

WOLFDEN RESOURCES CORPORATION

Unit 5, 1100 Russell Street
Thunder Bay, Ontario
P7B 5N2

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the annual and special meeting (the "**Meeting**") of the shareholders of Wolfden Resources Corporation (the "**Corporation**") will be held at 1100 Russell Street, Thunder Bay, Ontario at 2:00 p.m. (Thunder Bay time), on Friday, June 23, 2017 for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the year ended December 31, 2016 together with the report of the auditor thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix the remuneration of the auditor;
4. to consider and, if deemed advisable, to pass, with or without variation, a resolution confirming and approving the share incentive plan of the Corporation; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment thereof.

Particulars of the foregoing matters are set forth in the accompanying management information circular (the "**Circular**"). The Corporation has elected to use the notice-and-access provisions under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations* (the "**Notice-and-Access Provisions**") of the Canadian Securities Administrators for this Meeting. The Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders of the Corporation by allowing the Corporation to post the Circular and any additional materials online. Shareholders will still receive this Notice of Meeting and a form of proxy and may choose to receive a hard copy of the Circular. The Corporation will not use procedures known as 'stratification' in relation to the use of the Notice-and-Access Provisions.

Please review the Circular carefully and in full prior to voting in relation to the matters set out above as the Circular has been prepared to help you make an informed decision on such matters. The Circular is available on the website of the Corporation at www.wolfdenresources.com and under the Corporation's profile on SEDAR at www.sedar.com. Any shareholder of the Corporation (a "**Shareholder**") who wishes to receive a paper copy of the Circular should contact the Corporation's transfer agent, TSX Trust Company at Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1, by fax at (416) 595-9593 or by phone at 1-866-393-4891 (toll free). A Shareholder may also use the toll-free number noted above to obtain additional information about the Notice-and-Access Provisions.

The directors of the Corporation have fixed the close of business on May 10, 2017 as the record date (the "**Record Date**") for the determination of Shareholders entitled to receive notice of, and to vote at, the Meeting. Only Shareholders whose names have been entered in the register of Shareholders as of the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting.

Shareholders are entitled to vote at the Meeting either in person or by proxy, as described in the Circular under the heading "*General Proxy Information*". Only registered Shareholders of the Corporation, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. For information with respect to Shareholders who own their Common Shares through an intermediary, see "*General Proxy Information – Non-Registered Shareholders*" in the Circular.

Whether or not you are able to attend the Meeting in person, you are encouraged to provide voting instructions on the enclosed form of proxy as soon as possible. To be included at the Meeting, your completed and executed form of proxy must be received no later than 2:00 p.m. (Thunder Bay time) on Wednesday, June 21, 2017 (or no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to any reconvened Meeting in the event of an adjournment of the Meeting) or deposited with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment thereof.

DATED at Thunder Bay, Ontario this 10th day of May, 2017.

BY ORDER OF THE BOARD

(Signed) "Donald Hoy"

President and Chief Executive Officer

WOLF DEN RESOURCES CORPORATION
MANAGEMENT INFORMATION CIRCULAR

May 10, 2017

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the "Circular") is furnished in connection with the solicitation of proxies by the management of Wolfden Resources Corporation (the "Corporation") for use at the annual and special meeting (the "**Meeting**") of the shareholders of the Corporation to be held at 1100 Russell Street, Thunder Bay, Ontario at 2:00 p.m. (Thunder Bay time), on Friday, June 23, 2017 and at all adjournments thereof for the purposes set forth in the accompanying notice of the Meeting (the "**Notice of Meeting**"). The solicitation of proxies will be made primarily by mail, subject to the use of the Notice-and-Access Provisions (as defined herein) in relation to the delivery of the Circular, and may be supplemented by telephone or other personal contact by the directors, officers and employees of the Corporation. Directors, officers and employees of the Corporation will not receive any extra compensation for such activities. The Corporation may also retain, and pay a fee to, one or more professional proxy solicitation firms to solicit proxies from the shareholders of the Corporation in favour of the matters set forth in the Notice of Meeting. The Corporation may pay brokers or other persons holding common shares of the Corporation ("**Common Shares**") in their own names, or in the names of nominees, for their reasonable expenses for sending forms of proxy and this Circular to beneficial owners of Common Shares and obtaining proxies therefrom. The cost of any such solicitation will be borne by the Corporation.

No person is authorized to give any information or to make any representation other than those contained in this Circular and, if given or made, such information or representation should not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not, under any circumstances, create an implication that there has not been any change in the information set forth herein since the date hereof.

Appointment of Proxies

A registered shareholder of the Corporation may vote in person at the Meeting or may appoint another person to represent such shareholder as proxy and to vote the Common Shares of such shareholder at the Meeting. In order to appoint another person as proxy, such shareholder must complete, execute and deliver the form of proxy accompanying this Circular, or another proper form of proxy, in the manner specified in the Notice of Meeting.

The persons named in the form of proxy accompanying this Circular are officers and/or directors of the Corporation. A shareholder of the Corporation has the right to appoint a person or company (who need not be a shareholder of the Corporation), other than the persons designated in such form of proxy, to represent such shareholder at the Meeting and at any adjournment thereof. Such right may be exercised by either striking out the names of the persons designated in the form of proxy and inserting the name of the person to be appointed in the blank space provided in the form of proxy, or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to TSX Trust Company in time for use at the Meeting in the manner specified in the Notice of Meeting or depositing the completed and executed form of proxy with the Chairman of the Meeting prior to the commencement of the Meeting or any adjournment thereof.

Revocation of Proxies

A registered shareholder of the Corporation who has given a proxy may revoke the proxy at any time prior to use by: (a) depositing an instrument in writing, including another completed form of proxy, executed by such registered shareholder or by his or her attorney who is authorized by a document that is executed in writing or by electronic signature or, if the registered shareholder is a corporation, by an authorized officer or attorney thereof, or transmitting, by telephonic or electronic means, a revocation signed, subject to the *Business Corporations Act* (Ontario), by electronic signature, to (i) the registered office of the Corporation, located at Unit 5, 1100 Russell Street, Thunder Bay, Ontario, P7B 5N2, at any time prior to 5:00 p.m. (Thunder Bay time) on the last business day preceding the day of the Meeting or any adjournment thereof, or (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or (b) in any other manner permitted by law.

Exercise of Discretion by Proxies

The Common Shares represented by an appropriate form of proxy will be voted or withheld from voting on any ballot that may be called for at the Meeting, or at any adjournment thereof, in accordance with the instructions of the shareholder of the Corporation contained on the form of proxy and, if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **In the absence of instructions, such Common Shares will be voted in favour of each of the matters described in the Notice of Meeting.**

The enclosed form of proxy, when properly completed and signed, confers discretionary authority upon the persons named therein to vote on any amendments to or variations of the matters described in the Notice of Meeting and on other matters, if any, which may properly be brought before the Meeting or any adjournment thereof. At the date hereof, management of the Corporation knows of no such amendments or variations or other matters to be brought before the Meeting. However, if any other matter which is not now known to management of the Corporation should properly be brought before the Meeting, or any adjournment thereof, the Common Shares represented by such proxy will be voted on such matter in accordance with the judgment of the person named as proxy thereon.

Signing of Proxy

The form of proxy must be signed by the shareholder of the Corporation or the duly appointed attorney thereof authorized in writing or, if the shareholder of the Corporation is a corporation, by an authorized officer of such corporation. A form of proxy signed by the person acting as attorney of the shareholder of the Corporation or in some other representative capacity, including an officer of a corporation which is a shareholder of the Corporation, should indicate the capacity in which such person is signing. A shareholder of the Corporation or his or her attorney may sign the form of proxy or a power of attorney authorizing the creation of a proxy by electronic signature provided that the means of electronic signature permits a reliable determination that the document was created or communicated by or on behalf of such shareholder or by or on behalf of his or her attorney, as the case may be.

Non-Registered Shareholders

Only registered shareholders of the Corporation, or the persons they appoint as their proxy, are entitled to attend and vote at the Meeting. The Common Shares of a non-registered shareholder (a "**Non-Registered Shareholder**") who beneficially owns Common Shares will generally be registered in the name of either:

- (a) an intermediary (an "**Intermediary**") with whom the Non-Registered Shareholder deals in respect of the Common Shares (including, among others, banks, trust companies, securities

dealers or brokers, trustees or administrators of a self-administered registered retirement savings plan, registered retirement income fund, registered education savings plan and similar plans); or

- (b) a clearing agency (such as CDS Clearing and Depository Services Inc. or The Depository Trust Company) of which the Intermediary is a participant.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators ("**NI 54-101**"), the Corporation has distributed copies of the Notice of Meeting, this Circular and the accompanying form of proxy (collectively, the "**Meeting Materials**") directly to Non-Registered Shareholders utilizing the Notice-and-Access Provisions. Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Shareholders. Generally, Non-Registered Shareholders who have not waived the right to receive Meeting Materials will be given either:

- (a) 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. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Shareholder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Shareholder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Shareholder when submitting the proxy. In this case, the Non-Registered Shareholder who wishes to submit a proxy should properly complete the form of proxy and deposit it with TSX Trust Company, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1.

In either case, the purpose of these procedures is to permit Non-Registered Shareholders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Shareholder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Shareholder's (or such other person's) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **Non-Registered Shareholders should carefully follow the instructions of their Intermediaries and their service companies, including those instructions regarding when and where the voting instruction form or the form of proxy is to be delivered.**

A Non-Registered Shareholder who has submitted a proxy may revoke it by contacting the Intermediary through which the Common Shares of such Non-Registered Shareholder are held and following the instructions of the Intermediary respecting the revocation of proxies.

NOTICE AND ACCESS

"Notice-and-Access Provisions" means provisions concerning the delivery of proxy-related materials to Shareholders found in section 9.1.1 of National Instrument 51-102 - *Continuous Disclosure Obligations* ("**NI 51-102**"), in the case of registered shareholders, and section 2.7.1 of NI 54-101, in the case of Non-Registered Shareholders, which allow an issuer to deliver an information circular forming part of proxy-related materials to shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

The Notice-and-Access Provisions are a mechanism which allows reporting issuers, other than investment funds, to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer's website and sometimes the transfer agent's website) rather than delivering such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both annual meetings and special meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer's expense.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Corporation. In order for the Corporation to utilize the Notice-and-Access Provisions to deliver proxy-related materials by posting the Circular (and, if applicable, other materials) electronically on a website that is not SEDAR, the Corporation must send a notice to shareholders, including Non-Registered Shareholders, indicating that the proxy-related materials have been posted and explaining how a shareholder can access them or obtain, from the Corporation, a paper copy of those materials. This Circular has been posted in full on the Corporation's website at www.wolfdenresources.com and under the Corporation's SEDAR profile at www.sedar.com.

In order to use the Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to shareholders. The requirements of that notice, which requires the Corporation to provide basic information about the Meeting and the matters to be voted on, explain how a shareholder can obtain a paper copy of the Circular and any related financial statements and MD&A, and explain the Notice-and-Access Provisions process, have been built into the Notice of Meeting. The Notice of Meeting has been delivered to shareholders by the Corporation, along with the applicable voting document (a form of proxy in the case of registered shareholders or a voting instruction form in the case of Non-Registered Shareholders).

The Corporation will not rely upon the use of 'stratification'.

The Corporation will send proxy-related materials directly to non-objecting Non-Registered Shareholders, through the services of its registrar and transfer agent, TSX Trust Company. The Corporation intends to pay for the Intermediary to deliver to objecting Non-Registered Shareholders the proxy-related materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* of NI 54-101.

Any shareholder who wishes to receive a paper copy of this Circular must contact the Corporation's transfer agent, TSX Trust Company at Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1, by fax at (416) 595-9593 or by phone at 1-866-393-4891 (toll-free). In order to ensure that a paper copy of the Circular can be delivered to a requesting shareholder in time for such shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that shareholders ensure their request is received no later than June 14, 2017.

All shareholders may call 1-866-393-4891 (toll-free) in order to obtain additional information regarding the Notice-and-Access Provisions or to obtain a paper copy of the Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The directors of the Corporation have fixed May 10, 2017 as the record date for the determination of the shareholders of the Corporation entitled to receive notice of the Meeting. Shareholders of the Corporation of record at the close of business on May 10, 2017 will be entitled to vote at the Meeting and at all adjournments thereof.

As at May 10, 2017, there were 81,101,589 Common Shares outstanding. Each Common Share entitles the holder of record thereof to one vote at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at May 10, 2017, no person or company beneficially owned, or controlled or directed, directly or indirectly, 10% or more of the Common Shares.

BUSINESS OF THE MEETING

Receiving the Financial Statements

The audited consolidated financial statements of the Corporation for the financial year ended December 31, 2016 have been mailed to the Corporation's registered and beneficial shareholders who requested to receive them. The financial statements are also available on SEDAR at www.sedar.com. At the Meeting, shareholders and proxy holders will be given an opportunity to discuss the financial results with management.

Election of Directors

The Corporation currently has five directors, the term for all of whom ends at the close of the Meeting. At the Meeting, shareholders of the Corporation will be asked to elect five directors for the ensuing year. Each director elected will hold office until the close of the first annual meeting of the shareholders of the Corporation following his election unless his office is earlier vacated in accordance with the by-laws of the Corporation.

The following table sets forth certain information regarding each person proposed to be nominated for election as a director, including their name, position, province or state and country of residence, principal occupation, business or employment during the last five years, the date on which they became a director of the Corporation and the approximate number of Common Shares beneficially owned, or controlled or directed, directly or indirectly, by them as of May 10, 2017:

Name, Position, Province or State and Country of Residence	Principal Occupation, Business or Employment	Date Became Director	Common Shares Owned or Controlled or Directed⁽¹⁾
David Brown ⁽²⁾⁽³⁾⁽⁴⁾ Pennsylvania, USA Director	President of NPL Inc., a private mineral processing company; Director of Minerals Processing Corporation, a mineral exploration company, from 1995 to 2014.	February 14, 2011	1,988,167

Name, Position, Province or State and Country of Residence	Principal Occupation, Business or Employment	Date Became Director	Common Shares Owned or Controlled or Directed⁽¹⁾
Ewan S. Downie ⁽²⁾⁽⁴⁾ Ontario, Canada Chairman of the Board and Director	President and Chief Executive Officer of Premier Gold Mines Limited, a mining company, since May 29, 2006.	August 12, 2009	5,810,100
Donald Hoy ⁽²⁾⁽⁵⁾ Ontario, Canada President, Chief Executive Officer and Director	Chief Executive Officer of the Corporation since January 19, 2016 and from June 24, 2011 to December 4, 2013; President of the Corporation since June 24, 2011.	June 24, 2011	756,000
Daniel R. Mechis ⁽³⁾⁽⁴⁾⁽⁶⁾ Ontario, Canada Director	President of the Alyris Group, a private consulting company, since April 2008; President and Chief Executive Officer of TB Mining Ventures Inc., a mineral exploration company, since June 2007 and a director from May 2007 to December 2012.	January 27, 2012	440,909
Thomas Quigley ⁽³⁾ Michigan, USA Director	VP Exploration and Senior Technical Advisor, former President, Chief Executive Officer and Director of Aquila Resources Inc. since April 2006; President of Minerals Processing Corporation, a private mineral exploration company, since March 1995.	February 14, 2011	20,000

Notes:

- (1) The information as to the number of Common Shares beneficially owned or over which control or direction is exercised has been furnished by the respective nominee.
- (2) Member of the Nominating and Corporate Governance Committee of the directors of the Corporation.
- (3) Member of the Audit Committee of the directors of the Corporation.
- (4) Member of the Compensation Committee of the directors of the Corporation.
- (5) Donald Hoy was appointed as the President and Chief Executive Officer of the Corporation on June 24, 2011, and elected as a director of the Corporation on March 26, 2012. Mr. Hoy discontinued his role as Chief Executive Officer of the Corporation on December 4, 2013 and resumed it on January 19, 2016.
- (6) Chair of the Audit Committee of the directors of the Corporation.

None of the persons proposed to be nominated for election as a director of the Corporation is, as at the date hereof, or has been, within the ten years prior to the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied such company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days and that was issued while that person was acting in such capacity or that was issued after that person ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

None of the persons proposed to be nominated for election as a director of the Corporation is, as at the date hereof, or has been, within the ten years prior to the date hereof, a director or executive officer of any company that, while that person was acting in such capacity, or within a year of that person ceasing to act in such 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.

None of the persons proposed to be nominated for election as a director of the Corporation has, within the ten years prior to the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

None of the persons proposed to be nominated for election as a director of the Corporation 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 person proposed to be nominated for election as a director of the Corporation.

The persons named in the form of proxy accompanying this Circular intend to vote FOR the election of each of the nominees whose names are set forth above, unless the shareholder of the Corporation who has given such proxy has directed that the Common Shares represented by such proxy be withheld from voting in respect of the election of each such nominee. Management of the Corporation does not contemplate that any of the nominees will be unable to serve as a director of the Corporation for the ensuing year, however, if that should occur for any reason at or prior to the Meeting or any adjournment thereof, the persons named in the form of proxy accompanying this Circular have the right to vote for the election of the remaining nominees and may vote for the election of a substitute nominee in their discretion.

Appointment of Auditor

It is proposed that Grant Thornton LLP ("**Grant Thornton**") be appointed as the auditor of the Corporation to hold office until the close of the next annual meeting of the shareholders of the Corporation and that the board of directors of the Corporation be authorized to set the auditor's remuneration. Grant Thornton is currently the auditor of the Corporation and has been the auditor of the Corporation since February 14, 2011.

The persons named in the form of proxy accompanying this Circular intend to vote FOR the appointment of Grant Thornton as the auditor of the Corporation until the close of the next annual meeting of the shareholders of the Corporation or until its successor is appointed and the authorization of the directors of the Corporation to fix the remuneration of Grant Thornton, unless the shareholder of the Corporation who has given such proxy has directed that the Common Shares represented by such proxy be withheld from voting in respect of the appointment of the auditor of the Corporation.

Approval of the Share Incentive Plan

The shareholders of the Corporation last approved the share incentive plan (the "**Share Incentive Plan**") of the Corporation on June 17, 2016. Pursuant to the policies of the TSX Venture Exchange, the Corporation is required to obtain shareholder approval of the Share Incentive Plan each year because the Share Incentive Plan is a rolling-maximum option plan whereby the maximum number of Common Shares that may be reserved for issuance and which can be purchased upon the exercise of all options granted under the Share Incentive Plan is fixed at 10% of the outstanding Common Shares from time to time.

The following is a summary of the key provisions of the Share Incentive Plan. The following summary is qualified in all respects by the full text of the Share Incentive Plan, a copy of which is attached hereto as Schedule A.

Summary of the Share Incentive Plan

The purpose of the Share Incentive Plan is to advance the interests of the Corporation and its shareholders and subsidiaries by attracting, retaining and motivating the performance of selected directors, officers, employees or consultants of the Corporation of high caliber and potential and to encourage and enable such persons to acquire and retain a proprietary interest in the Corporation by ownership of its Common Shares. The Share Incentive Plan consists of a share option plan (the "**Option Plan**").

Option Plan

The Option Plan provides for the grant of non-transferable options for the purchase of Common Shares ("**Options**") to eligible participants. Under the Option Plan, eligible participants include the directors, officers and employees (including both full-time and part-time employees) of the Corporation or of any designated affiliate of the Corporation and any person or company engaged to provide ongoing management or consulting services for the Corporation or a designated affiliate of the Corporation or any employee of such person or company. Subject to the provisions of the Share Incentive Plan, the Committee (as defined in the Share Incentive Plan) has the authority to select those persons to whom Options will be granted, the number of Common Shares subject to Options which may be granted and the price at which Common Shares may be purchased pursuant to the exercise of Options. Subject to the provisions of the Option Plan, no Options may be exercised unless the optionee at the time of exercise thereof is:

- (a) in the case of an eligible employee, an officer of the Corporation or a designated affiliate of the Corporation or in the employment of the Corporation or a designated affiliate of the Corporation and has continuously been an officer or so employed since the date of the grant of such Option, provided, however, that a leave of absence with the approval of the Corporation or such designated affiliate of the Corporation will not be considered an interruption of employment for the purposes of the Option Plan;
- (b) in the case of an eligible director who is not also an eligible employee, a director of the Corporation or a designated affiliate of the Corporation and has been such a director continuously since the date of the grant of such Option; and
- (c) in the case of any other eligible participant, engaged, directly or indirectly, in providing ongoing management, consulting or other services for the Corporation or a designated affiliate of the Corporation and has been so engaged since the date of the grant of such Option.

The exercise price of any Option may not be less than the closing price of the Common Shares on the principal stock exchange on which the Common Shares are listed on the last trading day immediately preceding the date of grant of the Option. Each Option, unless sooner terminated pursuant to the provisions of the Option Plan, will expire on a date to be determined by the Committee at the time the Option is granted, subject to amendment by an employment contract, which date cannot be later than ten years after the date the Option is granted. However, if the expiration date falls within a blackout period or within ten Business Days (as defined in the Share Incentive Plan) after a blackout period expiry date, then the expiration date of the Option will be the date which is ten Business Days after the blackout period expiry date.

An Option may be exercised during the term of the Option only in accordance with the vesting schedule, if any, determined by the Committee at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option. If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, such Option will be exercisable in whole at any time, or in part from time to time, during the term of the Option. If a take-over bid (within the

meaning of the *Securities Act* (Ontario)) is made for all or a portion of the Common Shares, then the Committee may permit all Options outstanding which have limits on their exercise to become immediately exercisable in order to permit Common Shares issuable under such Options to be tendered to such take-over bid.

If Options granted under the Option Plan are surrendered, terminated or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under the lapsed Options.

If a participant (i) ceases to be a director of the Corporation and of the designated affiliates of the Corporation (and is not or does not continue to be an employee thereof) for any reason (other than death), or (ii) ceases to be employed by, or provide services to, the Corporation or the designated affiliates of the Corporation (and is not or does not continue to be a director or officer thereof), or any company engaged to provide services to the Corporation or the designated affiliates of the Corporation, for any reason (other than death) or receives notice from the Corporation or any designated affiliate of the Corporation of the termination of his or her employment contract, except as otherwise provided in any employment contract or the terms and conditions of any Option, in situations of termination not for cause, such participant may exercise his or her Options until the earlier of: (i) 12 months from the date of termination; and (ii) the expiration of the respective terms of such Options to the extent that such participant was entitled to exercise such Options at the date of termination, and, in situations other than a termination not for cause, such participant will have ninety (90) days following termination to exercise his or her Options to the extent that such participant was entitled to exercise such Options at the date of termination. Notwithstanding the foregoing or any employment contract, in no event may such right extend beyond the earlier of the original Option period and 12 months from the date of termination.

The aggregate number of Common Shares reserved for issue pursuant to the Option Plan will be determined from time to time by the Committee but, in any case, cannot exceed 10% of the aggregate number of Common Shares outstanding at the time of the grant of the applicable Option. The Option Plan is a "rolling" maximum share option plan and any increase in the number of outstanding Common Shares will result in an increase in the number of Common Shares that are available to be issued under the Option Plan. Subject to the approval of any stock exchange on which the Common Shares of the Corporation are listed, any exercise of an Option previously issued under the Option Plan prior to any such increase in the number of Common Shares will result in an additional grant being available under the Option Plan. The aggregate number of Options granted to any one person in any 12 month period shall not exceed 5% of the issued Common Shares of the Corporation, calculated on the date an Option is granted to such person, unless disinterested shareholder approval is obtained. The number of Options granted to any one Consultant (as defined in section 1.2 of Policy 4.4 – *Incentive Stock Options* in the Corporate Finance Manual of the TSX Venture Exchange) in any 12 month period must not exceed 2% of the Common Shares then outstanding. The aggregate number of Options granted to all persons employed to provide Investor Relations Activities (as defined in section 1.2 of Policy 1.1 – *Interpretation* in the Corporate Finance Manual of the TSX Venture Exchange) must not exceed 2% of the number of Common Shares then outstanding in any 12 month period.

General Provisions of the Share Incentive Plan

The Share Incentive Plan contains the insider participation limit, which provides that, in no event, shall any security-based compensation arrangement of the Corporation, together with all other previously established and proposed security-based compensation arrangements of the Corporation, result in (a) the number of Common Shares reserved for issuance from treasury at any time pursuant to Options granted to insiders of the Corporation exceeding 10% of the issued and outstanding Common Shares; or (b) the issuance from treasury to insiders of the Corporation, within a one-year period, of a number of Common Shares which exceeds 10% of the issued and outstanding Common Shares, unless disinterested shareholder approval is obtained.

The maximum number of Common Shares made available for the Option Plan cannot exceed 10% of the total number of Common Shares then outstanding on a non-diluted basis immediately prior to the proposed issuance of Options pursuant to the Option Plan.

No rights under the Share Incentive Plan and no Option awarded under the Option Plan are assignable or transferable by any participant in the Share Incentive Plan other than pursuant to a will or by the laws of descent and distribution.

The Committee has the right, under the Share Incentive Plan, without the approval of the shareholders of the Corporation, to suspend or terminate (and to re-instate) the Option Plan and to make certain amendments to the Share Incentive Plan, including, but not limited to, amendments of a "housekeeping" nature, to comply with applicable law or regulation, to the vesting provisions of the Option Plan, to the terms of any Option previously granted (with the consent of the optionee), and with respect to the effect of the termination of an optionee's position, employment or services under the Option Plan, to the categories of persons who are participants in respect of the administration or implementation of the Share Incentive Plan.

The Committee has the right, under the Share Incentive Plan, with the approval of the Shareholders, to make certain amendments to the Share Incentive Plan, including, but not limited to, any change to the number of Common Shares issuable from treasury under the Share Incentive Plan, any amendment which would change the number of days of an extension of the expiration date of Options expiring during or immediately following a blackout period, any amendment which reduces the exercise price of any Option, any amendment which extends the expiry date of an Option other than as permitted under the Option Plan, any amendment which cancels any Option and replaces such Option with an Option which has a lower exercise price, any amendment which would permit Options to be transferred or assigned by any participant other than as currently permitted under the Share Incentive Plan, and any amendments to the amendment provisions of the Share Incentive Plan.

Shareholder Approval of the Share Incentive Plan

At the Meeting, shareholders of the Corporation will be asked to consider and, if deemed advisable, to pass, with or without variation, a resolution (the "**Share Incentive Plan Resolution**") confirming and approving the Share Incentive Plan. The full text of the Share Incentive Plan Resolution is set out in Schedule B attached hereto.

In order to be passed, the Share Incentive Plan Resolution requires the approval of a majority of the votes cast thereon by shareholders of the Corporation present in person or represented by proxy at the Meeting. The directors of the Corporation unanimously recommend that shareholders vote in favour of the Share Incentive Plan Resolution. **The persons named in the form of proxy accompanying this Circular intend to vote FOR the Share Incentive Plan Resolution, unless the shareholder of the Corporation who has given such proxy has directed that the Common Shares represented by such proxy be voted against the Share Incentive Plan Resolution.**

OTHER BUSINESS

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

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

Other than as set forth herein, management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or an executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, any person who is a proposed nominee for election as a director of the Corporation, or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting other than the election of directors or the appointment of auditors.

STATEMENT OF EXECUTIVE COMPENSATION

The purpose of this section is to describe the compensation of the "Named Executive Officers" of the Corporation and the directors of the Corporation in accordance with Form 51-102F6V – *Statement of Executive Compensation – Venture Issuers* of the Canadian Securities Administrators. "Named Executive Officer" refers to each individual who, during any part of the most recently completed financial year, served as chief executive officer, each individual who, during any part of the most recently completed financial year, served as chief financial officer, and the most highly compensated executive officer, other than the chief executive officer and chief financial officer, at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year. The Named Executive Officers of the Corporation for the financial year ended December 31, 2016 were Donald Hoy, the Corporation's President, Chief Executive Officer and a director, George Topping, the Corporation's former Chief Executive Officer, and Lance Dyll, the Corporation's Chief Financial Officer. No other executive officer of the Corporation received total compensation, including salary, bonus and all other compensation, from the Corporation aggregating in excess of \$150,000 for the financial year of the Corporation ended December 31, 2016.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth information concerning all compensation paid, payable, awarded, granted given or otherwise provided, directly or indirectly, by the Corporation, or a subsidiary of the Corporation, to each Named Executive Officer and director, other than stock options and other compensation securities, for each of the two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Donald Hoy, President, Chief Executive Officer and Director ⁽¹⁾	2016	\$124,999	-	-	-	\$7,215 ⁽²⁾	\$132,214
	2015	\$124,999	\$10,000	-	-	\$5,718 ⁽²⁾	\$140,717
George Topping, Former Chief Executive Officer ⁽³⁾	2016	\$6,672	-	-	-	\$66,076 ⁽⁴⁾	\$72,748
	2015	\$124,999	-	-	-	\$995 ⁽⁵⁾	\$125,994
Lance Dyll, Chief Financial Officer	2016	\$18,000	-	-	-	-	\$18,000
	2015	\$18,000	-	-	-	-	\$18,000
Ewan S. Downie, Chairman of the Board and Director	2016	\$18,000 ⁽⁶⁾	-	-	-	-	\$18,000
	2015	\$18,000 ⁽⁶⁾	-	-	-	-	\$18,000
David Brown, Director	2016	-	-	-	-	-	-
	2015	-	-	-	-	-	-

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Daniel R. Mechis, Director	2016	\$18,000 ⁽⁷⁾	-	-	-	-	\$18,000
	2015	\$18,000 ⁽⁷⁾	-	-	-	-	\$18,000
Thomas Quigley, Director	2016	-	-	-	-	-	-
	2015	-	-	-	-	-	-

Notes:

- (1) Mr. Hoy was the President, Chief Executive Officer and a director of the Corporation from May 1, 2011 to December 4, 2013. On December 4, 2013, Mr. Hoy discontinued his role as the Chief Executive Officer of the Corporation. Mr. Hoy resumed his role as the Chief Executive Officer of the Corporation on January 19, 2016. Mr. Hoy does not receive any compensation for his role as a director of the Corporation.
- (2) Represents health benefit premiums paid by the Corporation on behalf of Mr. Hoy.
- (3) Mr. Topping was the Chief Executive Officer of the Corporation from December 4, 2013 to January 19, 2016.
- (4) Represents pay in lieu of notice of termination and outstanding vacation pay in the amount of \$65,559 and health benefit premiums paid by the Corporation on behalf of Mr. Topping in the amount of \$517.
- (5) Represents health benefit premiums paid by the Corporation on behalf of Mr. Topping.
- (6) Mr. Downie receives a fee of \$18,000 per annum for his role as the Chairman of the Corporation.
- (7) Mr. Mechis receives a fee of \$18,000 per annum for his role as Vice President of Corporate Affairs of the Corporation.

Stock Options and Other Compensation Securities

The following table sets forth certain information in respect of all compensation securities granted or issued to each Named Executive Officer and director by the Corporation or one of its subsidiaries in the financial year of the Corporation ended December 31, 2016 for services provided or to be provided, directly or indirectly, to the Corporation or any of its subsidiaries.

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Donald Hoy, President, Chief Executive Officer and Director ⁽¹⁾⁽²⁾	Options	265,000	August 18, 2016	\$0.13	\$0.13	\$0.12	August 18, 2021
George Topping, Former Chief Executive Officer ⁽³⁾⁽⁴⁾	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Lance Dyll, Chief Financial Officer ⁽⁵⁾	Options	100,000	August 18, 2016	\$0.13	\$0.13	\$0.12	August 18, 2021

Exercise of Compensation Securities by Directors and Named Executive Officers							
Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$) ⁽¹⁾
Lance Dyll, Chief Financial Officer	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ewan S. Downie, Chairman of the Board and Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
David Brown, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Daniel R. Mechis, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Thomas Quigley, Director	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note:

- (1) "Total value on exercise date" is equal to the "number of underlying securities exercised" multiplied by the "difference between exercise price and closing price on date of exercise".

Stock Option Plans and Other Incentive Plans

The Corporation's Share Incentive Plan consists of an option plan. A description of the material terms of the Share Incentive Plan can be found under "*Business of the Meeting – Approval of the Share Incentive Plan*".

Employment, Consulting and Management Agreements

Donald Hoy

Pursuant to an employment agreement, Mr. Hoy, the President and Chief Executive Officer of the Corporation, receives an annual base salary of \$125,000, subject to annual review by the directors of the Corporation, plus regular employee benefits as may be set from time to time by the directors of the Corporation. The employment agreement also provides that Mr. Hoy is eligible for an annual bonus by way of a performance bonus based on criteria and milestones set by the directors of the Corporation and is entitled to participate in the Share Incentive Plan. The Corporation is responsible for providing to Mr. Hoy a computer, mobile phone and general use of a Corporation-owned vehicle, when such vehicle is not required on the Corporation's projects. Mr. Hoy may sit on the boards of other companies (to a maximum of two) that are involved in mineral exploration and development.

Pursuant to Mr. Hoy's employment agreement, the Corporation may terminate the employment agreement without cause by providing Mr. Hoy with 12 months' written notice of termination or pay in lieu of such notice, or, in the Corporation's sole discretion, some combination thereof up to 12 months. Mr. Hoy will receive his salary payable during the term of the Termination Period (as defined in Mr. Hoy's employment agreement) as a salary continuation or a lump sum payment, or some combination thereof in the Corporation's sole discretion. If a change of control occurs and Mr. Hoy's employment is terminated within 12 months following the change of control, such termination is deemed to be a termination without cause and, under such circumstances, Mr. Hoy will be entitled to receive 24 months' base salary pay in lieu of notice. A change of control under the employment agreement generally refers to a change in the holding of the issued and outstanding Common Shares by a new person or persons acting alone or in concert that are entitled to cast

over 50% of the Common Shares at a meeting to elect directors of the Corporation. A change of control also refers to a situation where directors who acted in such capacity immediately prior to any transaction or election giving rise to a change of control cease to constitute a majority of the board of directors following such transaction or election. If the Corporation terminates Mr. Hoy's employment for any reason without cause, including a change of control event, takeover, merger, amalgamation or arrangement, any unvested Options will immediately vest. The total estimated incremental payments, payables and benefits to Mr. Hoy in the event of termination of his employment without cause, as if such event occurred on the last business day of the most recently completed financial year of the Corporation, is \$127,544. The total estimated incremental payments, payables and benefits to Mr. Hoy in the event of termination pursuant to a change of control, as if such termination occurred on the last business day of the most recently completed financial year of the Corporation, is \$252,544. Each such amount represents a lump sum in terms of salary and the estimated cost of benefits.

Following termination of his employment, Mr. Hoy remains obligated to not reveal or divulge to any person or company, any of the trade secrets, secret or confidential operations, processes or dealings or any information concerning the organization, business, finances, transactions or other affairs of the Corporation or of its subsidiaries which may come into his knowledge during the term of his employment. Further, Mr. Hoy must keep in complete secrecy all confidential information entrusted to him and must not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Corporation's business or may be likely to do so. In addition, Mr. Hoy remains obligated for a period of one year from the date of termination, either alone or jointly, or as a shareholder, director, manager, agent, employee, partner, proprietor, consultant, creditor or guarantor of any other person, firm or company, directly or indirectly, to not, among other things, carry on or be concerned or interested in any business which is in any respect competitive with the business carried on by the Corporation as of the date of termination.

Pursuant to Mr. Hoy's employment agreement, Mr. Hoy has agreed that he will not, without the Corporation's consent, such consent not to be unreasonably withheld, within a period of one year from the date of the termination of his employment, either alone or jointly carry on or be interested in any business which is in direct competition with the business carried on by the Corporation. However, Mr. Hoy may sit on the boards of other companies (to a maximum of two) that are involved in mineral exploration and development.

George Topping

Pursuant to an employment agreement, Mr. Topping, the former Chief Executive Officer of the Corporation, received an annual base salary of \$125,000, subject to annual review by the directors of the Corporation, plus regular employee benefits as set from time to time by the directors of the Corporation. The employment agreement also provided that Mr. Topping was eligible for an annual bonus by way of a performance bonus based on criteria and milestones set by the directors of the Corporation and was entitled to participate in the Share Incentive Plan. The Corporation was responsible for providing to Mr. Topping a computer and mobile phone. Mr. Topping was entitled to sit on the boards of other companies (to a maximum of two) involved in mineral exploration and development.

Pursuant to Mr. Topping's employment agreement, the Corporation could terminate the employment agreement without cause, at any time six months after December 4, 2013 (the "**Topping Start Date**"), by providing Mr. Topping with written notice or pay in lieu of such notice equal to three month's base salary for each completed year of service, with such amount to be calculated on a pro-rata basis, up to a maximum of 12 months and vacation pay accrued and outstanding as of the date of termination. If a change of control occurred and Mr. Topping's employment was terminated within 12 months following the change of control, such termination was to be deemed to be a termination without cause and, under such circumstances, Mr. Topping would be entitled to receive 24 months' pay in lieu of notice. A change of control under the employment agreement generally referred to a change in the holding of the issued and outstanding Common Shares by a

new person or persons acting alone or in concert that are entitled to cast over 50% of the Common Shares at a meeting to elect directors of the Corporation. A change of control also referred to a situation where directors who acted in such capacity immediately prior to any transaction or election giving rise to a change of control cease to constitute a majority of the board of directors following such transaction or election. If the Corporation terminated Mr. Topping's employment six months after the Topping Start Date for any reason without cause, including a change of control event, takeover, merger, amalgamation or arrangement, any unvested Options would immediately vest. Mr. Topping discontinued his role as Chief Executive Officer of the Corporation on January 19, 2016. In accordance with the terms of Mr. Topping's employment agreement, the Corporation paid Mr. Topping the amount of \$65,559, representing pay in lieu of notice of termination equal to six months and one week of Mr. Topping's base salary and outstanding vacation pay owing to Mr. Topping.

Following termination of his employment, Mr. Topping also remained obligated to not reveal or divulge to any person or company, any of the trade secrets, secret or confidential operations, processes or dealings or any information concerning the organization, business, finances, transactions or other affairs of the Corporation or of its subsidiaries which came into his knowledge during the term of his employment. Further, Mr. Topping must keep all confidential information entrusted to him in complete secrecy and must not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Corporation's business or may be likely to do so. In addition, Mr. Topping remains obligated for a period of one year from the date of termination, either alone or jointly, or as a shareholder, director, manager, agent, employee, partner, proprietor, consultant, creditor or guarantor of any other person, firm or company, directly or indirectly, to not, among other things, carry on or be concerned or interested in any business which is in any respect competitive with the business carried on by the Corporation as of the date of termination.

Pursuant to Mr. Topping's employment agreement, Mr. Topping agreed that, within a period of one year from the date of the termination of his employment, he would not, without the Corporation's consent, such consent not to be unreasonably withheld, either alone or jointly carry on or be interested in any business which competes with the business carried on by the Corporation or a business engaged in the operation or ownership of a mining project within 20 kilometres of any mining project owned or operated by the Corporation or any of its affiliates at the time of the termination of Mr. Topping's employment or during the 12 months prior to the termination of Mr. Topping's employment. However, Mr. Topping could sit on the boards of other companies (to a maximum of two) that are involved in mineral exploration and development.

Lance Dyll

Pursuant to an employment agreement, Mr. Dyll, the Chief Financial Officer of the Corporation, receives an annual base salary of \$18,000, subject to annual review by the directors of the Corporation, plus regular employee benefits as may be set from time to time by the directors of the Corporation. The employment agreement also provides that Mr. Dyll is eligible for an annual bonus by way of a performance bonus based on criteria and milestones set by the directors of the Corporation and is entitled to participate in the Share Incentive Plan.

Pursuant to Mr. Dyll's employment agreement, the Corporation may terminate Mr. Dyll's employment without cause by providing him with written notice or pay in lieu of such notice equal to the greater of: (i) three months; and (ii) two months for each completed year of service up to a maximum of 12 months (the "**Termination Period**"). Mr. Dyll will receive his salary payable during the term of the Termination Period as a salary continuation or a lump sum payment, or some combination thereof in the Corporation's sole discretion. In addition, if Mr. Dyll's employment is terminated without cause, (i) Mr. Dyll continues to be eligible for group benefits coverage during the Termination Period, except for life insurance and disability coverage; and (ii) all unexercised Options held by Mr. Dyll immediately vest upon termination and become fully exercisable in accordance with the terms of the Share Incentive Plan. If Mr. Dyll resigns from his employment at any time

within 90 days following a change of control of the Corporation, such resignation is deemed to be a termination without cause by the Corporation. The estimated incremental payments, payables and benefits to Mr. Dyll in the event of termination of his employment without cause (including due to change of control), as if such event occurred on the last business day of the Corporation's most recently completed financial year, is \$12,000.

Following termination of his employment, Mr. Dyll remains obligated to not reveal or divulge to any person or company, any of the trade secrets, secret or confidential operations, processes or dealings or any information concerning the organization, business, finances, transactions or other affairs of the Corporation or of its subsidiaries which may come into his knowledge during the term of his employment. Further, Mr. Dyll must keep in complete secrecy all confidential information entrusted to him and must not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Corporation's business or may be likely to do so. In addition, Mr. Dyll remains obligated for a period of one year from the date of termination, either alone or jointly, or as a shareholder, director, manager, agent, employee, partner, proprietor, consultant, creditor or guarantor of any other person, firm or company, directly or indirectly, to not, among other things, carry on or be concerned or interested in any business which is in any respect competitive with the business carried on by the Corporation as of the date of termination. The Corporation has acknowledged that Mr. Dyll has other full time employment and may act as a director of other companies that are also involved in mineral exploration and development and that it is possible that these companies may have projects in the areas of the Corporation.

Oversight and Description of Director and Named Executive Officer Compensation

Other than a fee of \$18,000 per annum paid to Mr. Ewan Downie for his role as the Chairman of the Corporation or as otherwise disclosed herein, the Corporation does not have any arrangements, standard or otherwise, pursuant to which directors are compensated by the Corporation for their services in their capacity as directors, or for committee participation, involvement in special assignments or for services as consultants or experts. The board of directors of the Corporation determines director compensation policies on a yearly basis and intends to continue to compensate directors primarily through the grant of stock options and reimbursement of expenses incurred by such persons acting as directors of the Corporation.

The Corporation has a compensation committee (the "**Compensation Committee**") comprised of Daniel Mechis (Chair), Ewan Downie and David Brown. Messrs. Downie and Brown are considered independent of the Corporation for the purposes of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* ("**NI 58-101**"). Mr. Mechis is not considered independent as he is the Vice President of Corporate Affairs of the Corporation. The members of the Compensation Committee each have the skills and experience necessary to make decisions on executive compensation and the Corporation's compensation policies and practices which have been derived through each member's experience and involvement in senior management positions for reporting issuers in the mineral exploration and development industry.

The Compensation Committee is responsible for determining the compensation of the Named Executive Officers. Previously, the Corporation's executive compensation decisions were based on a discussion by the board of directors without reference to any formal objectives, analysis or criteria. Since the formation of the Compensation Committee and establishment of the Compensation Committee charter (the "**Compensation Committee Charter**"), executive and director compensation decisions are made based on Compensation Committee recommendations and discussions of the board of directors with reference to the Compensation Committee Charter. The role of the Compensation Committee is to: review and recommend to the board of directors the appropriate compensation level for the Corporation's executive officers; oversee the Corporation's compensation and benefit plans, policies and practices, including its executive compensation plans and incentive-compensation and equity-based plans; monitor and evaluate, at the Compensation Committee's sole discretion, matters relating to the compensation and benefits structure of the Corporation;

and take such other actions within the scope of the Compensation Committee Charter as the board of directors may assign to the Compensation Committee from time to time or as the Compensation Committee deems necessary or appropriate.

The Compensation Committee's primary responsibilities, among other things, are to: review the adequacy and form of compensation of the Corporation's executive officers and ensure that the compensation realistically reflects the risks and responsibilities of such positions; review and recommend to the board of directors (for approval) policies relating to compensation of the Corporation's executive officers and directors; review the performance of the Corporation's executive officers and recommend annually, to the board of directors for approval, the amount and composition of compensation to be paid to the Corporation's executive officers; review and make recommendations to the board of directors with respect to stock option and other incentive plans, benefit plans, perquisites and other remuneration matters with respect to the Corporation's executive officers and review the adequacy and form of compensation of directors and ensure that the compensation realistically reflects the responsibilities and risks of such positions and fix the amount and composition of compensation to be paid to members of the board of directors and the committees thereof.

Executives of the Corporation currently receive compensation in the form of fixed compensation, short-term incentive compensation and long-term incentive compensation. Fixed compensation in the form of base salary is designed to provide income certainty and to attract and retain executives, and is therefore based on the assessment of a number of factors such as current competitive market conditions, compensation levels within similarly situated companies to the Corporation and factors particular to the executive, including individual performance, the scope of the executive's role with the Corporation and retention considerations. The Compensation Committee considers available market data for companies in comparable industries and of a similar size, although a specific benchmark is not targeted and a formal peer group has not been established. In addition to base salary, the Corporation may award executives with short term incentive awards in the form of an annual bonus. Annual bonuses are intended to provide short-term incentives to executives and to reward them for their yearly individual contribution and performance of personal objectives in the context of overall annual corporate performance. The amount is not pre-established and is at the discretion of the directors of the Corporation. While there is no target amount for annual bonus, other than as may be set out in an executive's employment agreement, the directors of the Corporation review similar factors as those discussed above in relation to base salary. Long-term incentive compensation may be provided through the granting of Options under the Share Incentive Plan. The Corporation has the Share Incentive Plan in effect in order to provide effective incentives to directors, officers, senior management personnel and employees of the Corporation and to enable the Corporation to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for the Corporation's shareholders. The Corporation has no equity incentive plans other than the Share Incentive Plan. The size of stock option grants to Named Executive Officers is dependent on each officer's level of responsibility, authority and importance to the Corporation and the degree to which such officer's long-term contribution to the Corporation will be crucial to its long-term success. Previous grants are taken into account when considering new grants. A summary of the Share Incentive Plan is set out under the heading "*Business of the Meeting – Approval of the Share Incentive Plan*" above, which summary is qualified in all respects by the full text of the Share Incentive Plan, a copy of which is attached hereto as Schedule A.

Named Executive Officers and directors are not prevented from purchasing financial instruments (including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or director.

Pension Disclosure

The Corporation does not provide a pension to any Named Executive Officer or director of the Corporation.

Directors and Officers Liability Insurance

The Corporation has directors' and officers' liability insurance for the benefit of the directors and officers of the Corporation which provides coverage in the aggregate of \$5,000,000 in each policy year. The deductible amount on the policy is \$25,000 and the total annual premium for the policy year of May 4, 2016 to May 4, 2017 is \$10,800.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth, as of December 31, 2016, information concerning securities authorized for issuance under equity compensation plans of the Corporation.

<u>Plan Category</u>	<u>Number of Securities to be Issued Upon Exercise of Outstanding Options</u>	<u>Weighted-Average Exercise Price of Outstanding Options</u>	<u>Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans</u>
Equity compensation plans approved by securityholders	5,926,250	\$0.33	1,833,909
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	5,926,250	\$0.33	1,833,909

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, nor any associate of any such director or executive officer, is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries, or indebted to another entity, where such indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries, pursuant to a security purchase program of the Corporation or otherwise.

AUDIT COMMITTEE DISCLOSURE

Audit Committee

The Audit Committee's role is to act in an objective, independent capacity as a liaison between the auditors, management and the board of directors and to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

Audit Committee Charter

The text of the Audit Committee Charter is attached as Schedule C to this Circular.

Composition, Education and Experience

The members of the Audit Committee are Daniel Mechis (Chair), Thomas Quigley and David Brown. Messrs. Quigley and Brown are independent of the Corporation. Mr. Mechis is not independent as he is the Vice President of Corporate Affairs. All of the members of the Audit Committee are considered financially literate for the purposes of National Instrument 52-110 – *Audit Committees* of the Canadian Securities Administrators ("**NI 52-110**").

Each member of the Audit Committee has adequate education and experience in dealing with financial statements, accounting issues, internal control and other related matters relating to public resource-based companies through the significant experience they have had as directors of other companies, including junior mining companies, and, in particular, the requisite education and experience that have provided the member with:

- (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and provisions;
- (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements or experience actively supervising individuals engaged in such activities; and
- (c) an understanding of internal controls and procedures for financial reporting.

External Auditor Disclosure

Audit Committee Oversight

At no time since the commencement of the most recently completed financial year of the Corporation was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by the board of directors of the Corporation.

Reliance on Certain Exemptions

At no time since the commencement of the most recently completed financial year of the Corporation has the Corporation relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-Audit Services*), subsection 6.1.1(4) (*Circumstances Affecting the Business or Operations of the Venture Issuer*), subsection 6.1.1(5) (*Events Outside Control of Member*), 6.1.1(6) (*Death, Incapacity or Resignation*), or an exemption from the application of NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (*Exemptions*).

Pre-Approval Policies and Procedures

The Audit Committee is authorized by the board of directors to review the performance of the Corporation's external auditors and approve in advance the provision of non-audit services and to consider the independence of the external auditors, including a review of the range of services provided in the context of all consulting services bought by the Corporation. The Audit Committee is authorized to approve in writing any non-audit services or additional work which the Chairman of the Audit Committee deems is necessary, and the Chairman will notify the other members of the Audit Committee of such non-audit or additional work and the reasons for such non-audit work for the Committee's consideration, and, if thought fit, approval in writing.

External Auditor Service Fees (By Category)

The aggregate fees billed by the external auditor of the Corporation in each of the last two financial years of the Corporation are as follows:

<u>Year Ending</u>	<u>Audit Fees⁽¹⁾</u>	<u>Audit Related Fees⁽²⁾</u>	<u>Tax Fees⁽³⁾</u>	<u>All Other Fees⁽⁴⁾</u>
December 31, 2016	\$20,000	-	-	-
December 31, 2015	\$24,060	-	-	-

Notes:

- (1) Represents aggregate fees billed by the Corporation's external auditor for audit fees.
- (2) Represents aggregate fees billed for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements and are not reported under "Audit Fees".
- (3) Represents aggregate fees billed for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and tax planning.
- (4) Represents aggregate fees billed for products and services provided by the Corporation's external auditor, other than the services reported under "Audit Fees", "Audit Related Fees" and "Tax Fees".

Exemption

Pursuant to section 6.1 of NI 52-110, the Corporation is exempt from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*) of NI 52-110 by virtue of it being a venture issuer.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Board of Directors

The Corporation currently has five directors, a majority of whom are considered to be independent. Messrs. Brown, Quigley and Downie are considered to be independent of the Corporation for the purposes of NI 58-101. Mr. Downie does not act as Chairman of the Corporation on a full-time basis. Messrs. Hoy and Mechis are executive officers of the Corporation, and accordingly, they are not considered to be independent of the Corporation for the purposes of NI 58-101.

The board of directors facilitates its exercise of independent supervision over management by causing the independent directors to take a lead role in ensuring that the Corporation is acting in its best interests. Further, the non-independent directors defer to the judgment of the independent directors with respect to matters pertaining to corporate governance.

The independent directors of the Corporation meet on an informal basis without members of management present in order to discuss the business of the Corporation.

Directorships

The following directors of the Corporation are presently directors of the following other reporting issuers (or the equivalent in a foreign jurisdiction):

<u>Name of Director of the Corporation</u>	<u>Other Reporting Issuers</u>
Ewan S. Downie	Premier Gold Mines Limited
Thomas Quigley	Aquila Resources Inc.

Messrs. Brown, Hoy and Mechis are not directors of any other reporting issuers (or the equivalent in a foreign jurisdiction).

Orientation and Continuing Education

The Nominating and Corporate Governance Committee, in conjunction with the Chair, and the President and Chief Executive Officer, is responsible for ensuring that new directors are provided with an orientation program, which includes:

- information regarding the role of the board of directors, its committees and the duties and obligations of directors;
- the business and operations of the Corporation;
- documents from recent meetings of the board of directors; and
- opportunities for meetings and discussion with senior management and other directors.

The details of the orientation of each new director is tailored to that director's individual needs and areas of interest.

To facilitate the continuing education of the Corporation's directors, the Nominating and Corporate Governance Committee:

- periodically canvasses the directors to determine their training and education needs and interests;
- arranges ongoing visits by directors to the Corporation's properties;
- arranges the funding for the attendance of directors at seminars or conferences of interest and relevance to their position as a director of the Corporation; and
- encourages and facilitates presentations by outside experts to the board of directors or committees on matters of particular importance or emerging significance.

Ethical Business Conduct

The directors and officers of the Corporation are bound by the Corporation's code of business conduct and ethics (the "**Code of Business Conduct and Ethics**"). All who are affected by the Code of Business Conduct and Ethics review it and directors and officers acknowledge their support and understanding of the Code of Business Conduct and Ethics by signing it annually.

The Nominating and Corporate Governance Committee is responsible for monitoring compliance with the Code of Business Conduct and Ethics. The Code of Business Conduct and Ethics also contains the Corporation's

policies on conflicts of interest. A person may obtain a copy of the Code of Business Conduct and Ethics by contacting the President and Chief Executive Officer of the Corporation in writing.

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

Nominations

The Nominating and Corporate Governance Committee is responsible for identifying new candidates for nomination to the board of directors. The Nominating and Corporate Governance Committee, operating pursuant to the Nominating and Corporate Governance Committee Charter, annually reviews the general and specific criteria applicable to candidates to be considered for nomination to the board of directors. The Nominating and Corporate Governance Committee may consider candidates proposed by both shareholders and management, taking into consideration the skills, attributes and experience of potential candidates.

The Nominating and Corporate Governance Committee consists of David Brown (Chair), Ewan Downie and Donald Hoy. Messrs. Brown and Downie are independent directors and Mr. Hoy is not an independent director. A majority of the Nominating and Corporate Governance Committee members are independent. The Corporation undertakes the following steps to ensure an objective nomination process:

- David Brown (Chair) takes the lead role in the nomination process; and
- the Nominating and Corporate Governance Committee routinely seeks input from other independent members of the board of directors who do not otherwise sit on the Nominating and Corporate Governance Committee.

Compensation

The Compensation Committee is responsible for determining compensation for the directors and the Chief Executive Officer of the Corporation. The Compensation Committee, operating pursuant to the Compensation Committee Charter, reviews director and CEO compensation annually, and makes recommendations to the board of directors for consideration when it believes changes in compensation are warranted.

The Compensation Committee consists of Daniel Mechis (Chair), Ewan Downie and David Brown. Messrs. Brown and Downie are independent directors. Mr. Mechis is the Vice President of Corporate Affairs and is therefore not considered to be independent. The board of directors does not believe that the non-independent director in any way compromises the objective process for determining the compensation of the executive officers or the general compensation programs for the Corporation.

The skills and experience of each Compensation Committee member in executive compensation that is relevant to his responsibilities and the making of decisions on the suitability of the Corporation's compensation policies and practices are as follows:

- Ewan Downie: Ewan Downie has acted as a director of several large mining companies and has routinely reviewed and dealt with compensation policies and remuneration with respect to executives of junior exploration mining companies.

- David Brown: David Brown has acted as a director of several companies and has routinely reviewed and dealt with compensation policies and remuneration with respect to executives of junior exploration mining companies.
- Daniel Mechis: Daniel Mechis has acted as a director of several reporting issuers involved in the mineral exploration stage and is and has actively been involved in determining executive compensation decisions of such issuers. Mr. Mechis also has broad human resources experience from being a principal of 1752466 Ontario Inc., doing business as The Alyris Group, which provides human resources and other administrative services to reporting issuers.

See the discussion under the heading "*Statement of Executive Compensation*" above for further information on compensation made to certain executives and to directors of the Corporation.

Assessments

The directors of the Corporation, together with the Nominating and Corporate Governance Committee, facilitate assessments of the performance of the board of directors, its committees and individual directors in accordance with the requirements set out in the Nominating and Corporate Governance Committee Charter and Compensation Committee Charter.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no informed person (as that term is defined in NI 51-102) of the Corporation, no person proposed to be nominated for election as a director of the Corporation, nor any associate or affiliate of any of them, has or has had any material interest, direct or indirect, in any transaction since January 1, 2016 or in any proposed transaction which has materially affected or is reasonably expected to materially affect the Corporation or any of its subsidiaries.

ADDITIONAL INFORMATION

Additional information relating to the Corporation can be found on SEDAR at www.sedar.com. Further financial information is provided in the comparative financial statements and the management's discussion and analysis of the Corporation for its most recently completed financial year ended December 31, 2016 which have been filed on SEDAR. Shareholders may also obtain these documents, without charge, upon request to the Secretary of the Corporation or on the Corporation's website at www.wolfdenresources.com.

APPROVAL

The contents of this Circular and the sending thereof to the shareholders of the Corporation have been approved by the directors of the Corporation.

DATED at Thunder Bay, Ontario as of this 10th day of May, 2017.

BY ORDER OF THE BOARD

(Signed) "*Donald Hoy*"
President and Chief Executive Officer

SCHEDULE A

Share Incentive Plan

WOLFDEN RESOURCES CORPORATION

SHARE INCENTIVE PLAN

ARTICLE I

DEFINITIONS AND INTERPRETATION

1.1 Definitions.

For purposes of the Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:

- (a) "**Act**" means the *Business Corporations Act* (Ontario) or its successor, as amended from time to time;
- (b) "**Basic Annual Salary**" means the basic annual remuneration of a Participant from the Corporation and its Designated Affiliates exclusive of any overtime pay, bonuses, commissions, special compensation or allowances (whether received in cash, securities or otherwise) of any kind whatsoever;
- (c) "**Blackout Period**" means an interval of time during which (i) the then trading guidelines of the Corporation restrict one or more Participants from trading in securities of the Corporation or (ii) the Corporation has determined that one or more Participants may not trade in securities of the Corporation;
- (d) "**Blackout Period Expiry Date**" means the date on which the applicable Blackout Period expires;
- (e) "**Business Day**" means any day on which the Stock Exchange is open for trading;
- (f) "**Committee**" shall mean the Directors or, if the Directors so determine in accordance with section 2.3 of the Plan, the committee of the Directors authorized to administer the Plan;
- (g) "**Common Shares**" shall mean the common shares of the Corporation, as adjusted in accordance with the provisions of article seven of the Plan from time to time;
- (h) "**Consultant**" has the meaning ascribed to such term in section 1.2 of Policy 4.4 – *Incentive Stock Options* of the Corporate Finance Manual of the TSX Venture Exchange;
- (i) "**Corporation**" means Wolfden Resources Corporation, a corporation incorporated under the Act, and any successor thereto;
- (j) "**Date of Termination**" means the date of termination of employment or the date of termination of a contract for services set out in a notice of termination given by the Corporation or a Designated Affiliate and for greater certainty does not include, or mean the expiry date of, any period of time following such date of termination during which the

Participant is in receipt of, or is entitled to be in receipt of, compensation in lieu of notice of termination or severance compensation;

- (k) "**Designated Affiliates**" means the affiliates of the Corporation designated by the Committee for purposes of the Plan from time to time;
- (l) "**Directors**" shall mean the board of directors of the Corporation from time to time;
- (m) "**Eligible Directors**" shall mean the Directors or the directors of any Designated Affiliate from time to time;
- (n) "**Eligible Employees**" shall mean employees and officers, whether Directors or not, and including both full-time and part-time employees, of the Corporation or any Designated Affiliate;
- (o) "**Employment Contract**" means any contract between the Corporation or any Designated Affiliate and any Eligible Employee, Eligible Director or Other Participant relating to, or entered into in connection with, the employment of the Eligible Employee, the appointment or election of the Eligible Director or the engagement of the Other Participant or any other agreement to which the Corporation or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Corporation or the termination of employment, appointment, election or engagement of such Participant;
- (p) "**Insider**" has the meaning ascribed to such term in section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the Stock Exchange;
- (q) "**Investor Relations Activities**" has the meaning ascribed to such term in section 1.2 of Policy 1.1 – *Interpretation* of the Corporate Finance Manual of the Stock Exchange;
- (r) "**Option**" shall mean an option to purchase Common Shares granted pursuant to, or governed by, the Plan;
- (s) "**Optionee**" shall mean a Participant to whom an Option has been granted pursuant to the Share Option Plan;
- (t) "**Option Period**" shall mean the period of time during which the particular Option may be exercised, including as extended in accordance with section 3.13 of the Plan;
- (u) "**Other Participants**" shall mean any person or corporation engaged to provide ongoing management or consulting services for the Corporation or a Designated Affiliate, or any employee of such person or corporation, other than an Eligible Director or an Eligible Employee;
- (v) "**Participant**" means each Eligible Director, Eligible Employee and Other Participant;
- (w) "**Plan**" means this amended and restated share incentive plan which includes the Share Option Plan;
- (x) "**Service Provider**" means an employee or insider of the Corporation or any Designated Affiliate and any other person or corporation engaged to provide ongoing management, consulting or other services for the Corporation or any Designated Affiliate;

- (y) **"Share Compensation Arrangement"** means a stock option, stock option plan, or any other compensation or incentive mechanism involving the issue or potential issue of securities of the Corporation to one or more Service Providers, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- (z) **"Share Option Plan"** means the share option plan described in article three of the Plan; and
- (aa) **"Stock Exchange"** means The TSX Venture Exchange, or, if the Common Shares are not then traded on The TSX Venture Exchange, such other principal market upon which the Common Shares are traded as designated by the Committee from time to time.

1.2 Securities Definitions.

In the Plan, the terms "affiliate", "associate", "subsidiary" and "insider" shall have the meaning given to such terms in the *Securities Act* (Ontario).

1.3 Headings.

The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

1.4 Context, Construction.

Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

1.5 References to this Plan.

The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to the Plan as a whole and not to any particular article, section, paragraph or other part hereof.

1.6 Canadian Funds.

Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to lawful money of Canada.

ARTICLE II

PURPOSE AND ADMINISTRATION OF THE PLAN

2.1 Purpose of the Plan.

The Plan provides for the acquisition of Common Shares by Participants for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key employees and directors of the Corporation and Designated Affiliates and to secure for the Corporation and the shareholders of the Corporation the benefits inherent in the ownership of Common Shares by key employees and directors of the Corporation and Designated Affiliates, it being generally recognized that share incentive plans aid in attracting, retaining and encouraging employees and directors due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

2.2 Administration of the Plan.

The Plan shall be administered by the Committee and the Committee shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Committee may deem necessary or desirable in order to comply with the requirements of the Plan, subject in all cases to compliance with regulatory requirements. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation. No member of the Committee shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made. The appropriate officers of the Corporation are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Corporation.

2.3 Delegation to Committee.

All of the powers exercisable hereunder by the Directors may, to the extent permitted by applicable law and as determined by resolution of the Directors, be exercised by a committee of the Directors comprised of not less than three Directors.

2.4 Record Keeping.

The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each Optionee;
- (b) the number of Common Shares subject to Options granted to each Optionee; and
- (c) the aggregate number of Common Shares subject to Options.

2.5 Determination of Participants.

The Committee shall from time to time determine the Participants who may participate in the Share Option Plan. The Committee may from time to time determine the Participants to whom Options may be granted, the number of Common Shares to be made subject to and the expiry date of each Option granted to each Participant and the other terms of each Option granted to each Participant, all such determinations to be made in accordance with the provisions of the Plan, and the Committee may take into consideration the present and potential contributions of, and the services rendered by, the particular Participant to the success of the Corporation and any other factors which the Committee deems appropriate and relevant.

2.6 Maximum Number of Shares.

Share Option Plan: The maximum number of Common Shares made available for the Share Option Plan shall be determined from time to time by the Committee but, in any case, shall not exceed 10% of the total number of Common Shares then outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Option.

For purposes of this section 2.6, the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Option, excluding Common Shares issued pursuant to Share Compensation Arrangements over the preceding one-year period.

ARTICLE III
SHARE OPTION PLAN

3.1 The Share Option Plan and Participants.

A share option plan is hereby established for Eligible Directors, Eligible Employees and Other Participants. The Corporation and the Optionee are responsible for ensuring and confirming that the Optionee is a bona fide Employee, Consultant or Management Company Employee (as such terms are defined in section 1.2 of Policy 4.4 – *Incentive Stock Options* of the Corporate Finance Manual of the Stock Exchange), as the case may be.

3.2 Option Notice or Agreement.

Each Option granted to a Participant shall be evidenced by a stock option notice or stock option agreement setting out terms and conditions consistent with the provisions of the Plan, which terms and conditions need not be the same in each case and which terms and conditions may be changed from time to time.

3.3 Exercise Price.

The price per share at which any Common Share which is the subject of an Option may be purchased shall be determined by the Committee at the time the Option is granted, provided that such price shall be not less than the closing price of the Common Shares on the Stock Exchange on the last trading day immediately preceding the date of the grant of such Option. A minimum exercise price cannot be established unless the Options are allocated to particular Participants.

3.4 Term of Option.

The Option Period for each Option shall be such period of time as shall be determined by the Committee, subject to amendment by an Employment Contract, provided that, subject to section 3.13 of the Plan, in no event shall an Option Period exceed 10 years.

3.5 Lapsed Options.

If Options granted under the Share Option Plan are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the Common Shares not purchased under such lapsed Options.

3.6 Limit on Options to be Exercised.

Except as otherwise specifically provided in any Employment Contract or in section 3.9 of the Plan, Options may be exercised (in each case to the nearest full share) during the Option Period only in accordance with the vesting schedule, if any, determined by the Committee, in its sole and absolute discretion, at the time of the grant of the Option, which vesting schedule may include performance vesting or acceleration of vesting in certain circumstances and which may be amended or changed by the Committee from time to time with respect to a particular Option. If the Committee does not determine a vesting schedule at the time of the grant of any particular Option, such Option shall be exercisable in whole at any time, or in part from time to time, during the Option Period. Options granted to persons retained to provide Investor Relations Activities must

vest in stages over a period of not less than 12 months with no more than one-quarter (1/4) of the Options vesting in any three month period. No acceleration of the vesting provisions on Options granted to persons retained to provide Investor Relations Activities is allowed without the prior acceptance of the Stock Exchange.

3.7 Eligible Participants on Exercise.

Subject to section 3.6 of the Plan, an Option may be exercised by the Optionee in whole at any time, or in part from time to time, during the Option Period, provided however that, except as otherwise specifically provided in section 3.10 or section 3.11 of the Plan or in any Employment Contract, no Option may be exercised unless the Optionee at the time of exercise thereof is:

- (a) in the case of an Eligible Employee, an officer of the Corporation or a Designated Affiliate or in the employment of the Corporation or a Designated Affiliate and has been continuously an officer or so employed since the date of the grant of such Option, provided however that a leave of absence with the approval of the Corporation or such Designated Affiliate shall not be considered an interruption of employment for purposes of the Share Option Plan;
- (b) in the case of an Eligible Director who is not also an Eligible Employee, a director of the Corporation or a Designated Affiliate and has been such a director continuously since the date of the grant of such Option; and
- (c) in the case of any Other Participant, engaged, directly or indirectly, in providing ongoing management, consulting or other services for the Corporation or a Designated Affiliate and has been so engaged since the date of the grant of such Option.

3.8 Payment of Exercise Price.

The issue of Common Shares on exercise of any Option shall be contingent upon receipt by the Corporation of payment of the aggregate purchase price for the Common Shares in respect of which the Option has been exercised by cash or certified cheque delivered to the registered office of the Corporation together with a validly completed notice of exercise. No Optionee or legal representative, legatee or distributee of any Optionee will be, or will be deemed to be, a holder of any Common Shares with respect to which such Optionee was granted an Option, unless and until a certificate for such Common Shares is issued to such Optionee, or them, under the terms of the Share Option Plan. Subject to section 3.12 of the Plan, upon an Optionee exercising an Option and paying the Corporation the aggregate purchase price for the Common Shares in respect of which the Option has been exercised, the Corporation shall as soon as practicable issue and deliver a certificate representing the Common Shares so purchased.

3.9 Acceleration on Take-over Bid.

If there is a take-over bid (within the meaning of the *Securities Act* (Ontario)) made for all or a portion of the outstanding Common Shares, then the Committee may, by resolution, permit all Options outstanding to become immediately exercisable, notwithstanding section 3.6 of the Plan or any term or condition of any Option, in order to permit Common Shares issuable under such Options to be tendered to such bid.

3.10 Effect of Death.

If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Corporation or Designated Affiliate on behalf of the Other Participant (in either case, for the purposes of this section 3.10, the "deceased"), shall die, any Option held by such Participant or Other Participant at the date of such death shall become immediately exercisable notwithstanding section 3.6 of the

Plan or any term or condition of such Option, and shall be exercisable in whole or in part only by the person or persons to whom the rights of the Optionee under the Option shall pass by the will of the deceased or the laws of descent and distribution until the expiration of the Option Period in respect of such Option (or such shorter period of time as is otherwise provided in an Employment Contract or the terms and conditions of any Option), but only to the extent that such Optionee was entitled to exercise the Option at the date of the deceased's death in accordance with sections 3.6, 3.7 and 3.11 of the Plan.

3.11 Effect of Termination of Employment or Services.

If a Participant shall:

- (a) cease to be a director of the Corporation and of the Designated Affiliates (and is not or does not continue to be an employee thereof) for any reason (other than death); or
- (b) cease to be employed by, or provide services to, the Corporation or the Designated Affiliates (and is not or does not continue to be a director or officer thereof), or any corporation engaged to provide services to the Corporation or the Designated Affiliates, for any reason (other than death) or shall receive notice from the Corporation or any Designated Affiliate of the termination of his Employment Contract;

(such cessation, or the earlier of such cessation or receipt of a notice of termination, as the case may be, being referred to as a "Termination"), except as otherwise provided in any Employment Contract or the terms and conditions of any Option,

- (c) in situations of termination not for cause, such Participant may exercise his Options until the earlier of (i) 12 months from the Date of Termination (or date of Termination as applicable) and (ii) the expiration of the respective Option Periods in respect of such Options, in each case, to the extent that such Participant was entitled to exercise such Options at the Date of Termination, or, in the case where there is no Date of Termination, at the date of Termination, and
- (d) in situations other than a termination not for cause, such Participant may, but only within 90 days following Termination, exercise his Options to the extent that such Participant was entitled to exercise such Options at the date of Termination.

Notwithstanding the foregoing or any Employment Contract, in no event shall such right extend beyond the earlier of the Option Period or 12 months from the date of Termination.

3.12 Necessary Approvals.

The obligation of the Corporation to issue and deliver any Common Shares in accordance with the Share Option Plan shall be subject to any necessary approval of any stock exchange or regulatory authority having jurisdiction over the securities of the Corporation. If any Common Shares cannot be issued to any Participant upon the exercise of an Option for whatever reason, the obligation of the Corporation to issue such Common Shares shall terminate and any exercise price paid to the Corporation in respect of the exercise of such Option shall be returned to the Participant.

3.13 Extension of Option Period.

Notwithstanding section 3.4 of the Plan but subject to section 3.7 and section 3.11 of the Plan, the expiration date of an Option will be the date determined by the Committee, subject to amendment by an Employment

Contract, unless such expiration date falls within a Blackout Period or within ten Business Days after a Blackout Period Expiry Date, in which case the expiration date of the Option will be the date which is ten Business Days after the Blackout Period Expiry Date.

ARTICLE IV
WITHHOLDING TAXES AND SECURITIES LAWS OF THE UNITED STATES OF AMERICA

4.1 Withholding Taxes.

The Corporation or any Designated Affiliate may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Corporation or any Designated Affiliate is required by any law or regulation of any governmental authority whatsoever to withhold in connection with any Option or Common Share or other benefit under the Plan including, without limiting the generality of the foregoing, the withholding of all or any portion of any payment or the withholding of the issue of Common Shares to be issued upon the exercise of any Option, until such time as the Participant has paid the Corporation or any Designated Affiliate any amount which the Corporation or the Designated Affiliate is required to withhold with respect to such taxes.

4.2 Securities Laws of the United States of America.

The Options which may be granted pursuant to the provisions of the Share Option Plan have not been registered under the United States *Securities Act* of 1933, as amended (the "U.S. Act"), or under any securities law of any state of the United States of America. Accordingly, any Participant who is issued Common Shares or granted an Option in a transaction which is subject to the U.S. Act or the securities laws of any state of the United States of America may be required to represent, warrant, acknowledge and agree that:

- (a) the Participant is acquiring the Option and/or any Common Shares as principal and for the account of the Participant;
- (b) in granting the Option and/or issuing the Common Shares to the Participant, the Corporation is relying on the representations and warranties of the Participant to support the conclusion of the Corporation that the granting of the Option and/or the issue of Common Shares do not require registration under the U.S. Act or to be qualified under the securities laws of any state of the United States of America;
- (c) each certificate representing Common Shares so issued may be required to have the following legends:

"THE COMMON SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), AND MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE CORPORATION, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (C) WITH THE PRIOR WRITTEN CONSENT OF THE CORPORATION, PURSUANT TO ANOTHER EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT AND ANY APPLICABLE STATE SECURITIES LAWS."

"THE PRESENCE OF THIS LEGEND MAY IMPAIR THE ABILITY OF THE HOLDER HEREOF TO EFFECT GOOD DELIVERY OF THE COMMON SHARES REPRESENTED HEREBY ON A CANADIAN STOCK EXCHANGE. A CERTIFICATE WITHOUT A LEGEND MAY BE OBTAINED FROM THE REGISTRAR AND TRANSFER AGENT FOR THE COMMON SHARES OF THE CORPORATION IN CONNECTION

WITH A SALE OF THE COMMON SHARES REPRESENTED HEREBY UPON DELIVERY OF THIS CERTIFICATE AND AN EXECUTED DECLARATION BY THE SELLER, IN A FORM SATISFACTORY TO THE REGISTRAR AND TRANSFER AGENT AND THE CORPORATION, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT.";

provided that if such Common Shares are being sold outside the United States of America in compliance with the requirements of Rule 904 of Regulation S under the U.S. Act the foregoing legends may be removed by providing a written declaration by the holder to the registrar and transfer agent for the Common Shares to the following effect:

"The undersigned (a) represents and warrants that the sale of the securities of Wolfden Resources Corporation (the "Corporation") to which this declaration relates is being made in compliance with Rule 904 of Regulation S under the United States *Securities Act* of 1933, as amended (the "U.S. Securities Act"), and (b) certifies that (1) the undersigned is not an affiliate of the Corporation as that term is defined in the U.S. Securities Act, (2) the offer of such securities was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the undersigned and any person acting on behalf of the undersigned reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the Stock Exchange and neither the undersigned nor any person acting on behalf of the undersigned knows that the transaction has been prearranged with a buyer in the United States, and (3) neither the undersigned nor any affiliate of the undersigned nor any person acting on any of their behalf has engaged or will engage in any directed selling efforts in the United States in connection with the offer and sale of such securities. Terms used herein have the meanings given to them by Regulation S under the U.S. Securities Act.";

- (d) other than as contemplated by subsection 4.2(c) hereof, prior to making any disposition of any Common Shares acquired pursuant to the Plan which might be subject to the requirements of the U.S. Act, the Participant shall give written notice to the Corporation describing the manner of the proposed disposition and containing such other information as is necessary to enable counsel for the Corporation to determine whether registration under the U.S. Act or qualification under any securities laws of any state of the United States of America is required in connection with the proposed disposition and whether the proposed disposition is otherwise in compliance with such legislation and the regulations thereto;
- (e) other than as contemplated by subsection 4.2(c) hereof, the Participant will not attempt to effect any disposition of the Common Shares owned by the Participant and acquired pursuant to the Plan or of any interest therein which might be subject to the requirements of the U.S. Act in the absence of an effective registration statement relating thereto under the U.S. Act or an opinion of counsel satisfactory in form and substance to counsel for the Corporation that such disposition would not constitute a violation of the U.S. Act and then will only dispose of such Common Shares in the manner so proposed;
- (f) the Corporation may place a notation on the records of the Corporation to the effect that none of the Common Shares acquired by the Participant pursuant to the Plan shall be transferred unless the provisions of the Plan have been complied with; and
- (g) the effect of these restrictions on the disposition of the Common Shares acquired by the Participant pursuant to the Plan is such that the Participant may not be able to sell or

otherwise dispose of such Common Shares for a considerable length of time in a transaction which is subject to the provisions of the U.S. Act other than as contemplated by subsection 4.2(c) hereof.

ARTICLE V
GENERAL

5.1 Effective Time of Plan.

The Plan shall become effective upon a date to be determined by the Directors.

5.2 Certain Limits on Issuances.

- (a) In no event shall any security based compensation arrangement, together with all other previously established and proposed security based compensation arrangements of the Corporation, result in:
 - (i) the number of Common Shares reserved for issue from treasury at any time pursuant to Options granted to insiders exceeding 10% of the issued and outstanding Common Shares; or
 - (ii) the issue from treasury to insiders, within a one-year period, of a number of Common Shares which exceed 10% of the issued and outstanding Common Shares,

unless disinterested shareholder approval is obtained.

- (b) Share Option Plan: (i) The aggregate number of Options granted to any one Optionee in any 12 month period shall not exceed 5% of the issued Common Shares, calculated on the date an Option is granted to the Optionee, unless disinterested shareholder approval is obtained, (ii) the number of Options granted to any one Consultant in any 12 month period must not exceed 2% of the Common Shares then outstanding, and (iii) the aggregate number of Options granted to all persons employed to provide Investor Relations Activities must not exceed 2% of the number of Common Shares then outstanding of the Corporation in any 12 month period.

For purposes of this section 5.2, the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the Option, excluding Common Shares issued pursuant to Share Compensation Arrangements over the preceding one-year period.

5.3 Suspension, Termination or Amendments.

The Committee shall have the right

- (a) without the approval of the shareholders of the Corporation, to
 - (i) suspend or terminate (and to re-instate) the Share Option Plan, and
 - (ii) subject to section 5.3(b) of the Plan, make any amendments to the Plan, including but not limited to the following amendments

- (A) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan,
- (B) any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which the Corporation is subject, including the Stock Exchange, or to otherwise comply with any applicable law or regulation,
- (C) any amendment to the vesting provisions of the Share Option Plan,
- (D) other than changes to the expiration date and the exercise price of an Option as described in subparagraph 5.3(b)(iii) and subparagraph (b)(iv) of the Plan, any amendment, with the consent of the Optionee, to the terms of any Option previously granted to such Optionee under the Share Option Plan,
- (E) any amendment to the provisions concerning the effect of the termination of an Optionee's position, employment or services on such Optionee's status under the Share Option Plan,
- (F) any amendment to the categories of persons who are Participants, and
- (G) any amendment respecting the administration or implementation of the Plan;

and

- (b) with the approval of the shareholders of the Corporation by ordinary resolution, including if required by the applicable Stock Exchange, disinterested shareholder approval, to make any amendment to the Plan not contemplated by paragraph 5.3(a) of the Plan, including, but not limited to
 - (i) any change to the number of Common Shares issuable from treasury under the Plan, including an increase to the fixed maximum percentage of Common Shares or a change from a fixed maximum percentage of Common Shares to a fixed maximum number, other than an adjustment pursuant to section 5.8 of the Plan,
 - (ii) any amendment which would change the number of days set out in section 3.13 of the Plan with respect to the extension of the expiration date of Options expiring during or immediately following a Blackout Period,
 - (iii) any amendment which reduces the exercise price of any Option, other than an adjustment pursuant to section 5.8 of the Plan,
 - (iv) any amendment which extends the expiry date of an Option other than as then permitted under the Share Option Plan,

- (v) any amendment which cancels any Option and replaces such Option with an Option which has a lower exercise price, other than an adjustment pursuant to section 5.8 of the Plan,
- (vi) any amendment which would permit Options to be transferred or assigned by any Participant other than as allowed by section 5.4 of the Plan, and
- (vii) any amendments to this Section 5.3 of the Plan.

Notwithstanding the foregoing, any amendment to the Plan shall be subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Stock Exchange.

5.4 Non-Assignable.

No rights under the Plan and no Option awarded pursuant to the provisions of the Plan are assignable or transferable by any Participant other than pursuant to a will or by the laws of descent and distribution.

5.5 Rights as a Shareholder.

No Optionee shall have any rights as a shareholder of the Corporation with respect to any Common Shares which are the subject of an Option. No Optionee shall be entitled to receive any dividends, distributions or other rights declared for shareholders of the Corporation for which the record date is prior to the date of issue of certificates representing Common Shares.

5.6 No Contract of Employment.

Nothing contained in the Plan shall confer or be deemed to confer upon any Participant the right to continue in the employment of, or to provide services to, the Corporation or any Designated Affiliate nor interfere or be deemed to interfere in any way with any right of the Corporation or any Designated Affiliate to discharge any Participant at any time for any reason whatsoever, with or without cause. Participation in any of the Plan by a Participant shall be voluntary.

5.7 Consolidation, Merger, etc.

If there is a consolidation, merger or statutory amalgamation or arrangement of the Corporation with or into another corporation, a separation of the business of the Corporation into two or more entities or a transfer of all or substantially all of the assets of the Corporation to another entity upon the exercise of an Option under the Share Option Plan, the holder thereof shall be entitled to receive the securities, property or cash which the holder would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer if the holder had exercised the Option immediately prior to the effective time of such event, unless the Committee otherwise determines the basis upon which such Option shall be exercisable.

5.8 Adjustment in Number of Shares Subject to the Plan.

In the event there is any change in the Common Shares, whether by reason of a stock dividend, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made to the awards granted under the Plan by the Committee, including without limitation, in:

- (a) the number of Common Shares available under the Plan;
- (b) the number of Common Shares subject to any Option; and

- (c) the exercise price of the Common Shares subject to Options.

If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of the Plan.

5.9 Securities Exchange Take-over Bid.

In the event that the Corporation becomes the subject of a take-over bid (within the meaning of the *Securities Act* (Ontario)) pursuant to which 100% of the outstanding Common Shares are acquired by the offeror either directly or as a result of the compulsory acquisition provisions of the Act, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all Optionees requiring them to surrender their Options within 10 days of the mailing of such notice, and the Optionees shall be deemed to have surrendered such Options on the tenth day after the mailing of such notice without further formality, provided that:

- (a) the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement options to the Optionees on the equity securities offered as consideration;
- (b) the Committee has determined, in good faith, that such replacement options have substantially the same economic value as the Options being surrendered; and
- (c) the surrender of Options and the granting of replacement options can be effected on a tax free rollover basis under the *Income Tax Act* (Canada).

5.10 No Representation or Warranty.

The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plan.

5.11 Participation through RRSP's and Holding Companies.

Subject to the approval of the Committee, an Eligible Employee or Eligible Director may elect, at the time Options are granted under the Plan, to participate in the Plan by holding any Options granted under the Plan in a registered retirement savings plan established by such Eligible Employee or Eligible Director for the sole benefit of such Eligible Employee or Eligible Director or in a personal holding corporation controlled by such Eligible Employee or Eligible Director. For the purposes of this section 5.11, a personal holding corporation shall be deemed to be controlled by an Eligible Employee or Eligible Director if (i) voting securities carrying more than 50% of the votes for the election of directors of such corporation are held, otherwise than by way of security only, by or for the benefit of such Eligible Employee or Eligible Director and the votes carried by such voting securities are entitled, if exercised, to elect a majority of the board of directors of such corporation, and (ii) all of the equity securities of such corporation are directly or indirectly held, otherwise than by way of security only, by or for the benefit of such Eligible Employee or Eligible Director and/or his or her spouse, children or grandchildren. In the event that an Eligible Employee or Eligible Director elects to hold the Options granted under the Plan in a registered retirement savings plan or personal holding corporation, the provisions of the Plan shall continue to apply as if the Eligible Employee or Eligible Director held such Options directly.

5.12 Compliance with Applicable Law.

If any provision of the Plan or any Option contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction over the securities of the Corporation, then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith.

5.13 Interpretation.

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario.

SCHEDULE B

Share Incentive Plan Resolution

"BE IT RESOLVED THAT:

1. the share incentive plan of the Corporation attached as Schedule A to the management information circular dated May 10, 2017 of the Corporation be, and the same hereby is, confirmed and approved as the Share Incentive Plan of the Corporation."

SCHEDULE C

Audit Committee Charter

WOLFDEN RESOURCES CORPORATION

(the "Company")

AUDIT COMMITTEE CHARTER

(Adopted as of March 26, 2012)

1. PURPOSE OF THE AUDIT COMMITTEE

The Audit Committee (the "Committee") is a standing committee of the Board of Directors (the "Board") of the Company. The role of the Committee is to:

(a) assist the Board in its oversight responsibilities by reviewing: (i) the Company's consolidated financial statements, the financial and internal controls and the accounting, audit and reporting activities, (ii) the Company's compliance with legal and regulatory requirements, (iii) the external auditors' qualifications and independence, and (iv) the scope, results and findings of the Company's external auditors' audit and non-audit services;

(b) prepare any report of the Committee required to be included in the Company's annual report or proxy material;

(c) report to the Board in respect of the Company's financial statements prior to the Board approving such statements; and

(d) take such other actions within the scope of this Charter as the Board may assign to the Committee from time to time or as the Committee deems necessary or appropriate.

2. COMPOSITION, OPERATIONS AND AUTHORITY

Composition

The Committee shall be composed of a minimum of three members of the Board. Unless exempted by applicable securities laws and applicable stock exchange policies, all members of the Committee shall be independent as determined by the Board in accordance with the applicable requirements of the laws governing the Company, the applicable stock exchanges on which the Company's securities are listed and applicable securities regulatory authorities (collectively, the "Applicable Law"). Each member of the Committee shall be "financially literate" as such term is defined by the Applicable Law.

Members of the Committee shall be appointed by the Board and continue to be members until their successors are elected and qualified or until their earlier death, retirement, resignation or removal. Any member of the Committee may be removed by the Board in its discretion. However, a member of the Committee shall automatically cease to be a member of the Committee upon either ceasing to be a director of the Board or, if applicable, ceasing to be independent as required in this Section 2 of this Charter. Vacancies on the Committee will be filled by the Board.

Authority

The authority of the Committee is subject to the provisions of this Charter, the constating documents of the Company, such limitations as may be imposed by the Board from time to time and Applicable Law.

The Committee shall have the authority to: (i) retain (at the Company's expense) its own legal counsel and other advisors and experts that the Committee believes, in its sole discretion, are needed to carry out its duties and responsibilities; (ii) conduct investigations that it believes, in its sole discretion, are necessary to carry out its responsibilities; and (iii) take whatever actions that it deems appropriate to foster an internal culture that is committed to maintaining quality financial reporting, sound business risk practices and ethical behavior within the Company. In addition, the Committee shall have the authority to request any officer, director or employee of the Company, or any other persons whose advice and counsel are sought by the Committee, such as members of the Company's management or the Company's outside legal counsel and external auditors, to meet with the Committee or any of its advisors and to respond to their inquiries. The Committee shall have full access to the books, records and facilities of the Company in carrying out its responsibilities.

The Committee shall have the authority to delegate to one or more of its members, responsibility for developing recommendations for consideration by the Committee with respect to any of the matters referred to in this Charter.

Operations

The Board may appoint one member of the Committee to serve as chair of the Committee (the "Chair"), but if it fails to do so, the members of the Committee shall designate a Chair by majority vote of the full Committee to serve at the pleasure of the majority of the full Committee. If the Chair of the Committee is not present at any meeting of the Committee, an acting Chair for the meeting shall be chosen by majority vote of the Committee from among the members present. In the case of a deadlock on any matter or vote, the Chair shall refer the matter to the Board. The Committee may appoint a secretary who need not be a member of the Board or Committee. A secretary who is not a member of the Committee shall not have the rights of a member of the Committee.

The Chair shall preside at each meeting of the Committee and set the agendas for the Committee meetings. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings as long as they are not inconsistent with any provisions of the Company's constating documents or this Charter.

The Committee shall meet (in person or by telephonic meeting) at least quarterly or more frequently as circumstances dictate. As a part of each meeting of the Committee at which the Committee recommends that the Board approve the annual audited financial statements, the Committee shall meet in a separate session with the external auditors and, if desired, with management and/or the internal auditor. In addition, the Committee or the Chair shall meet with management quarterly to review the Company's financial statements and the Committee or a designated member of the Committee shall meet with the external auditors to review the Company's financial statements on a regular basis as the Committee may deem appropriate. The Committee shall maintain written minutes or other records of its meetings and activities, which shall be duly filed in the Company's records.

Except as otherwise required by the Company's constating documents, a majority of the members of the Committee shall constitute a quorum for the transaction of business and the act of a majority of the members present at any meeting at which there is a quorum shall be the act of the Committee. The Committee may also act by unanimous written consent in lieu of a meeting.

The Chair of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Board.

3. RESPONSIBILITIES AND DUTIES

The Committee's primary responsibilities are to:

General

- (a) review and assess the adequacy of this Charter on an annual basis and, where necessary or desirable, recommend changes to the Board;
- (b) report to the Board regularly at such times as the Chair may determine to be appropriate but not less frequently than four times per year;
- (c) follow the process established for all committees of the Board for assessing the Committee's performance;

Review of Financial Statements, MD&A and other Documents

- (d) review the Company's financial statements and related management's discussion and analysis and any other annual reports or other financial information to be submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the external auditors before they are approved by the Board and publicly disclosed;
- (e) report to the Board in respect of the Company's financial statements prior to the Board approving such statements;
- (f) review with the Company's management and, if applicable, the external auditors, the Company's quarterly financial statements and related management's discussion and analysis, before they are released;
- (g) ensure that adequate procedures are in place for the review of the Company's disclosure of financial information extracted or derived from the Company's financial statements other than the disclosure referred to in the two immediately preceding paragraphs and periodically assess the adequacy of such procedures;
- (h) review the effects of regulatory and accounting initiatives, as well as off-balance sheet structures, on the financial statements of the Company;
- (i) review with the Company's management any press release of the Company which contains financial information;
- (j) review analyses prepared by management and/or the external auditors setting forth significant reporting issues and judgments made in connection with the preparation of the Company's financial statements;

External Auditors

- (k) recommend external auditors' nominations to the Board to be put before the shareholders for appointment and, as necessary, the removal of any external auditors in office from time to time;
- (l) approve the fees and other compensation to be paid to the external auditors;
- (m) pre-approve all significant non-audit engagements to be provided to the Company with the external auditors;
- (n) require the external auditors to submit to the Committee, on a regular basis (at least annually), a formal written statement delineating all relationships between the external auditors and the Company and discuss with the external auditors any relationships that might affect the external auditors' objectivity and independence;
- (o) recommend to the Board any action required to ensure the independence of the external auditors;
- (p) advise the external auditors of their ultimate accountability to the Board and the Committee;
- (q) oversee the work of the external auditors engaged for the purpose of preparing an audit report or performing other audit, review and attest services for the Company;
- (r) evaluate the qualifications, performance and independence of the external auditors which are to report directly to the Committee, including (i) reviewing and evaluating the lead partner on the external auditors' engagement with the Company, (ii) considering whether the auditors' quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditors' independence, (iii) determine the rotation of the lead audit partner and the audit firm, and (iv) take into account the opinions of management and the internal audit function in assessing the external auditors' qualifications, independence and performance;
- (s) present the Committee's conclusions with respect to its evaluation of external auditors to the Board and take such additional action to satisfy itself of the qualifications, performance and independence of external auditors and make further recommendations to the Board as it considers necessary;
- (t) obtain and review a report from the external auditors at least annually regarding the external auditors' internal quality-control procedures; material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities within the preceding five years respecting one or more external audits carried out by the firm; any steps taken to deal with any such issues; and all relationships between the external auditors and the Company;
- (u) establish policies for the Company's hiring of employees or former employees of the external auditors;
- (v) monitor the relationship between management and the external auditors including reviewing any management letters or other reports of the external auditors and discussing any material differences of opinion between management and the external auditors;

Financial Reporting Process

- (w) periodically discuss the integrity, completeness and accuracy of the Company's internal controls and the financial statements with the external auditors in the absence of the Company's management;
- (x) in consultation with the external auditors, review the integrity of the Company's financial internal and external reporting processes;
- (y) consider the external auditors' assessment of the appropriateness of the Company's auditing and accounting principles as applied in its financial reporting;
- (z) review and discuss with management and the external auditors at least annually and approve, if appropriate, any material changes to the Company's auditing and accounting principles and practices suggested by the external auditors, internal audit personnel or management;
- (aa) review and discuss with the Chief Executive Officer ("CEO") and the Chief Financial Officer (the "CFO") the procedures undertaken in connection with the Chief Executive Officer and Chief Financial Officer certifications for the interim and annual filings with applicable securities regulatory authorities;
- (bb) review disclosures made by the CEO and CFO during their certification process for the annual and interim filings with applicable securities regulatory authorities about any significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarize and report financial data or any material weaknesses in the internal controls, and any fraud involving management or other employees who have a significant role in the Company's internal controls;
- (cc) establish regular and separate systems of reporting to the Committee by management and the external auditors of any significant decision made in management's preparation of the financial statements, including the reporting of the view of management and the external auditors as to the appropriateness of such decisions;
- (dd) discuss during the annual audit, and review separately with each of management and the external auditors, any significant matters arising from the course of any audit, including any restrictions on the scope of work or access to required information; whether raised by management, the head of internal audit or the external auditors;
- (ee) resolve any disagreements between management and the external auditors regarding financial reporting;
- (ff) review with the external auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Committee, have been implemented at an appropriate time subsequent to the implementation of such changes or improvements;
- (gg) retain and determine the compensation of any independent counsel, accountants or other advisors to assist in its oversight responsibilities (the Committee shall not be required to obtain the approval of the Board for such purposes);

- (hh) discuss any management or internal control letters or proposals to be issued by the external auditors of the Company;

Corporate Controls and Procedures

- (ii) receive confirmation from the CEO and CFO that reports to be filed with Canadian Securities commissions and any other applicable regulatory agency: (a) have been prepared in accordance with the Company's disclosure controls and procedures; and (b) contain no material misrepresentations or omissions and fairly presents, in all material respects, the financial condition, results of operations and cash flow as of and for the period covered by such reports;
- (jj) receive confirmation from the CEO and CFO that they have concluded that the disclosure controls and procedures are effective as of the end of the period covered by such reports;
- (kk) discuss with the CEO and CFO any reasons for which any of the confirmations referred to in the two preceding paragraphs cannot be given by the CEO and CFO;

Code of Conduct and Ethics

- (ll) review and discuss the Company's Code of Business Conduct and Ethics and the actions taken to monitor and enforce compliance with the Code;
- (mm) establish procedures for: i) the receipt, retention and treatment of complaints regarding accounting, internal controls or auditing matters; and ii) the confidential, anonymous submission of concerns regarding questionable accounting, internal control and auditing matters;

Legal Compliance

- (nn) confirm that the Company's management has the proper review system in place to ensure that the Company's financial statements, reports, press releases and other financial information satisfy Applicable Law;
- (oo) review legal compliance matters with the Company's legal counsel;
- (pp) review with the Company's legal counsel any legal matter that the Committee understands could have a significant impact on the Company's financial statements;
- (qq) conduct or authorize investigations into matters within the Committee's scope of responsibilities;
- (rr) perform any other activities in accordance with the Charter, the Company's constituting documents and Applicable Law the Committee or the Board deems necessary or appropriate;
- (ss) maintain minutes and other records of meetings and activities of the Committee;

Related Party Transactions

- (tt) review the financial reporting of any transaction between the Company and any officer, director or other "related party" (including any shareholder holding an interest greater than 5% in the Company) or any entity in which any such person has a financial interest;
- (uu) review policies and procedures with respect to directors' and officers' expense accounts and management perquisites and benefits, including their use of corporate assets and expenditures;

Reporting and Powers

- (vv) report to the Board following each meeting of the Committee and at such other times as the Board may consider appropriate; and
- (ww) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Committee by the Board.

4. LIMITATION OF RESPONSIBILITY

While the Committee has the responsibilities and powers provided by this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. This is the responsibility of management (with respect to whom the Committee performs an oversight function) and the external auditors.