2019	85,000	Nil

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSXV on December 31, 2018 (being the last trading day of 2018) of \$2.20 and subtracting the exercise price of in-the-money Options. These Options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (2) Mr. Adam Lundin was appointed President and Chief Executive Officer on September 11, 2017.
- (3) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, one-third have vested. See "Incentive Plan Awards".
- (4) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, two-thirds have vested. See "Incentive Plan Awards".
- (5) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, all of these Options have vested. See "Incentive Plan Awards".
- (6) Pursuant to the Arrangement, each outstanding stock option of NGEx was deemed to be exchanged for a fully-vested NGEx Replacement Option and one quarter of one fully-vested Option, and the exercise prices for the NGEx Replacement Options and the Options were adjusted to reflect the relative value of the shares. The amounts reflected here represent the Options that were received pursuant to the Arrangement. See "Plan of Arrangement" above for further details.
- (7) As adjusted in accordance with the terms of the Arrangement. See "Plan of Arrangement" above for further details.

Incentive Plan Awards – Value Vested or Earning During the Year

The following table sets forth for the NEOs, the value of all incentive plan awards vested during the year ended December 31, 2018. The Corporation does not grant any share-based awards.

Name	Option-based awards – Value vested during the year⁽¹⁾ (\$)	Share -based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Adam I. Lundin President and CEO	Nil	N/A	N/A
Jeff Yip CFO	16,667	N/A	N/A
Robert Carmichael VP Exploration	16,667	N/A	N/A
James Beck Vice President, Corporate Development and Projects	16,667	N/A	N/A
Alfredo Vitaller General Manager, South America Operations	16,667	N/A	N/A

Notes:

- (1) The value of vested Options has been calculated using the closing price of the Common Shares on the TSXV on the dates on which Options vested during the year ended December 31, 2018 and subtracting the exercise price of in-the-money Options.

TERMINATION AND CHANGE OF CONTROL BENEFITS

Termination and Change of Control Benefits

Other than as set forth below, the Corporation does not have any contract, agreement, plan or arrangement that provides for payments to a 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 the NEO's responsibilities.

Any payments to a NEO following or in connection with any termination are subject to the terms of the NEO's employment agreement and the Services Agreement, as applicable. See "Services, Employment and Consulting Agreements" above for further details.

Mr. A. Lundin, President and Chief Executive Officer

Pursuant to the Lundin Employment Agreement, Mr. Lundin, at any time, may terminate the Lundin Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Lundin may also terminate the Lundin Employment Agreement for "Good Reason" (see Note 1 below) at any time, and the Corporation may terminate the Lundin Employment Agreement at any time without "Cause" (See Note 2 below), by giving 60 days written notice, or payment and benefits in lieu of notice, to Mr. Lundin, whereupon the Corporation will pay Mr. Lundin a lump sum amount equal to the pro rata compensation earned up to the termination date plus 18 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Lundin is transferred or retained full-time by another entity affiliated with the Lundin group of companies within one month of termination). Pursuant to the Lundin Employment Agreement, within six months following a "Change of Control" (see Note 3 below), Mr. Lundin shall be entitled to resign and the Corporation will pay Mr. Lundin a lump sum amount equal to the pro rata compensation earned up to the termination date plus 18 months base salary at the rate being paid at the time of termination and any Options held by Mr. Lundin will vest immediately.

The Corporation may terminate the Lundin Employment Agreement without notice for Cause, whereupon Mr. Lundin would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Lundin up to the date of termination.

Mr. Yip, Chief Financial Officer

Pursuant to the Yip Employment Agreement, Mr. Yip, at any time, may terminate the Yip Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Yip may also terminate the Yip Employment Agreement for Good Reason at any time, and the Corporation may terminate the Yip Employment Agreement at any time without Cause, by giving 60 days written notice, or payment and benefits in lieu of notice, to Mr. Yip, whereupon the Corporation will pay Mr. Yip a lump sum amount equal to the pro rata compensation earned up to the termination date plus 12 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Yip is transferred or retained full-time by another entity affiliated with the Lundin group of companies, within one month of termination). Pursuant to the Yip Employment Agreement, within six months following a Change of Control, Mr. Yip shall be entitled to resign and the Corporation will pay Mr. Yip a lump sum amount equal to 12 months base salary at the rate being paid at the time of termination and any Options held by Mr. Yip will vest immediately.

The Corporation may terminate the Yip Employment Agreement without notice for Cause, whereupon Mr. Yip would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Yip up to the date of termination.

Mr. Carmichael, Vice President, Exploration

Pursuant to the Carmichael Employment Agreement, Mr. Carmichael, at any time, may terminate the Carmichael Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Carmichael may also terminate the Carmichael Employment Agreement for Good Reason at any time, and the Corporation may terminate the agreement at any time without Cause, by giving 60 days written notice, or payment and benefits in lieu of notice, to Mr. Carmichael, whereupon the Corporation will pay Mr. Carmichael a lump sum amount equal to the pro rata compensation earned up to the termination date plus 12 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Carmichael is transferred or retained full-time by another entity affiliated with the Lundin group of companies within one month of termination). This amount shall be in respect of the provision of his services to the Corporation only and shall be prescribed pursuant to the Services Agreement. Pursuant to the Carmichael Employment Agreement, within six months following a Change of Control, Mr. Carmichael shall be entitled to resign and the Corporation will pay Mr. Carmichael a lump sum amount equal to the pro rata compensation earned up to the termination date plus 12 months base salary at the rate being paid at the time of termination and any Options held by Mr. Carmichael will vest immediately.

The Corporation may terminate the Carmichael Employment Agreement without notice for Cause, whereupon Mr. Carmichael would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Carmichael up to the date of termination.

Mr. Beck, Vice President, Corporate Development and Projects

Pursuant to the Beck Employment Agreement, Mr. Beck, at any time, may terminate the Beck Employment Agreement voluntarily by giving 90 days written notice to the Corporation. Mr. Beck may also terminate the employment agreement for Good Reason at any time, and the Corporation may terminate the agreement at any time without Cause, by giving 60 days written notice, or payment and benefits in lieu of notice, to Mr. Beck, whereupon the Corporation will pay Mr. Beck a lump sum amount equal to the pro rata compensation earned up to the termination date plus 12 months base salary at the rate being paid at the time of termination (this amount does not apply if Mr. Beck is transferred or retained full-time by another entity affiliated with the Lundin group of companies within one month of termination). This amount shall be in respect of the provision of his services to the Corporation only and shall be prescribed

pursuant to the Services Agreement. Pursuant to the Beck Employment Agreement, within six months following a Change of Control, Mr. Beck shall be entitled to resign and the Corporation will pay Mr. Beck a lump sum amount equal to 12 months base salary at the rate being paid at the time of termination and any Options held by Mr. Beck will vest immediately.

The Corporation may terminate the Beck Employment Agreement without notice for Cause, whereupon Mr. Beck would not be entitled to any severance payment other than the pro rata compensation earned by Mr. Beck up to the date of termination.

Mr. Vitaller, General Manager, South America Operations

Pursuant to the Vitaller Agreement, subject to Argentine labour laws in effect, as amended from time to time, Mr. Vitaller, at any time, may terminate the consulting agreement by giving 30 days written notice to the Corporation, and at any time the Corporation may terminate the consulting agreement by giving 30 days written notice to Mr. Vitaller. In the event of termination, the Corporation shall not be liable for any payment to Mr. Vitaller, other than for payment of services rendered up to the date of termination and reimbursement of reasonable and, if applicable, pre-approved, out-of-pocket expenses incurred on or before the date of termination, and as applicable, any amounts as determined under Argentine labour laws in effect, as amended from time to time.

Notes:

- (1) "Good Reason" shall mean (i) a material reduction in the executive's responsibilities, title or reporting; (ii) a reduction of the executive's base salary or vacation; (iii) a material change in the place of employment from which the executive works; or (iv) any other circumstances that would otherwise constitute a constructive dismissal at common law.
- (2) "Cause" shall mean any one of the following: (i) if there is a repeated and demonstrated failure to perform the material duties of the executive's position in a competent manner or to observe the policies, codes and mandates of the Corporation and where the executive fails to substantially remedy the failure within a reasonable period of time after receiving written notice of such failure from the Corporation; (ii) if the executive is convicted of a criminal offence; (iii) if the executive is sanctioned or otherwise penalized by the TSXV and/or any regulatory authorities having jurisdiction for an offence involving fraud or dishonesty; (iv) if the executive fails to honour his/her fiduciary duties to the Corporation, including the duty to act in the best interests of the Corporation and its associates and affiliates or is in breach of any provision of their respective employment agreement; or (v) if the executive disobeys reasonable and lawful instructions given in the course of employment by the CEO or the Board, as applicable, that are not remedied by such executive within a reasonable period of time after receiving written notice of such disobedience.
- (3) "Change of Control" shall mean any one of the following: (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its affiliates and another corporation or other entity, as a result of which the holders of Common Shares prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction; (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets rights or properties of the Corporation and/or any of its subsidiaries, which have an aggregate book value greater than 50% off the book value of the assets, rights and properties of the Corporation and its subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a majority-owned subsidiary of the Corporation in the course of a reorganization of the Corporation's assets and its subsidiaries; (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation; (iv) any person, entity or group of persons or entities acting jointly or in concert acquires or acquires control of 40% or more of the outstanding Common Shares,

unless a majority of the Board as constituted immediately prior to such acquisition determines that the circumstances are such that a Change of Control should be deemed not have occurred; (v) as a result of or in connection with a contested election of directors or a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation, where the incumbent directors no longer constitute a majority of the Board; or (vi) the Board adopts a resolution to the effect that a Change of Control has occurred or is imminent.

Pursuant to the employment agreements between the Corporation and each of Messrs. A. Lundin, Yip, Carmichael, and Beck, the Corporation may terminate each employment agreement, as applicable, if the executive becomes permanently disabled, whereupon the Corporation will pay the executive for 12 months commencing from the date of the executive is deemed to have become permanently disabled, an amount equal to the salary at the rate being paid at the time of termination (less any severance payments or disability benefits) and all the Options held by the executive, as applicable, will vest immediately and be exercisable until the earlier of the expiry date or 12 months from the date of termination.

Pursuant to the applicable employment agreement and the Services Agreement, if a severance payment triggering event had occurred on December 31, 2018, the severance payments that would be payable to Messrs. A. Lundin, Yip, Carmichael, Beck and Vitaller would have been as follows:

Name	Termination by the Corporation for any reason other than Cause and unrelated to Change of Control of the Corporation (estimated) (\$)	Termination by the Corporation without Cause after a Change of Control of the Corporation (estimated) (\$)
Adam Lundin	375,000 ⁽¹⁾	375,000
Jeff Yip	210,000 ⁽²⁾	210,000
Robert Carmichael	260,000 ⁽³⁾	260,000
James Beck	225,000 ⁽⁴⁾	225,000
Alfredo Vitaller	N/A ⁽⁵⁾	N/A ⁽⁵⁾

Notes:

- (1) Approximately \$250,000 in the case of disability less any severance payments or disability benefits.
- (2) Approximately \$210,000 in the case of disability less any severance payments or disability benefits.
- (3) Approximately \$260,000 in the case of disability less any severance payments or disability benefits.
- (4) Approximately \$225,000 in the case of disability less any severance payments or disability benefits.
- (5) As applicable, under Argentine labour laws in effect, as amended from time to time.

DIRECTOR COMPENSATION

The objectives of the compensation program for directors are to attract, retain and inspire performance of members of the Board of a quality and nature that will enhance the Corporation's growth. The compensation is intended to provide an appropriate level of remuneration considering the experience, responsibilities, time requirements and accountability of directors. The philosophy and market comparisons and review with respect to director compensation, is the same as for executive compensation. The Compensation Committee reviews director compensation annually. See "Compensation Discussion and Analysis".

Director Compensation Table

Each non-executive director is paid a retainer of \$15,000 per year, an additional amount of up to \$5,000 per year for the Chair of the Audit Committee, and an additional amount of up to \$1,000 per year for the Chair of each of the Compensation Committee and the Corporate Governance and Nominating Committee.

The following table sets forth the compensation provided to each non-executive director during the year ended December 31, 2018:

Name	Fees Earned (\$) ⁽¹⁾	Share-based awards (\$)	Option-based Awards ⁽²⁾ (\$)	Pension value (\$)	All Other Compensation (\$)	Total (\$)
Lukas H. Lundin	15,458 ⁽³⁾	Nil	123,262	Nil	Nil	138,720
Alessandro Bitelli	20,000 ⁽⁴⁾	Nil	123,262	Nil	Nil	143,262
C. Ashley Heppenstall	16,542 ⁽³⁾⁽⁵⁾	Nil	123,262	Nil	Nil	139,804
Paul McRae	15,000	Nil	123,262	Nil	Nil	138,262
Pablo Mir ⁽⁶⁾	15,000	Nil	123,262	Nil	Nil	138,262
Wojtek Wodzicki	15,000 ⁽⁷⁾	Nil	252,127	Nil	118,000 ⁽⁷⁾	385,127

Notes:

- (1) Non-executive directors are paid an annual retainer of \$15,000. The annual retainer fee is prorated to reflect the term of the directorship.
- (2) The Corporation used the Black-Scholes option pricing model for determining the fair value of Options issued at grant date. See "Summary Compensation Table" for the assumptions underlying the Black-Scholes option pricing model. These amounts do not represent actual amounts received by the directors as any gain, if any, will depend on the market value of the Common Shares on the date that the Option is exercised.
- (3) Fees earned include an additional \$1,000 in fees for service as the Chair of the Compensation Committee. Mr. L. Lundin was replaced by Mr. Heppenstall as the Chair of the Compensation Committee, effective June 14, 2018.
- (4) Fees earned include an additional \$5,000 in fees for serving as the Chair of the Audit Committee.
- (5) Fees earned include an additional \$1,000 in fees for serving as the Chair of the Corporate Governance and Nominating Committee.
- (6) In 2018, the Corporation incurred legal fees of approximately \$86,000 with a law firm of which Mr. Mir is a partner. This amount has not been included in the table above, as these amounts are not payable to Mr. Mir and do not relate to his directorship.
- (7) Mr. Wodzicki resigned from his position as President and Chief Executive Officer of the Corporation on September 11, 2017. Mr. Wodzicki continues to serve as a director and as a lead advisor to the technical team of the Corporation. Following his resignation and pursuant to the Services Agreement, NGEx has charged the Corporation approximately \$118,000 for the year ended December 31, 2018, in relation to Mr. Wodzicki's continued provision of services to the Corporation as a lead advisor.

Outstanding Option-Based Awards

The following table sets forth for each non-executive director the Options outstanding pursuant to the Plan as at December 31, 2018, including awards granted before the most recently completed financial year. The Corporation does not grant any share-based awards.

Name	Number of Securities Underlying Unexercised Options (#) and percentage of class	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-money Options (\$) ⁽¹⁾	
				Exercisable	Unexercisable
Lukas H. Lundin	110,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	50,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	100,000 ⁽⁴⁾	2.00	Dec. 5, 2021	20,000	Nil
	37,500 ⁽⁵⁾	0.50 ⁽⁶⁾	Feb. 24, 2019	63,750	Nil
Alessandro Bitelli	110,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	50,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	100,000 ⁽⁴⁾	2.00	Dec. 5, 2021	20,000	Nil
C. Ashley Heppenstall	110,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	50,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	100,000 ⁽⁴⁾	2.00	Dec. 5, 2021	20,000	Nil
Paul McRae	110,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	50,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	100,000 ⁽⁴⁾	2.00	Dec. 5, 2021	20,000	Nil
Pablo Mir	110,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	50,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	100,000 ⁽⁴⁾	2.00	Dec. 5, 2021	20,000	Nil
	6,250 ⁽⁵⁾	0.50 ⁽⁶⁾	Feb. 24, 2019	10,625	Nil
Wojtek A. Wodzicki ⁽⁷⁾ Director, Former President & CEO	225,000 ⁽²⁾	2.20	Aug. 14, 2023	Nil	Nil
	200,000 ⁽³⁾	2.50	Sep. 13, 2022	Nil	Nil
	400,000 ⁽⁴⁾	2.00	Dec. 5, 2021	80,000	Nil
	100,000 ⁽⁵⁾	0.50 ⁽⁶⁾	Feb. 24, 2019	170,000	Nil

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSXV on December 31, 2018 (being the last trading day of 2018) of \$2.20 and subtracting the exercise price of in-the-money Options. These Options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (2) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, one-third have vested. See "Incentive Plan Awards".
- (3) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, two-thirds have vested. See "Incentive Plan Awards".
- (4) These Options vest over a two-year period, one-third immediately, one-third after 12 months and one-third after 24 months from the date of grant. As of December 31, 2018, all of these Options have vested. See "Incentive Plan Awards".
- (5) Pursuant to the Arrangement, each outstanding stock option of NGEx was deemed to be exchanged for a fully-vested NGEx Replacement Option and one quarter of one fully-vested Option, and the exercise prices for the NGEx Replacement Options and the Options were adjusted to reflect the relative value of the shares. The amounts reflected here represent the Options that were received pursuant to the Arrangement. See "Plan of Arrangement" above for further details.
- (6) As adjusted in accordance with the terms of the Arrangement. See "Plan of Arrangement" above for further details.
- (7) Mr. Wodzicki was the Corporation's President and Chief Executive Officer up until September 11, 2017.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each non-executive director of the Corporation the value of all incentive plan awards vested during the year ended December 31, 2018. The Corporation does not grant any share-based awards.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Lukas H. Lundin	8,334	N/A	N/A
Alessandro Bitelli	8,334	N/A	N/A
C. Ashley Heppenstall	8,334	N/A	N/A
Paul McRae	8,334	N/A	N/A
Pablo Mir	8,334	N/A	N/A
Wojtek A. Wodzicki ⁽²⁾	33,334	N/A	N/A

Note:

- (1) The value of vested Options has been calculated using the closing price of the Common Shares on the TSXV on the dates on which Options vested during the year ended December 31, 2018 and subtracting the exercise price of in-the-money Options.
- (2) Mr. Wodzicki was the Corporation's President and Chief Executive Officer up until September 11, 2017.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

At no time during the Corporation's last completed financial year or as of May 8, 2019 was any director, executive officer, employee, proposed management nominee for election as a director of the Corporation, nor any associate of any such director, executive officer or proposed management nominee of the Corporation, or any former director, executive officer or employee of the Corporation or any of its subsidiaries, indebted to the Corporation or any of its subsidiaries, or indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has purchased and maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of US\$20 million, against liabilities incurred by such persons as directors and officers of the Corporation and its subsidiaries, except where the liability relates to such person's failure to act honestly and in good faith with a view to the best interests of the Corporation. The annual premium paid by the Corporation for this insurance in respect of the directors and officers as a group is approximately \$51,500. No premium for this insurance is paid by the individual directors and officers. The insurance contract underlying this insurance does not expose the Corporation to any liability in addition to the payment of the required premium.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

Equity Compensation Plan Information

The following table provides information regarding compensation plans under which securities of the Corporation are authorized for issuance to directors, officers, employees and consultants in effect as of December 31, 2018, the Corporation's most recently completed fiscal year end:

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	6,647,500	\$2.13	610,020
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	6,647,500	\$2.13	610,020

The Plan was adopted by the Board on July 8, 2016, as amended May 12, 2017 and approved by the Shareholders on June 14, 2018. The Plan is a rolling stock option plan which sets the number of Options available for grant by the Corporation at an amount equal to 10% of the issued and outstanding Common Shares from time to time. Under TSXV policy, the Plan must be approved and ratified by Shareholders on an annual basis.

The purpose of the Plan is to allow the Corporation to grant Options to Eligible Persons, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such Options is intended to align the interests of such persons with that of the Shareholders.

The Plan authorizes the Board, or a committee appointed for such purposes, to grant Options to purchase Common Shares to Eligible Persons, to determine the terms, including the limitations, restrictions and conditions, if any, upon such grants, to interpret the Plan and to adopt, amend and rescind such administrative guidelines and other rules relating to the Plan as it may from time to time deem advisable, subject to required prior approval by any applicable regulatory authority, and without further Shareholder approval.

Pursuant to the Plan, the Board may from time to time authorize the issuance of Options to directors, officers, employees and consultants of the Corporation and its affiliated entities. The Board will establish the exercise price of an Option at the time each Option is granted, provided that such price shall not be less than the "Discounted Market Price" (as defined in the policies of the TSXV) and provided that the exercise price shall not be less than \$0.05 per Common Share, with the Market Price being the closing price of the Common Shares on the TSXV on the last business day immediately preceding the day the Option is granted.

The maximum number of Common Shares which may be issued pursuant to Options granted under the Plan, and any other security-based compensation plan of the Corporation, may not exceed 10% of the issued and outstanding Common Shares at the time of the grant. In addition, the number of Common Shares which may be reserved for issuance within a 12-month period to any one individual may not exceed 5% of the aggregate number of Common Shares issued and outstanding as at the date of grant or 2% of the aggregate number of Common Shares issued and outstanding if the optionee is engaged in investor relations activities or is a consultant. The total number of Common Shares which may be i) reserved for

issuance to insiders at any time or ii) issued within any 12-month period may not exceed 10% of the aggregate number of Common Shares issued and outstanding as at the date of grant.

Options will be exercisable over periods of up to 10 years as determined by the Board, except in the event that any Option expires during, or within 48 hours after, a self-imposed blackout period on trading securities of the Corporation, such expiry date will become the 10th day following the end of such blackout period. The Plan contains no vesting requirements but permits the Board to specify a vesting schedule in its discretion, provided that if required by any stock exchange on which the Common Shares trade, Options issued to a person engaged in investor relations activities must vest in stages over not less than 12 months with no more than one-quarter of the Options vesting in any three-month period. The Plan also provides that if Change of Control (as defined in the Plan) occurs, all Options shall immediately become vested and may thereupon be exercised in whole or in part by the Option holder. The acceleration of any TSXV-imposed vesting conditions will be subject to the prior written approval of the TSXV. If there is any change in the outstanding Common Shares by reason of a stock dividend or split, recapitalization, consolidation, combination or exchange of Common Shares, or other fundamental corporate change, the Board will make, subject to stock exchange approval or the approval of other applicable regulatory authorities, if any, an appropriate substitution or adjustment to (i) the exercise price of unexercised Options under the Plan, (ii) the number and kind of shares or other securities reserved for issuance pursuant to the Plan, or (iii) the number and kind of shares subject to unexercised Options under the Plan. In the event of the reorganization of the Corporation or the amalgamation or consolidation of the Corporation with another corporation, the Board may make such provision for the protection of the rights of participants as the Board in its discretion deems appropriate. The determination of the Board, as to any adjustment or as to there being no need for adjustment, will be final and binding on all parties.

Notwithstanding any other provision of the Plan, if the Filo Board at any time by resolution declares it advisable to do so in connection with any proposed sale or conveyance of all or substantially all of the property and assets of the Corporation or any proposed merger, consolidation, amalgamation or offer to acquire all of the outstanding Common Shares (collectively, a “**Proposed Transaction**”), the Corporation may give written notice to all participants advising that their respective Options, may be exercised only within 90 days after the date of the notice and not thereafter, and that all rights of the participants under any Options not exercised will terminate at the expiration of the 90-day period, provided that the Proposed Transaction is completed within 180 days after the date of the notice. If the Proposed Transaction is not completed within the 180-day period, no right under any Option will be affected by the notice, except that the Option may not be exercised between the date of expiration of the 90-day period and the day after the expiration of the 180-day period.

If a participant ceases to be an Eligible Person for any reason, other than death, each Option held will cease to be exercisable 90 days after such termination date or any such longer period as determined by the Board, provided that in no event shall such longer period extend beyond one year from the date of termination. If such person ceases to be an Eligible Person due to termination for cause, the Options shall cease to be exercisable immediately. If a participant dies, the legal representative of such participant may exercise the Options within a period after the date of the participant’s death determined by the Board, provided that no Options shall remain outstanding for any period which exceeds the earlier of (i) the expiry date of such Option; and (ii) 12 months after the date of death, but only to the extent the Options were exercisable on the date of death. The Options are non-assignable and non-transferrable.

The Board may make the following types of amendments to the Plan, subject to receipt of requisite regulatory approval where required, without obtaining Shareholder approval: (i) changes to termination provisions of an Option or the Plan that do not entail an extension beyond the original expiry date of an Option; (ii) amendments to comply with applicable laws or regulatory requirements; and (iii) any other change not requiring shareholder approval under the rules of the TSXV or applicable legislation, including amendments of a “clerical” or “housekeeping” nature. Any other amendments to the Plan require Shareholder approval in accordance with the terms of the Plan and TSXV policy, including:

- (i) any amendment to increase the number of securities issuable under the Plan, including, if applicable, an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage. A change to a fixed maximum percentage which was previously approved by Shareholders will not require additional Shareholder approval;
- (ii) any amendment to the insider participation limits in Section 1.4 of the Plan which result in the security holder approval to be required on a disinterested basis;
- (iii) any change to the definition of “Eligible Person” which would have the potential of broadening or increasing insider participation;
- (iv) any amendment to Section 3.5 of the Plan relating to the amending provisions of the Plan;
- (v) any amendment to Section 3.2 of the Plan that would permit Options to be assigned or transferred, other than for normal estate settlement purposes;
- (vi) any amendment to the exercise price of any Option issued under the Plan where such amendment reduces the exercise price of such Option (for this purpose, a cancellation or termination of an Option of a participant prior to its expiry for the purpose of re-issuing Options to the same Participant with a lower exercise price shall be treated as an amendment to reduce the exercise price of an Option);
- (vii) any amendment of the Plan that would permit an extension beyond the original expiry date of outstanding Options;
- (viii) a discontinuance of the Plan; and
- (ix) any other amendments that may lead to significant or unreasonable dilution in the Corporation’s outstanding securities or may provide additional benefits to eligible participants, especially insiders of the Corporation, at the expense of the Corporation and its existing Shareholders.

There are no stock appreciation rights associated with Options granted under the Plan and there is no provision under the Plan to transform Options into stock appreciation rights.

The Corporation does not provide any financial assistance to participants in order to facilitate the purchase of Common Shares under the Plan.

As at the date of this Information Circular, there are Options to purchase 6,292,500 Common Shares outstanding (representing approximately 8.6% of the issued and outstanding Common Shares) and 1,016,645 Common Shares are available for future Option awards (representing approximately 1.4% of the issued and outstanding Common Shares.)

CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) requires reporting issuers to disclose the corporate governance practices on an annual basis. Attached as Schedule “B” to this Information Circular is the disclosure required by NI 58-101, which has been prepared by the Corporate Governance and Nominating Committee and approved by the Board.

Differences regarding Swedish Corporate Governance Code

The Nasdaq First North exchange in Sweden has a set of rules of corporate governance as set forth in the Swedish Corporate Governance Code (the “**Swedish Code**”). The Corporation has a secondary listing on the Nasdaq First North exchange, however, as its primary exchange is the TSXV, it follows the Corporate Governance rules applicable to a TSXV -listed Company under Canadian securities laws (“**Canadian Corporate Governance Rules**”). There are differences between shareholder rights in Sweden, including

the Swedish Code requirements, and Canadian Corporate Governance Rules. A description of the key differences is posted on the Corporation's website.

MANAGEMENT CONTRACTS

The management functions of the Corporation are performed by the directors and officers of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted, except as set forth below.

Pursuant to the Services Agreement, the Corporation has a cost sharing arrangement with NGEx. Under the terms of the Services Agreement, the Corporation provides management, corporate secretarial, business and corporate development services to NGEx, while NGEx provides accounting and technical advisory services to the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No director or executive officers of the Corporation, nor any Nominee, nor any associate or affiliate of any of them has, since January 1, 2018 (being the commencement of the Corporation's last completed financial year), any material interest, direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

OTHER BUSINESS

Pursuant to the CBCA, proposals intended to be presented by Shareholders for action at the Meeting must comply with the provisions of the CBCA and be deposited at the Corporation's head office not later than February 9, 2019 in order to be included in this Information Circular and the form of proxy relating to the Meeting.

Other than the matters referred to in the Notice of Meeting, Management is not aware of any other matters to come before the Meeting. However, if any other matters which are not now known to Management should properly come before the Meeting, the Common Shares represented by proxies in favour of Management nominees will be voted on such matters as the proxy nominee sees fit.

ADDITIONAL INFORMATION

The Corporation's annual audited financial statements and annual management's discussion and analysis ("**MD&A**") for the most recently completed financial year as well as other prescribed documents are available on SEDAR at www.sedar.com. The Corporation has also established and maintains a corporate website at www.filo-mining.com that includes, among other things, an investor section containing the most recent and past annual and quarterly financial statements and related MD&A and press releases. The Corporation will provide, without charge to a Shareholder, a copy of its annual financial statements and annual MD&A for the period ended December 31, 2018, interim financial statements for subsequent periods, and this Information Circular upon request to the Corporation as follows:

E-mail: info@filo-mining.com
Telephone: 604-689-7842
Mail: Filo Mining Corp.
Suite 2000 - 885 West Georgia Street
Vancouver, B.C. V6C 3E8
Attn: Investor Relations

DIRECTORS' APPROVAL

The contents and the sending of this Information Circular have been approved by the Board of Directors of the Corporation.

DATED at Vancouver, British Columbia the 8th day of May, 2019.

BY ORDER OF THE BOARD

/s/ "Adam I. Lundin"

Adam Lundin

President, Chief Executive Officer and Director



CHARTER OF THE AUDIT COMMITTEE – Schedule A

1. Purpose of the Audit Committee

The Audit Committee oversees the accounting and financial reporting processes of the Corporation and its subsidiaries and all audits and external reviews of the financial statements of the Corporation on behalf of the Board, and has general responsibility for oversight of internal controls, accounting and auditing activities of the Corporation and its subsidiaries.

2. Composition and Procedures of the Audit Committee

- 2.1 The Audit Committee shall be appointed annually by the Board and shall be composed of at least three members, each of whom must be a director of the Corporation.
- 2.2 Each member of the Audit Committee shall hold office as such until the next annual meeting of shareholders after his or her appointment, provided that any member of the Audit Committee may be removed or replaced at any time by the Board and shall at any time cease to be a member of the Audit Committee on ceasing to be a director.
- 2.3 At least one member of the Audit Committee shall be independent and the Board and the Audit Committee shall endeavour to appoint a majority of independent directors to the Audit Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Audit Committee members' independent judgment.
- 2.4 At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Corporation. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

3. Meeting Requirements

- 3.1 The times of and the places where meetings of the Audit Committee will be held and the calling of and the procedure at those meetings shall be determined from time to time by the Audit Committee, but in any event, the Audit Committee will meet on a regular basis at least once every quarter; provided that notice of every such meeting shall be given to the Auditor (as defined in paragraph 4.1.1 below) of the Corporation and that meetings shall be convened whenever requested by the Auditor or any member of the Audit Committee in accordance with the Canada Business Corporations Act.
- 3.2 Two members of the Audit Committee shall constitute a quorum.

4. Duties and Responsibilities

4.1 *Appointment, Oversight and Compensation of Auditor*

- (a) The Audit Committee shall recommend to the Board:

- (i) the auditor (the "Auditor") to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation; and
 - (ii) the compensation of the Auditor.
- (b) In making such recommendations, the Audit Committee shall evaluate the Auditor's performance and review the Auditor's fees for the preceding year.
- (c) The Auditor shall report directly to the Audit Committee.
- (d) The Audit Committee shall be directly responsible for overseeing the work of the Auditor, including the resolution of disagreements between management and the Auditor regarding financial reporting.
- (e) The Audit Committee shall review information, including written statements from the Auditor, concerning any relationships between the Auditor and the Corporation or any other relationships that may adversely affect the independence of the Auditor and assess the independence of the Auditor.

4.2 *Non-Audit Services*

- (a) All auditing services and non-audit services provided to the Corporation or the Corporation's subsidiaries by the Auditor shall, to the extent and in the manner required by applicable law or regulation, be pre-approved by the Audit Committee. In no circumstances shall the Auditor provide any non-audit services to the Corporation that are prohibited by applicable law or regulation.

4.3 *Review of Financial Statements etc.*

- (a) The Audit Committee shall review the Corporation's:
 - (i) interim and annual financial statements and Management's Discussion and Analysis ("MD&A"), intended for circulation among shareholders; and
 - (ii) Annual Information Form only to the extent that it contains financial information or projections, and shall report on them to the Board.
- (b) The Audit Committee shall satisfy itself that the audited financial statements and interim financial statements present fairly the financial position and results of operations in accordance with generally accepted accounting principles and that the auditors have no reservations about such statements.
- (c) The Audit Committee shall review changes in the accounting policies of the Corporation and accounting and financial reporting proposals that are provided by the Auditor that may have a significant impact on the Corporation's financial reports, and report on them to the Board.

4.4 *Review of Public Disclosure of Financial Information*

- (a) The Audit Committee shall review the Corporation's annual and interim press releases relating to financial results before the Corporation publicly discloses this information.
- (b) The Audit Committee must 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 the public disclosure referred to in subsection 4.4.1, and must periodically assess the adequacy of those procedures.

4.5 *Review of Annual Audit*

- (a) The Audit Committee shall review the nature and scope of the annual audit, and the results of the annual audit examination by the Auditor, including any reports of the Auditor prepared in connection with the annual audit.
- (b) The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect the audited financial statements.
- (c) The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect the audited financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.
- (d) The Audit Committee shall satisfy itself that there is generally a good working relationship between management and the Auditor.

4.6 *Review of Quarterly Review Engagements*

- (a) The Audit Committee shall review the nature and scope of any review engagements for interim financial statements, and the results of such review engagements by the Auditor, including any reports of the Auditor prepared in connection with such review engagements.
- (b) The Audit Committee shall satisfy itself that there are no unresolved issues between management and the Auditor that could affect any interim financial statements.
- (c) The Audit Committee shall satisfy itself that, where there are unsettled issues that do not affect any interim financial statements (e.g. disagreements regarding correction of internal control weaknesses, or the application of accounting principles to proposed transactions), there is an agreed course of action leading to the resolution of these matters.

4.7 *Internal Controls*

- (a) The Audit Committee shall have responsibility for oversight of management reporting and internal control for the Corporation and its subsidiaries.
- (b) The Audit Committee shall satisfy itself that there are adequate procedures for review of interim statements and other financial information prior to distribution to shareholders.

4.8 *Complaints and Concerns*

- (a) The Audit Committee shall establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

4.9 *Hiring Practices*

- (a) The Audit 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.

4.10 *Other Matters*

- (a) The Audit Committee shall be responsible for oversight of the effectiveness of management's interaction with and responsiveness to the Board;
- (b) The Audit Committee shall review and monitor all related party transactions which may be entered into by the Corporation.
- (c) The Audit Committee shall approve, or disapprove, material contracts where the Board determines it has a conflict.
- (d) The Audit Committee shall satisfy itself that management has put into place procedures that facilitate compliance with the provisions of applicable securities laws and regulations relating to insider trading, continuous disclosure and financial reporting.
- (e) The Audit Committee shall periodically review the adequacy of this Charter and recommend any changes to the Board.
- (f) The Board may refer to the Audit Committee such matters and questions relating to the financial position of the Corporation and its affiliates as the Board from time to time may see fit.

5. Rights and Authority of the Audit Committee and the Members Thereof

5.1 The Audit Committee has the authority:

- (a) To engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) To set and require the Corporation to pay the compensation for any advisors employed by the Audit Committee; and
- (c) To communicate directly with the Auditor and, if applicable, the Corporation's internal auditor.

5.2 The members of the Audit Committee shall have the right, for the purpose of performing their duties, to inspect all the books and records of the Corporation and its affiliates and to discuss those accounts and records and any matters relating to the financial position of the Corporation with the officers and Auditor of the Corporation and its affiliates, and any member of the Audit Committee may require the Auditor to attend any or every meeting of the Audit Committee.

6. Miscellaneous

Nothing contained in this Charter is intended to extend applicable standards of liability under statutory or regulatory requirements for the directors of the Corporation or members of the Audit Committee. The purposes, responsibilities, duties and authorities outlined in this Charter are meant to serve as guidelines rather than as inflexible rules and the Committee is encouraged to adopt such additional procedures and standards as it deems necessary from time to time to fulfill its responsibilities.

Corporate Governance Disclosure - APPENDIX 1

The following is the disclosure required for Venture Issuers under National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”).

Required Disclosure of Corporate Governance Practices	Response
1. Board of Directors	
(a) Disclose how the board of directors facilitates its exercise of independent supervision over management.	The Board has functioned and is of the view that it can continue to function independently of management, as required. The Board and its committees meet independent of management where needed, but do not hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. In addition to the standing committees of the Board, independent committees are appointed from time to time, when appropriate. At each meeting of the Board a determination is made as to whether an in-camera session, without management and non-independent directors present, is required.
(b) Disclose the identity of directors who are independent.	The Corporation’s Board of Directors (the “ Board ”) is currently comprised of seven directors; namely, Messrs. Adam I. Lundin, Lukas H. Lundin, Alessandro Bitelli, C. Ashley Heppenstall, Paul McRae, Pablo Mir and Wojtek A. Wodzicki. With the assistance of the Corporate Governance and Nominating Committee, the Board has considered the relationship to the Corporation of each of the directors and has determined that three of the seven directors; namely, Messrs. Alessandro Bitelli, C. Ashley Heppenstall, and Paul McRae are independent for the purposes of Board membership.
(c) Disclose the identity of directors who are not independent and describe the basis for that determination.	The non-independent directors of the Board are Adam I. Lundin, Lukas Lundin, Pablo Mir and Wojtek A. Wodzicki. Mr. Adam Lundin is not considered to be independent as he is President and Chief Executive Officer of the Corporation. Mr. Lukas Lundin is not considered to be independent as he is an “immediate family member” of Mr. Adam Lundin, an executive officer of the Corporation. Mr. Pablo Mir is not considered to be independent as the Corporation incurred legal fees of approximately \$86,000 during the year ended December 31, 2018 with a law firm of which Mr. Mir is a partner. Mr. Wodzicki is not considered to be independent as he is the former President and Chief Executive Officer of the Corporation and held that position within the past three (3) years.
2. Directorships – If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Certain of the directors of the Corporation are directors and/or officers of other reporting issuers in the Information Circular to which this Appendix 1 is attached under the section entitled <i>Nominees for Election to the Board of Directors</i> .

Required Disclosure of Corporate Governance Practices		Response
3. Orientation and Continuing Education		
(a) Describe what steps, if any, the board takes to orient new directors.		<p>The Corporate Governance and Nominating Committee is responsible for ensuring that new directors are provided with an orientation package that includes, among other things, information about the duties and obligations of directors the business and operations of the Corporation and documents from recent Board meetings. All directors are provided with a comprehensive Board orientation manual which includes board and committee mandates, corporate policies, and other corporate information. Directors have full access to officers and employees of the Corporation and may arrange meetings either directly or through the President and CEO. Management provides briefings to directors with respect to the business and operations of the Corporation at every regularly scheduled Board meeting.</p>
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors.		<p>All directors are expected to pursue educational opportunities as appropriate to enable them to perform their duties as directors. The Corporation will make available appropriate funding to directors to attend seminars or conferences relevant to their position as directors of the Corporation. Included in the Corporate Governance and Nomination Committee mandate is the requirement to develop, with the assistance of management, an orientation and education program for new recruits to the Board, where necessary. The Corporation's outside legal counsel also provides directors and senior officers with summary updates of any developments relating to the duties and responsibilities of directors and officers and corporate governance matters.</p>

Required Disclosure of Corporate Governance Practices	Response
<p>4. Ethical Business Conduct – Describe what steps, if any, the board takes to encourage and promote a culture of ethical business conduct.</p>	<p>The Board has adopted a written Code of Business Conduct and Ethics (the “Code”) for directors, officers and employees of the Corporation and its subsidiaries. The Code is available on the Corporation’s website and has been filed on and is accessible through SEDAR at www.sedar.com.</p> <p>Directors, officers or employees who have concerns or questions about violations of laws, rules or regulations, or of the Code, are required to report them to the Corporate Secretary or to the chair of the Corporation’s Audit Committee. Following receipt of any complaints, the Corporate Secretary or chair of the Audit Committee, as the case may be, will investigate each matter so reported and report to the Audit Committee. The Board is ultimately responsible, acting through the Audit Committee, for the Code and monitoring compliance with the Code. The Corporation encourages all directors, officers and employees to report promptly any suspected violation of the Code to the Corporate Secretary or chair of the Audit Committee.</p> <p>The Audit Committee has also established a Policy and Procedures for the Receipt, Retention and Treatment of Complaints Regarding Accounting or Auditing Matters (the “Whistleblower Policy”) to encourage employees, officers and directors to raise concerns regarding accounting, internal controls or auditing matters, on a confidential basis free from discrimination, retaliation or harassment. In addition to the general complaint procedure set out in the Whistleblower Policy, a confidential complaint regarding a questionable accounting or auditing matter may be forwarded directly to the chair of the Audit Committee.</p>
<p>5. Nomination of Directors – Disclose what steps, if any, are taken to identify new candidates for board nomination, including (i) who identifies new candidates, and (ii) the process of identifying new candidates.</p>	<p>The Board has established a Corporate Governance and Nominating Committee, which has the primary responsibility for identifying prospective Board members, to establish criteria for Board committee membership, to recommend composition of the Board and its committees and, as circumstances arise, assess directors’ performance. (See “Other Board Committees” for a full description of the responsibilities and operation of the Corporate Governance and Nominating Committee.).</p> <p>The Corporate Governance and Nominating Committee coordinates the search for qualified candidates with input from management and other Board members, giving careful consideration to the competencies and skills that the Board as a whole should possess, and the skills and experience of existing Board members. Other factors are considered which may include the ability of the individual candidate to contribute on an overall basis, the ability of the individual to contribute sufficient time and resources to the Board, as well as the individual’s direct experience with public companies in general and mining companies, in particular. The Corporate Governance and Nominating Committee will recommend a nominee and seek full Board endorsement of the selected candidate.</p>

Required Disclosure of Corporate Governance Practices	Response
<p>6. Compensation – Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation, and (ii) the process of determining compensation.</p>	<p>Reference is made to the disclosure contained in the Information Circular to which this Appendix 1 is attached under the section entitled “Compensation Discussion and Analysis”.</p>
<p>7. Other Board Committees – If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>In addition to the Audit Committee and the Compensation Committee, the Board has established the Corporate Governance and Nominating Committee. The Corporate Governance and Nominating Committee is comprised of three directors, a majority of whom are independent.</p> <p>The Corporate Governance and Nominating Committee is responsible for developing and monitoring the Corporation’s approach to corporate governance issues and has primary responsibility for identifying prospective Board members. The Corporate Governance and Nominating Committee, among other things, oversees the effective functioning of the Board and oversees the relationship between the Board and management. The Corporate Governance and Nominating Committee has been mandated to annually review and make recommendations to the Board with respect to: (i) the size and composition of the Board; (ii) the appropriateness of the committees of the Board; and (iii) the contribution of individual directors. The Corporate Governance and Nominating Committee is required to meet at least annually and to report to the Board following its meetings. The Corporate Governance and Nominating Committee has the authority to to engage and compensate any outside advisor that it determines to be necessary to permit it to carry out its duties.</p>
<p>8. Assessments – Disclose what steps, if any, that the board takes to satisfy itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The Corporate Governance and Nominating Committee is responsible for reviewing director performance and the appropriate skills and characteristics required of Board members in the context of the current make-up of the Board and identifying any perceived needs on an annual basis. The Corporate Governance and Nominating Committee prepares and delivers an annual Board Effectiveness Assessment questionnaire to each member of the Board for completion. The questionnaire is divided into four parts dealing with board responsibility, board operations, board effectiveness and individual assessment. The Corporate Governance and Nominating Committee reviews and considers the responses received and makes a final report, with recommendations, if any, to the Board.</p>

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