



**ORCA GOLD INC.**

**2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON MAY 30, 2019**

**NOTICE OF ANNUAL GENERAL MEETING AND**

**MANAGEMENT PROXY CIRCULAR**

**Dated April 26, 2019**

***THIS DOCUMENT REQUIRES IMMEDIATE ATTENTION. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH THE DOCUMENTS OR MATTERS REFERRED TO IN THIS MANAGEMENT PROXY CIRCULAR, YOU SHOULD IMMEDIATELY CONTACT YOUR INVESTMENT ADVISOR.***



## NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of **ORCA GOLD INC.** (“**Orca**” or the “**Corporation**”) will be held at **Suite 2600 - 595 Burrard Street, Vancouver, British Columbia, on Thursday, May 30, 2019 at 11:00 a.m. (PDT).**

**The purpose of the Meeting is to have the Corporation’s shareholders:**

1. To receive the consolidated audited financial statements of the Corporation for the year ended December 31, 2018 and the report of the auditors thereon;
2. To appoint PricewaterhouseCoopers as auditors of the Corporation for the ensuing year at a remuneration to be fixed by the directors of the Corporation;
3. To set the number of Directors of the Corporation at six;
4. To elect directors of the Corporation for the ensuing year;
5. To consider and, if thought fit, to pass an ordinary resolution providing the required annual approval of the Corporation’s Incentive Stock Option Plan, as more particularly described in the accompanying Management Proxy Circular;
6. To consider and, if thought fit, to pass an ordinary resolution approving the Corporation’s new Restricted Share Unit Plan, as more particularly described in the accompanying Management Proxy Circular;
7. To consider and, if thought fit, to pass an ordinary resolution approving the Corporation’s new Deferred Share Unit Plan, as more particularly described in the accompanying Management Proxy Circular; and
8. To transact such other business as may properly come before the meeting or any postponement or adjournment thereof.

This notice is accompanied by a Management Proxy Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders.

Orca’s Board of Directors has fixed the close of business on April 18, 2019 as the record date (the “**Record Date**”) for determining Shareholders entitled to receive notice of, and to vote at, the Meeting and any postponement or adjournment of the Meeting, except to the extent that a Shareholder has transferred any Orca common shares after that date and the new holder of such Orca common shares establishes proper ownership and requests not later than 10 days before the date of the Meeting that his or her name be included in the list of Shareholders eligible to vote at the Meeting and any postponement or any adjournment thereof.

Vancouver, British Columbia

DATED: April 26, 2019

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) **Richard P. Clark**  
Chief Executive Officer and Director

*Whether or not you expect to attend the Meeting or any postponement or adjournment thereof, **PLEASE SIGN, DATE AND RETURN THE ENCLOSED PROXY PROMPTLY IN THE ENCLOSED ENVELOPE.** Your promptness in returning the proxy will assist in the expeditious and orderly processing of proxies and will ensure that your Orca common shares are represented. Please note that you may vote in person at the Meeting and any postponement or any adjournment thereof even if you have previously returned the proxy. Proxies will be counted and tabulated by Computershare, the Corporation’s registrar and transfer agent in such a manner as to protect the confidentiality of how a particular shareholder votes except where they contain comments clearly intended for management, in the case of a proxy contest, or where it is necessary to determine the proxy’s validity or to permit management and the Board of Directors to discharge their legal obligations to the Corporation or its Shareholders.*

*Registered shareholders are requested to date, sign and return the accompanying form of proxy for use at the Meeting and any postponement or adjournment thereof, whether or not they are able to attend personally. To be effective, proxies must be received by Computershare at the address indicated in the form of proxy by 11 a.m. on Tuesday, May 28, 2019. If you are a non-registered shareholder and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by other intermediary. Failure to do so may result in your common shares not being eligible to be voted by proxy at the Meeting.*



## MANAGEMENT PROXY CIRCULAR

### GENERAL PROXY INFORMATION

#### Solicitation of Proxies

This Management Proxy Circular (the “**Proxy Circular**”) is furnished in connection with the solicitation of proxies by the management of Orca Gold Inc. (“**Orca**” or the “**Corporation**”) for use at the annual general meeting (the “**Meeting**”) of the holders of common shares (the “**Shareholders**”) in the capital of the Corporation (the “**Common Shares**”) to be held at **Suite 2600 - 595 Burrard Street, Vancouver, British Columbia, on Thursday, May 30, 2019 at 11:00 a.m. PDT**. It is expected that the solicitation will be primarily by mail. Proxies may also be solicited personally by directors, officers or employees of the Corporation. Costs of the solicitation of proxies for the Meeting will be borne by the Corporation. In addition to the use of mail, proxies may be solicited by personal interviews, personal delivery, telephone or any form of electronic communication or by directors, officers and employees of the Corporation who will not be directly compensated therefore. The Corporation has arranged for intermediaries to forward meeting materials to beneficial holders held of record by those intermediaries and the Corporation may reimburse the intermediaries for their reasonable fees and disbursements in that regard.

The contents and the sending of this Proxy Circular have been approved by the directors of the Corporation.

Unless otherwise stated herein, all currency amounts indicated as “\$” in this Proxy Circular are expressed in Canadian Dollars, the Corporation’s reporting currency.

#### APPOINTMENT OF PROXYHOLDER AND VOTING BY PROXY

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors, officers, or the legal counsel of the Corporation (the “**Management Proxyholders**”). **A Shareholder wishing to appoint a person or company other than Management Proxyholders to attend and act for the shareholder and on the shareholder’s behalf at the Meeting has the right to do so, by striking out the names of the Management Proxyholders and by inserting the desired person’s or company’s name in the blank space provided in the proxy, or by executing a proxy in a form similar to the enclosed form. In either case, the completed form of proxy must be received by Computershare Investor Services Inc. prior to the Meeting or any adjournment thereof. A proxyholder need not be a shareholder.**

You can choose to vote your Common Shares by proxy, by mail, by telephone or on the Internet. If you vote your Common Shares by proxy by mail, completed forms of proxies **must be received by the Corporation’s transfer agent, Computershare Investor Services Inc. (“Computershare”), at Proxy Department, at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1**. Telephone and Internet voting can also be completed 24 hours a day, 7 days a week which is noted on your proxy form. If you vote by telephone, you cannot appoint anyone other than the appointees named on the proxy form as your proxyholder. For internet voting, go to [www.investorvote.com](http://www.investorvote.com) and follow the instructions on the screen. For either telephone or internet voting, you will need your 15 digit control number which is noted on your proxy form. **Duly completed forms of proxy or a vote using the telephone or over the Internet must be completed no later than forty-eight (48) hours (excluding Saturdays and holidays) before the time of the Meeting, or any adjournment thereof.**

If you are a beneficial shareholder and receive these materials through your broker or through another intermediary please complete and return the form of proxy in accordance with the instructions provided by your broker or other intermediary.

#### **ADVICE TO NON-REGISTERED HOLDERS OF COMMON SHARES**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold Common Shares of the Corporation in their own name.** Shareholders who hold their Common Shares through their banks, brokers, trustees or other persons (“**Intermediaries**”), or who otherwise do not hold their Common Shares in their own name (referred to in this Proxy Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders who appear on the records maintained by the Corporation's registrar and transfer agent as registered holders of Common Shares (“**Registered Shareholders**”) will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the Shareholder's name. Such Common Shares more likely will be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co. (the registration name of the Canadian Depository for Securities which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The Intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the instrument of proxy provided directly to Registered Shareholders by the Corporation and is commonly referred to as a “**voting instruction form**”. However, its purpose is limited to instructing the Registered Shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. (“**Broadridge**”). Broadridge typically prepares a machine-readable voting instruction form, mails such forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote their Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the securities voted. If you have any questions respecting the voting of Common Shares held through an Intermediary, please contact that Intermediary promptly for assistance.** Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of Common Shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the Registered Shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their securities as proxyholder for the Registered Shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

These security holder materials are being sent to both Registered Shareholders and Beneficial Shareholders who have not objected to the intermediary through which their Common Shares are held disclosing ownership information about themselves to the Corporation (“**NOBO's**”). If you are a NOBO, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding Common Shares on your behalf) has assumed responsibility for (i) delivering these materials

to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

If you are a Beneficial Shareholder who has objected to the intermediary through which your Common shares are held disclosing ownership information about you to the Corporation (an “OBO”), please note that the Corporation does not intend to pay for an intermediary to deliver the proxy-related materials with respect to the Meeting and related forms to you and, therefore, you will not receive the materials with respect to the Meeting unless your intermediary assumes the cost of delivery.

## REVOCATION OF PROXIES

A Registered Shareholder who has given a Proxy may revoke it by an instrument in writing executed by the Registered Shareholder or by the Registered Shareholder’s attorney authorized in writing or, if the Registered Shareholder is a company, by a duly authorized officer or attorney of the company, and delivered either to Computershare Investor Services Inc. not less than 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or any adjournment of it, or to the chair of the Meeting on the day of the Meeting or any adjournment of it. **Only Registered Shareholders have the right to revoke a Proxy. Beneficial Shareholders who wish to change their vote must, in accordance with the instructions provided by the Intermediaries, arrange for their respective Intermediaries to revoke the Proxy on their behalf. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.**

## VOTING OF PROXIES

The Common Shares represented by a properly executed proxy in favor of Management Proxyholders will:

- (a) be voted or withheld from voting in accordance with the instructions of the person appointing the Management Proxyholder on any ballot that may be called for; and
- (b) where a choice with respect to any matter to be acted upon has been specified in the form of proxy, be voted in accordance with the specification made in such proxy.

ON A POLL SUCH COMMON SHARES WILL BE VOTED IN FAVOUR OF EACH MATTER FOR WHICH NO CHOICE HAS BEEN SPECIFIED OR WHERE BOTH CHOICES HAVE BEEN SPECIFIED BY THE SHAREHOLDER.

The Corporation is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of Meeting Materials.

## Interest of Certain Persons in Matters to be Acted Upon

Except as may be disclosed herein, no director or executive officer of the Corporation, or any person who has held such a position since the beginning of the last completed financial year end of the Corporation, nor any nominee for election as a director of the Corporation, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting. Directors and executive officers may, however, be interested in the annual approval of the Corporation’s 10% rolling incentive Stock Option Plan (the “Stock Option Plan”) as detailed in “Particulars of Other Matters to be Acted Upon – Annual Approval of Stock Option Plan”, the approval of the Corporation’s Restricted Share Unit Plan (the “RSU Plan”) as detailed in “Particulars of Other Matters to be Acted Upon – Approval of the RSU Plan”. and the approval of the Corporation’s Deferred Share Unit Plan (the “DSU Plan”) as detailed in “Particulars of Other Matters to be Acted Upon – Approval of the DSU Plan”.

## Principal Shareholders of Voting Securities

The Corporation is authorized to issue an unlimited number of Common shares of which **210,960,569** are issued and outstanding as of April 26, 2019. Each Common share is entitled to one vote. The Corporation’s Common shares have been listing for trading on the TSX Venture Exchange (“TSXV”) under the stock symbol “ORG” since April 9, 2013.

Only Shareholders of record on the close of business on April 18, 2019, who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the headings “**Appointment of Proxyholder and Voting of Proxy**” and “**Revocation of Proxies**” will be entitled to have his or her shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Corporation, the following persons beneficially own or exercise control or direction over those shares carrying 10% or more of the voting rights attached to the Common shares of the Corporation:

<b>Name of Holder</b>	<b>Number of Shares</b>	<b>Percentage (%)</b>
Resolute Canada Pty Ltd.	32,364,960	15.3
Zebra Holdings and Investments S.à.r.l. Luxembourg (“Zebra”) <sup>(1)</sup>	31,265,707	14.8
Lorito Holdings S.à.r.l. (“Lorito”) <sup>(1)</sup>	4,000,000	1.9

Notes:

<sup>(1)</sup> Zebra and Lorito, who report their security holdings as joint actors, are private corporations owned by a trust whose settlor is the Estate of the late Adolf H. Lundin. Together, Lorito and Zebra hold a total of 35,265,707 Common Shares, which represents 16.7% of the current outstanding Common Shares.

## **BUSINESS OF THE MEETING**

### **Financial Statements and Auditors’ Report**

The Corporation’s audited consolidated financial statements (“**Financial Statements**”) for the year ended December 31, 2018 and the report of the auditors thereon will be placed before the Meeting. Copies of the Financial Statements, the auditors’ report and management’s discussion and analysis (“**MD&A**”) for the year ended December 31, 2018 have been mailed to all Registered Shareholders and Non-Registered Shareholders (or beneficial shareholders) who have opted to receive such materials. These documents can also be found on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com) and are also available on SEDAR at [www.sedar.com](http://www.sedar.com). No vote by the shareholders is required to be taken with respect to the Financial Statements for the year ended December 31, 2018.

### **Appointment and Remuneration of Auditors**

Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment of PricewaterhouseCoopers LLP (“PwC”) as auditors of the Corporation to hold office until the close of the next annual meeting of the Corporation, at a remuneration to be fixed by the Directors of the Corporation. PwC were first appointed as auditors of the Corporation on June 29, 2015.

### **Number of Directors**

The Articles of the Corporation provide that the Board must consist of a minimum of three directors, to be elected annually by the Shareholders. The Board currently consists of seven directors and it is intended to set the number of directors at six directors for the ensuing year. Mr. L. Simon Jackson has chosen not to stand for re-election at the Meeting. At the Meeting, the Shareholders will be asked to set the number of directors of the Corporation at six. **The Board recommends a vote “FOR” the setting of the number of directors of the Corporation at six (6). In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the setting of the number of directors of the Corporation at six (6).**

## **Election of Directors**

### ***Advance Notice Policy***

At a meeting of the Board of Directors of the Corporation (the “**Board**”) held on November 7, 2012, the Board adopted an Advance Notice Policy (the “**ANP**”), which includes, among other things, a provision that requires advance notice be given to the Corporation in circumstances where nominations of persons for election to the Board are made by shareholders of the Corporation. In the case of an annual meeting of shareholders, notice to the Corporation must be made not less than 30 days prior to the date of the annual meeting. In the case of a special meeting of shareholders (which is not also an annual meeting) notice to the Corporation must be made not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting was made.

Additionally, the ANP sets forth the information that a shareholder must include in the notice to the Corporation, and establishes the form in which the shareholder must submit the notice for that notice to be in proper written form. A copy of the Corporation’s Advance Notice Policy has been filed on and is accessible under the Corporations profile on the SEDAR website at [www.sedar.com](http://www.sedar.com).

The chair of the Meeting shall have the power and duty to determine whether a nomination was made in accordance with the notice procedures set forth in the Articles and, if any proposed nomination is not in compliance with such provisions, the discretion to declare that such defective nomination will be disregarded.

The Corporation filed the Notice of Meeting and Record date on SEDAR on March 18, 2019. As at the date hereof, no nominations for Directors were received in accordance with the provisions of the ANP.

### ***Majority Voting Policy***

In accordance with good corporate governance practices and procedures, the Board of Directors of the Corporation adopted a Majority Voting Policy at a meeting of the Board on April 12, 2013. The Majority Voting Policy provides that each director of the Corporation must be elected by the vote of a majority of the Corporation’s Common shares, represented in person or by proxy, at any meeting held for the election of directors. Forms of proxy for the election of directors will permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee.

If any nominee for director does not receive a majority vote in favour of his or her election from the shares voted at the meeting in person or by proxy, the Corporate Governance and Nominating Committee of the Corporation will expeditiously consider whether to recommend that the Board request that such director tender his or her resignation. In making this recommendation, the Corporate Governance and Nominating Committee of the Corporation may consider such extenuating circumstances as it deems appropriate including without limitation circumstances relating to the composition of the Board or the voting results.

The Board shall consider any recommendation in this regard within ninety days (90) of the relevant shareholders’ meeting.

### ***Director Nominees***

The following table provides the name, residence, participation on the Corporation’s Board and Board committees, number of common shares beneficially owned or controlled or directed as of the date of this Proxy Circular and principal occupation during the preceding five years of each of the nominated directors of the Corporation. The Corporation has been advised that each of the nominated directors is willing to serve on the Board for the ensuing year. Mr. L. Simon Jackson has chosen not to stand for re-election at the Meeting. Each director will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected unless his or her office is earlier vacated in accordance with the Corporation’s articles.

The Board recommends a vote “FOR” the appointment of each of the following nominees as directors. In the absence of a contrary instruction, the person(s) designated by management of the Corporation in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee’s name.

The following table sets forth the name, province/state and country of residence, principal occupation, date they first became a director of the Corporation, other directorships and number of shares beneficially owned by each Nominee. The statement as to the Common shares beneficially owned, directly or indirectly, or over which control or direction is exercised by the Nominees is in each instance based upon information furnished by the Nominee concerned and is as at April 26, 2019:

**RICHARD CLARK**



London, United Kingdom  
Director since: April 4, 2013  
Not Independent

Other Directorships:

- Lucara Diamond Corp. (TSX/BSE/NASDAQ OMX)
- MAG Silver Corp. (TSX/NYSE)

**Occupation:**

Chief Executive Officer, Orca Gold Inc.

**Current Orca Committee Membership:**

- Compensation

**2018 Attendance:**

- Board (8/8; 100%)
- Compensation (2/2; 100%)

**Expertise:**

- Mining Operations
- Legal and Corporate Governance
- Mergers and Acquisitions

**Number of shares held:**

7,875,347

Mr. Clark is a lawyer with a geological background. Mr. Clark has been a senior executive with the Lundin Group of companies for the past 15 years. He served as president and CEO of RB Energy Inc. from April 4, 2013 to May 8, 2015, as President and CEO of Sirocco Mining Inc. from October 2011 to January 2014, and as President, CEO, and as a director of Red Back Mining Inc. from 2004 until the company’s takeover by Kinross Gold Corporation in 2010. Mr. Clark served as a director of Kinross Gold Corporation from November 2010 until July 2011. He currently serves as a director of Lucara Diamond Corp., and MAG Silver Corp.



## HUGH STUART



London, United Kingdom  
Director since: December 19, 2014  
Not Independent  
Other Directorships:

- N/A

### Occupation:

President, Orca Gold Inc.

### Current Orca Committee Membership:

- N/A

### 2018 Attendance

- Board (7/8; 87.5%)

### Expertise:

- Strategic Planning
- Risk Management
- Exploration

### Number of shares held:

1,670,098

Mr. Stuart, one of the founders of Orca, is a professional geologist with over 25 years of international experience in mineral exploration. Mr. Stuart is currently the President of Orca. Previously, he held the position of Vice President Exploration of Orca from April 2013 to December 2014, and the position of President and CEO from December 2014 to August 2016. Prior to joining Orca, Mr. Stuart was Vice President Exploration for Red Back Mining Inc. and oversaw the growth of Red Back's gold resources to over 18 million ounces. Prior to his involvement with Red Back, Mr. Stuart was Exploration Manager at the Geita Gold project in Tanzania, taking the project from initial exploration to production. He has extensive experience working in Arabian Nubian Shield having previously worked in Sudan, Egypt and Yemen.

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## ALEXANDER DAVIDSON



Ontario, Canada  
Director since: April 4, 2013  
Independent  
Other Directorships:

- Americas Silver Corporation (TSX/OTC/FWB)
- Capital Drilling Ltd. (LSE)
- Nulegacy Gold Corp. (TSXV)
- Yamana Gold Inc. (TSX/NYSE)

### Occupation:

Corporate Director  
Chairman of the Board, Orca Gold Inc.

### Current Orca Committee Membership:

- Compensation (Chair)
- Corporate Governance and Nominating (Chair)

### 2018 Attendance

- Board (8/8; 100%)
- Compensation (2/2; 100%)
- Corporate Governance and Nominating (1/1; 100%)

### Expertise:

- Industry Knowledge
- Risk Management
- Mining Operations

### Number of shares held:

734,000

Mr. Davidson has over 40 years' experience in designing, implementing and managing gold base metal exploration and acquisition programs throughout the world. Mr. Davidson has served as a member of the Board of Yamana Gold Inc. since August 2009. Mr. Davidson joined Barrick Gold Inc. in October 1993 and served as Executive Vice President, Exploration and Corporate Development with responsibility for Barrick Gold's international exploration programs and corporate development activities.

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## ROBERT CHASE



British Columbia, Canada  
Director since: April 4, 2013  
Independent

Other Directorships:

- New West Energy Services Inc. (TSXV)

**Occupation:**

Corporate Director

**Current Orca Committee Membership:**

- Audit (Chair)
- Corporate Governance and Nominating

**2018 Attendance:**

- Board (8/8; 100%)
- Audit (4/4; 100%)
- Corporate Governance and Nominating (1/1; 100%)

**Expertise:**

- Finance & Accounting
- Financial Literacy
- Mining Operations

**Number of shares held:**

900,000

Mr. Chase was formerly a director of Red Back Mining Inc. prior to its takeover by Kinross Gold Corporation in September 2010. He has over 30 years' experience as a financial executive in the mining industry and has served as a senior board member for a number of public companies

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## DAVID FIELD



London, United Kingdom  
Director since: March 6, 2017  
Independent

Other Directorships:

- N/A

**Occupation:**

Private Investor

**Current Orca Committee Membership:**

- Audit
- Corporate Governance and Nominating

**2018 Attendance**

- Board (7/8; 87.5%)
- Audit (3/4; 75%)
- Corporate Governance and Nominating (0/1; 0%)

**Expertise:**

- Finance & Accounting
- Risk Management
- Mining Operations

**Number of shares held:**

506,026

Mr. Field has had 25 years' participation in the capital markets and a wealth of experience in evaluating, investing and financing mining projects globally. Mr. Field spent 10 years at Australia's largest retail fund manager, Bankers Trust Financial Group, as head of their Global Basic Materials Group before joining Carmignac Gestion, the largest boutique fund manager in continental Europe.

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## DEREK WHITE



British Columbia, Canada  
Director since: March 6, 2017  
Independent

**Other Directorships:**

- MAG Silver Corp. (TSX)

**Occupation:**

President and CEO of Ascot Resources Ltd, a gold mining development company

**Current Orca Committee Membership:**

- Audit
- Compensation

**2018 Attendance**

- Board (8/8; 100%)
- Audit (4/4; 100%)
- Compensation (2/2; 100%)

**Expertise:**

- Financing and Accounting
- Financial Literacy
- Mining Operations

**Number of shares held:**

Nil

Mr. White is the President and CEO of Ascot Resources Ltd, a gold mining development company from Oct 2017 to present. Prior to this Mr. White was a Principal, of Traxys Capital Partners from Oct. 2015 to Sept 2017, a private equity group focused on mining and minerals. Prior to this he was the President and CEO of KGHM International Ltd., a copper and precious metal producer. Prior to KGHM, he was EVP of business development of CFO from 2004 to 2012 of Quadra FNX Mining Ltd. Prior to this Mr. White held senior positions in BHP Billiton and Impala Platinum and held several board positions.

**Notes to Profiles of the Nominated Directors including Corporate Cease Trade Orders/Bankruptcies:**

- <sup>(1)</sup> On October 13, 2014, RB Energy Inc., a company pursuant to which Mr. Clark was both a director and President & CEO, announced that the Board of Directors of RB Energy Inc. approved a filing on October 14, 2014, for an Initial Order to commence proceedings under the Companies' Creditors Arrangement Act (the "CCAA") from the Quebec Superior Court. On October 15, 2014, RB Energy Inc. further announced that the Quebec Superior Court issued an Amended and Restated Initial Order in respect of RB Energy Inc. and certain of its subsidiaries under the CCAA. RB Energy Inc. was under the protection of the Quebec Superior Court and KPMG was the appointed monitor. On May 8, 2015, RB Energy announced that the Quebec Superior Court appointed a receiver, Duff & Phelps Canada Restructuring Inc, under the Bankruptcy and Insolvency Act, and terminated the CCAA proceedings. The TSX de-listed RB Energy's common shares effective at the close of business on November 24, 2014 for failure to meet the continued listing requirements of the TSX. Since that time, RB Energy's common shares have been suspended from trading. Although Mr. Clark resigned as a director of RB Energy Inc. and was terminated from his role of President & CEO on May 8, 2015, he is considered to have been a director and executive officer of a company that while he was acting as a director or executive officer filed for CCAA protection; and
- <sup>(2)</sup> As noted in paragraph 1 above, RB Energy Inc. filed for CCAA protection on October 13, 2014. Although Mr. Chase resigned as a director of RB Energy on October 6, 2014, he is considered to have been a director of a company within the period of 12 months preceding it filing for CCAA protection. Mr. Stuart resigned as a Vice President Exploration of RB Energy Inc. on October 7, 2014 and he is considered to have been an executive officer of a company within the period of 12 months preceding it filing for CCAA protection.

### Personal Bankruptcies

During the ten years preceding the date of this Proxy Circular, to the best of Management's knowledge, no director or officer, or a personal holding company of any such person, has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold his or her assets.

## **Penalties or Sanctions**

No director or officer of the Corporation, to the best of Management's knowledge, has been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

## **Conflicts of Interest**

The Corporation's directors and officers may serve as directors or officers of other companies or have significant shareholdings in other resource companies and, to the extent that such other companies may participate in ventures in which the Corporation may participate, the directors of the Corporation may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. In the event that such a conflict of interest arises at a meeting of the Corporation's directors, a director who has such a conflict will abstain from voting for or against the approval of such participation, or the terms of such participation. From time to time, several companies may participate in the acquisition, exploration and development of natural resource properties, thereby allowing for their participation in larger programs, the involvement in a greater number of programs or a reduction in financial exposure in respect of any one program. It may also occur that a particular company will assign all or a portion of its interest in a particular program to another of these companies due to the financial position of the company making the assignment. In accordance with the laws of Canada, the directors of the Corporation are required to act honestly, in good faith and in the best interests of the Corporation. In determining whether or not the Corporation will participate in a particular program and the interest therein to be acquired by it, the directors will primarily consider the degree of risk to which the Corporation may be exposed and the financial position at that time.

The directors and officers of the Corporation are aware of the existence of laws governing the accountability of directors and officers for corporate opportunity and requiring disclosure by the directors of conflicts of interest and the Corporation will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of its directors and officers. All such conflicts will be disclosed by such directors or officers in accordance with the *Canada Business Corporations Act*.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Philosophy**

The Corporation's core compensation philosophy is to pay the Corporation's executive officers competitive levels of compensation that best reflect their individual responsibilities and contributions to the Corporation, while providing incentives to achieve the Corporation's business and financial objectives.

### **Compensation Discussion and Analysis**

For the purposes of this Proxy Circular, "Named Executive Officer" or "NEO" means: (a) the Chief Executive Officer, (b) the Chief Financial Officer, (c) the three most highly compensated executive officers of the Corporation, whose total compensation was more than CDN\$150,000 for the most recently completed financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2018, the Corporation had five (5) NEOs, as follows:

Name	Title
CLARK, Richard P.	Chief Executive Officer
STUART, Hugh	President
ROSS, Kevin	Chief Operating Officer
KONDO, Glenn	Chief Financial Officer <sup>(1)</sup>
YIP, Jeffrey	Chief Financial Officer <sup>(2)</sup>

<sup>(1)</sup> Mr. Kondo was appointed Chief Financial Officer on May 30, 2018.

<sup>(2)</sup> Mr. Yip resigned as Chief Financial Officer on May 30, 2018.

The Corporation's compensation structure is designed to reward performance and to be competitive with the compensation arrangements of other Canadian resource companies of similar size and scope of operations. A number of factors are considered when determining NEO compensation including, the overall financial and operating performance of the Corporation, the NEO's individual performance and contribution to the benefit of the Corporation, the individual NEO's responsibilities and length of service, levels of compensation provided by industry competitors, and the long-term interests of the Corporation and its shareholders.

#### **Role of the Compensation Committee**

The Board established a Compensation Committee to assist the Board in fulfilling its responsibilities to the Corporation's human resources and compensation issues. The Compensation Committee is comprised of three (3) directors, the majority of whom are independent, and meet at least annually. The Compensation Committee evaluates the CEO's performance and establishes executive and senior officer compensation, determines the general compensation structure, policies and programs of the Corporation, including the extent and level of participation in incentive programs, and makes recommendations to the Board for its consideration and approval. The Compensation Committee has also been mandated to review the adequacy and form of the compensation of directors and to ensure that such compensation realistically reflects the responsibilities and risk involved in being an effective director as well as the risk any such compensation policy or practice would have a material adverse effect on the Corporation.

The accountability for decisions on executive remuneration is clearly within the mandate of the Compensation Committee, but management has a key role in helping support the committee in fulfilling its obligations. For example, the CEO and other senior executives make recommendations to the Compensation Committee regarding executive officer base salary adjustments, stock-based grants and discretionary bonuses. The Compensation Committee reviews the basis for these recommendations and can exercise its discretion in modifying any of the recommendations prior to making its recommendations to the Board. The CEO does not make a recommendation to the Compensation Committee with respect to his own remuneration package.

#### **Elements of Compensation**

Compensation for the NEOs is composed primarily of three components; namely, base salary, participation in the Corporation's incentive stock option plan, and short-term incentive compensation in the form of discretionary performance bonuses. Other benefits do not form a significant part of the remuneration package of any of the NEOs. In most cases, employment benefits, health care and life insurance are provided in a manner which is appropriate to the country of employment.

Each compensation component has a different function, but all elements are intended to work in concert to maximize company and individual performance by establishing specific, competitive operational and financial goals

and by providing financial incentives to executives based on their level of attainment of these goals. Each element of the Corporation's executive compensation program is described in more detail below.

### **Base Salaries**

An NEO's base salary is intended to remunerate the NEO for discharging job responsibilities and reflects the executive's performance over time. Individual salary adjustments take into account performance contributions in connection with their specific duties. The base salary of each executive officer is determined by the Compensation Committee based on an assessment of the NEO's sustained performance and consideration of competitive compensation levels for the markets in which the Corporation operates. In making its recommendations to the Board, the Compensation Committee also considers the particular skills and experience of the individual. The base salaries of executive officers are reviewed annually. As payment of base salaries does not depend on the performance of any specific targets or goals it is not viewed as "at risk" compensation.

### **Long Term Incentive Compensation – Stock Options**

The stock option component of a NEO's compensation, which includes a vesting element to ensure retention, serves to both motivate the executive toward increasing share value and to enable the executive to share in the future success of the Corporation. Individual stock options are granted by the Board on the recommendation of senior management, in the case of employees, and by the Compensation Committee, in the case of executive officers, including the NEOs. Options are normally awarded by the Board upon the commencement of an individual's employment with the Corporation based on the level of responsibility within the Corporation. Additional option grants may be made periodically to ensure that the number of stock options granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Corporation. In considering additional grants, a number of factors are considered, including, the role the individual plays in the Corporation, the number of stock options an individual has been granted, the exercise price and the value of the options and the term remaining on those options. The terms and conditions of the Corporation's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Stock Option Plan, which are described under "Securities Authorized for Issuance under Equity Compensation Plans".

### **Short Term Incentive Compensation – Discretionary Cash Bonuses**

The Corporation may award discretionary cash bonuses to executive officers and employees of Corporation from time to time. The amount of the bonus that each individual may be eligible for is not set in relation to any formula or specific criteria, but is the result of a subjective determination of the Corporation's performance, overall industry conditions, as well as the individual's performance and his or her contribution to overall corporate goals. The payment of bonuses is subject to the final approval of the Board and the Board has the discretion to amend or veto bonuses in its sole discretion, as this form of compensation is "at risk".

### **Retirement Benefits**

The Corporation does not have formal pension plans for its executives. However, from time to time, in order to attract and retain the right level of skill, expertise and talent, the Corporation may structure the overall compensation arrangements of one or more of its executives to include retirement compensation arrangements.

### **Director and Officer Hedging Prohibition**

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

## Summary Compensation Table

The following table sets forth a summary of the total compensation paid to, or earned by the Corporation's NEO's during the three most recently completed financial years.

Name and Principal Position	Year	Salary (CDN\$)	Option-based Awards <sup>(1)</sup> (CDN\$)	Non-equity Annual Incentive Plan Compensation (CDN\$)	All Other Compensation (CDN\$)	Total Compensation (CDN\$)
CLARK, Richard P. <sup>(2)</sup> CEO and Director	2018	313,125	135,000	Nil	11,340	459,465
	2017	276,250	104,444	Nil	9,353	390,047
	2016	94,311	137,671	Nil	36,205 <sup>(4)</sup>	268,187
STUART, Hugh <sup>(3)</sup> President and Director	2018	314,281	135,000	Nil	10,783	460,064
	2017	281,249	104,444	Nil	1,022	386,715
	2016	277,944	168,265	Nil	874	447,083
ROSS, Kevin <sup>(4)</sup> Chief Operating Officer	2018	313,125	135,000	Nil	7,023	455,148
	2017	159,062	104,444	Nil	7,601	271,107
	2016	41,385	109,353	Nil	1,027	151,765
KONDO, Glenn <sup>(5)</sup> Chief Financial Officer	2018	205,750	162,000	Nil	8,501	376,251
	2017	n/a	n/a	n/a	n/a	n/a
	2016	n/a	n/a	n/a	n/a	n/a
YIP, Jeffrey <sup>(6)</sup> Chief Financial Officer	2018	Nil	Nil	Nil	Nil	Nil
	2017	Nil	104,444	Nil	11,028	115,472
	2016	187,738	137,671	Nil	8,125	333,534

### Notes to Summary Compensation Table:

- <sup>(1)</sup> The value of the stock option grants has been determined using the Black-Scholes models on the date of grant and is consistent with the determinations used for financial statement purposes. The key assumptions used for this determination can be found in the notes to the consolidated financial statements of the year of the respective stock option grants. The amount presented in the table represents the fair value of the vested and unvested portion of the options granted in the period. For accounting purposes, the fair value of the award is amortized over the applicable vesting period. It should be recognized that the actual future value will be based on the difference between the market value at time of exercise and the exercise price. Therefore, the value attributed to the stock options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized.
- <sup>(2)</sup> Mr. Clark's other compensation in 2016 includes \$33,082. Mr. Clark's salary from January 1, 2018 to June 30, 2018 was \$276,250 per annum and was increased to \$350,000 per annum for the period July 1, 2018 to December 31, 2018.
- <sup>(3)</sup> Mr. Stuart held the positions of President and Chief Executive Officer of the Corporation from December 19, 2014 to August 28, 2016, at which time he resigned as the Corporation's Chief Executive Officer, concurrent with the appointment of Mr. Clark as Chief Executive Officer of the Corporation. Mr. Clark was appointed as the Corporation's Chief Executive Officer effective August 29, 2016 and ceased to become a non-executive director. Mr. Stuart's salary from January 1, 2018 to June 30, 2018 was \$276,250 per annum and was increased to £207,000 per annum for the period July 1, 2018 to December 31, 2018. The average exchange rate between July 1, 2018 to December 31, 2018 was UK£1.00 = CAD £1.70.
- <sup>(4)</sup> Mr. Ross was appointed Chief Operating Officer of the Corporation on August 29, 2016.
- <sup>(5)</sup> Mr. Kondo was appointed Chief Financial Officer of the Corporation on May 30, 2018. Mr. Kondo salary is £207,000 per annum. The average exchange rate between June 1, 2018 to December 31, 2018 was UK£1.00 = CAD £1.71.
- <sup>(6)</sup> Mr. Yip resigned as Chief Financial Officer of the Corporation on May 30, 2018. Effective January 1, 2017, Mr. Yip's services as Chief Financial Officer of the Corporation were rendered through a shared services agreement with Filo Mining Corp. ("Filo"), whereby Mr. Yip's base salary is paid by Filo, and 50% thereof, along with 50% of related employment benefits, if any, are charged by Filo to the Corporation. For the year ended December 31, 2018, Filo charged the Corporation \$54,250 in connection with Mr. Yip's services as the Corporation's Chief Financial Officer.

## Outstanding Option-Based Awards

The following table sets forth the outstanding option-based awards held by the NEOs at the end of the most recently completed financial year:

Name	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (CDN\$)	Option Expiration Date	Value of Unexercised In-the-money Options <sup>(1)</sup> (CDN\$)
<b>CLARK, Richard P.</b> CEO and Director	500,000	0.51	July 17, 2021	10,000
	400,000	0.47	September 14, 2020	24,000
	900,000	0.27	April 19, 2019	234,000
<b>STUART, Hugh</b> President and Director	500,000	0.51	July 17, 2021	10,000
	400,000	0.47	September 14, 2020	24,000
	1,300,000	0.27	April 19, 2019	338,000
<b>ROSS, Kevin</b> Chief Operating Officer	500,000	0.51	July 17, 2021	10,000
	400,000	0.47	September 14, 2020	24,000
	300,000	0.27	April 19, 2019	78,000
	300,000	0.32	August 29, 2019	63,000
<b>KONDO, Glenn</b> <sup>(2)</sup> Chief Financial Officer	600,000	0.51	July 17, 2021	12,000
<b>YIP, Jeffrey</b> <sup>(3)</sup> Chief Financial Officer	400,000	0.47	September 14, 2020	24,000
	900,000	0.27	April 19, 2019	234,000

Notes to Outstanding Option-Based Awards Table:

(1) In-the-Money Options are those where the market value of the underlying securities as at the end of the most recent fiscal year end exceeds the option exercise price. Calculated, using the closing price of the Common shares on the TSXV on December 31, 2018 of CDN\$0.53 and subtracting the exercise price of in-the-money stock options. The remaining outstanding options may never be exercised and actual gains, if any, on exercise will depend on the value of the Common shares on the date of exercise.

(2) Mr. Kondo was appointed Chief Financial Officer on May 30, 2018.

(3) Mr. Yip resigned as Chief Financial Officer on May 30, 2018.

## Incentive Plan Awards – Value Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of option-based awards for each NEO for the financial year ended December 31, 2018:

Name	Option-based awards – Value vested during the year (CDN\$) <sup>(1)</sup>	Non-equity incentive plan compensation – Value earned during the year (CDN\$)
<b>CLARK, Richard P.</b> CEO and Director	110,000	Nil
<b>STUART, Hugh</b> President and Director	155,333	Nil
<b>ROSS, Kevin</b> Chief Operating Officer	60,000	Nil
<b>KONDO, Glenn</b> <sup>(2)</sup> Chief Financial Officer	Nil	Nil
<b>YIP, Jeffrey</b> <sup>(3)</sup> Chief Financial Officer	110,000	Nil

Notes to Incentive Plan Awards – Value Vested or Earned During the Year Table:



- (1) Calculated using the closing price of the Common shares on the TSXV on the dates on which stock options vested during 2018, or if the TSXV was not open on such date, the closing price of the Common shares on the TSXV on the last date that the TSXV was open preceding the vesting date and subtracting the exercise price of in-the-money stock options.
- (2) Mr. Kondo was appointed Chief Financial Officer on May 30, 2018.
- (3) Mr. Yip resigned as Chief Financial Officer on May 30, 2018.

### **Termination and Change of Control Benefits**

As of December 31, 2018, Richard P. Clark, Chief Executive Officer was a party to an employment agreement with the Corporation (the "Clark Agreement"). The Clark Agreement commenced on August 29, 2016 as amended on July 1, 2018 and has no fixed term. The Clark Agreement sets forth certain instances where payments and other obligations would arise on the termination of Mr. Clark's employment with the Corporation. The Clark Agreement provided that if Mr. Clark's employment with the Corporation is terminated by the Corporation without cause, then Mr. Clark would be entitled to receive 12 months' notice of termination or a payment equal to \$350,000 plus his benefits for a 12 month period. The Clark Agreement also provided that if Mr. Clark's employment with the Corporation is terminated by the Corporation within 60 days of a change of control of the Corporation or Mr. Clark elected to terminate the Clark Agreement by giving written notice to the Corporation within 60 days of becoming aware of such change of control, then the Corporation should pay to Mr. Clark an amount equal to \$700,000 and benefits for a 24 month period, plus bonus, if any, paid or payable to him for the fiscal year ended immediately prior to the effective date of termination at the time of termination. In accordance with the terms of the Option Plan, if Mr. Clark's employment is terminated without cause, all vested options are exercisable for a period of ninety days prior to cancellation and unvested options are immediately cancelled. If Mr. Clark elected to terminate the Clark Agreement due to a change of control all unvested options would be immediately vested and all vested options would be exercisable for a period of ninety days prior to cancellation. If such a termination of his employment occurred on December 31, 2018 it is estimated that Mr. Clark's total severance payment would have been \$984,927.

As of December 31, 2018, Hugh Stuart, President, provided management and consulting services to the Corporation pursuant to a management agreement with Hugh Stuart Exploration Consultants Ltd. (the "HSEC Agreement"). The HSEC Agreement commenced on December 19, 2014, as amended on July 11, 2018 and has no fixed term. The HSEC Agreement sets forth certain instances where payments and other obligations arise on the termination of Mr. Stuart's services. The HSEC Agreement provides that, in the event of the termination of the HSEC Agreement other than for cause, the Corporation shall pay to HSEC an amount equal to 12 months of the management fee at that time. If such a termination of his employment occurred on December 31, 2018 it is estimated that Mr. Stuart's total severance payment would have been \$358,131 plus benefits. The HSEC Agreement also provides that in the event that there is a change of control of the Corporation and HSEC elects to terminate the HSEC Agreement, the Corporation shall pay a termination payment to HSEC in an amount equal to 24 months of the management fee equal to \$716,263 and benefits for a 24 month period; plus the bonus, if any, paid or payable to HSEC for the fiscal year ended immediately prior to the effective date of termination. If such a termination of his employment occurred due to a change of control on December 31, 2018 it is estimated that Mr. Stuart's total severance payment would have been \$1,103,401. In accordance with the terms of the Option Plan, if the HSEC Agreement is terminated without cause, all vested options are exercisable for a period of ninety days prior to cancellation and unvested options are immediately cancelled. If HSEC elects to terminate the HSEC Agreement due to a change of control all unvested options are immediately vested and all vested options are exercisable for a period of ninety days prior to cancellation. The severance payment has been converted to Canadian dollars using the December 31, 2018 exchange rate CAD\$1=£1.73.

As of August 29, 2016, Kevin Ross, Chief Operating Officer was a party to an employment agreement with the Corporation (the "Ross Agreement"). The Ross Agreement commenced on August 29, 2016 and has no fixed term. The Ross Agreement set forth certain instances where payments and other obligations would arise on the termination of Mr. Ross's employment with the Corporation. The Ross Agreement provided that if Mr. Ross's employment with the Corporation is terminated by the Corporation without cause, then then Mr. Ross would be entitled to receive 12 months' notice of termination or a payment equal to \$350,000, plus benefits for a 12 month period. The Ross Agreement also provided that if Mr. Ross's employment with the Corporation is terminated by the Corporation within 60 days of a change of control of the Corporation or Mr. Ross elected to terminate the Ross

Agreement by giving written notice to the Corporation within 60 days of becoming aware of such change of control, then Mr. Ross would be entitled to receive 24 months' notice of termination or a payment equal to \$700,000 and benefits for a 24 month period, plus bonus if any, paid or payable to Mr Ross for the fiscal year ended immediately prior to the effective date of termination at the time of termination. In accordance with the terms of the Option Plan, if Mr. Ross's employment is terminated without cause, all vested options are exercisable for a period of ninety days prior to cancellation and unvested options are immediately cancelled. If Mr. Ross elected to terminate the Ross Agreement due to a change of control all unvested options would be immediately vested and all vested options would be exercisable for a period of ninety days prior to cancellation. If such a termination of his employment occurred on December 31, 2018 it is estimated that Mr. Ross's total severance payment would have been \$889,047.

As of June 1, 2018, Glenn Kondo, Chief Financial Officer was a party to an employment agreement with Orca Gold Management Services Limited ("OCMSL"), a wholly owned subsidiary of the Corporation (the "Kondo Agreement"). The Kondo Agreement commenced on June 1, 2018 and has no fixed term. The Kondo Agreement set forth certain instances where payments and other obligations would arise on the termination of Mr. Kondo's employment with the OCMSL. The Kondo Agreement provided that if Mr. Kondo's employment with the Corporation is terminated by the Corporation without cause, then then Mr. Kondo would be entitled to receive 12 months' notice of termination or a payment equal to \$358,131, plus benefits for a 12 month period. The Kondo Agreement also provided that if Mr. Kondo's employment with the Corporation is terminated by the Corporation within 60 days of a change of control of the Corporation or Mr. Kondo elected to terminate the Kondo Agreement by giving written notice to the Corporation within 60 days of becoming aware of such change of control, then Mr. Kondo would be entitled to receive 24 months' notice of termination or a payment equal to \$716,263 and benefits for a 24 month period, plus bonus if any, paid or payable to Mr Kondo for the fiscal year ended immediately prior to the effective date of termination at the time of termination. In accordance with the terms of the Option Plan, if Mr. Kondo's employment is terminated without cause, all vested options are exercisable for a period of ninety days prior to cancellation and unvested options are immediately cancelled. If Mr. Kondo elected to terminate the Kondo Agreement due to a change of control all unvested options would be immediately vested and all vested options would be exercisable for a period of ninety days prior to cancellation. If such a termination of his employment occurred on December 31, 2018 it is estimated that Mr. Kondo's total severance payment would have been \$754,239. The severance payment has been converted to Canadian dollars using the December 31, 2018 exchange rate CAD\$1=£1.73.

As of May 30, 2018, Jeff Yip, the Corporation's former Chief Financial Officer was a party to an employment agreement with the Corporation and the Corporation was a party to a shared services agreement with Filo (the "Yip Agreements"), whereby Mr. Yip's base compensation is paid by Filo, and 50% thereof, along with 50% of related employment benefits, if any, are charged by Filo to the Corporation. Mr. Yip resigned as Chief Financial Officer on May 30, 2018.

## **DIRECTORS' COMPENSATION**

Certain compensation was earned by directors of the Corporation in their capacity as members of the Board or of a committee of the Board of the Corporation or its subsidiaries, or as consultants or experts, during the Corporation's most recently completed financial year.

To encourage the directors to align their interests with Shareholders, directors are granted incentive stock options pursuant to the Corporation's Stock Option Plan, from time to time.

To further promote a greater alignment of long-term interests between non-executive Directors and the shareholders of the Corporation, a Restricted Share Unit ("RSU") plan and Deferred Share Unit ("DSU") plan are proposed. For further details see "Particulars of other Matters to be Acted Upon".

Non-executive Directors' (the "**Eligible Directors**") remuneration is adjusted periodically to provide competitive compensation for services provided as an Eligible Director. Current annual retainers for each Board position are as follows:

Board Position	Retainer (CDN\$)
Non-Executive Board Member	44,500
Chairman of the Board <sup>(1)</sup>	10,000
Lead Director <sup>(1)</sup>	10,000
Chair of Audit Committee <sup>(1)</sup>	10,000
Chair of other Committee <sup>(1)</sup>	5,000

Notes to Annual Retainers Table:

<sup>(1)</sup> In addition to Non-Executive Board Member retainer.

A Director who is an employee of the Corporation does not receive Director's fees. Directors are also reimbursed for out-of pocket expenses incurred in attending meetings of the Board of committee meetings or otherwise on Corporation business. Annual retainers are paid semi-annually in arrears.

### Compensation for Services

No director was compensated either directly or indirectly by the Corporation or its subsidiaries during the most recently completed financial year for services as consultants or experts.

The following table provides details of compensation paid to the directors, other than the NEO's during the Corporation's financial year ended December 31, 2018:

Name	Fees Earned (CDN\$)	Option-based Awards (CDN\$) <sup>(1)</sup>	Total (CDN\$)
CHASE, Robert	49,750	81,000	130,750
DAVIDSON, Alexander	63,903	81,000	144,903
FIELD, David	39,750	81,000	120,750
JACKSON, L. Simon	45,967	81,000	126,967
WHITE, Derek	39,750	81,000	120,750

Notes to Compensation for Services Table:

<sup>(1)</sup> The value of the stock option grants has been determined using the Black-Scholes models on the date of grant and is consistent with the determinations used for financial statement purposes. The key assumptions used for this determination can be found in the notes to the consolidated financial statements of the year of the respective stock option grants. The amount presented in the table represents the fair value of the vested and unvested portion of the options granted in the period. For accounting purposes, the fair value of the award is amortized over the applicable vesting period. It should be recognized that the actual future value will be based on the difference between the market value at time of exercise and the exercise price. Therefore, the value attributed to the stock options under the Black-Scholes model does not necessarily correspond to the actual future value that will be realized.

### Outstanding Option-Based Awards

To encourage directors to align their interests with shareholders, directors are granted incentive stock options pursuant to the Corporation's stock option plan, from time to time. The following table provides information with respect to outstanding option-based awards held by the directors of the Corporation, other than NEOs, at the end of the most recently completed financial year:

Name	Number of securities underlying unexercised options (#)	Option exercise price (CDN\$)	Option expiration date	Value of unexercised in-the-money options <sup>(1)</sup> (CDN\$)
CHASE, Robert	300,000	0.51	July 17, 2021	6,000
	200,000	0.47	September 14, 2020	12,000
	300,000	0.27	April 19, 2019	78,000
DAVIDSON, Alexander	300,000	0.51	July 17, 2021	6,000
	200,000	0.47	September 14, 2020	12,000
	300,000	0.27	April 19, 2019	78,000
FIELD, David	300,000	0.51	July 17, 2021	6,000
	200,000	0.47	September 14, 2020	12,000
	300,000	0.36	March 6, 2020	51,000
JACKSON, L. Simon	300,000	0.51	July 17, 2021	6,000
	200,000	0.47	September 14, 2020	12,000
	300,000	0.27	April 19, 2019	78,000
WHITE, Derek	300,000	0.51	July 17, 2021	6,000
	200,000	0.47	September 14, 2020	12,000
	300,000	0.36	March 6, 2020	51,000

Notes to Outstanding Option-Based Awards Table:

<sup>(1)</sup> In-the-Money Options are those where the market value of the underlying securities as at the end of the most recent fiscal year end exceeds the option exercise price. Calculated, using the closing price of the Common shares on the TSXV on December 31, 2018 of CDN\$0.53 and subtracting the exercise price of in-the-money stock options. Outstanding options may never be exercised and actual gains, if any, on exercise will depend on the value of the Common shares on the date of exercise.

#### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director:

Name	Option-based awards – Value vested during the year (CDN\$) <sup>(1)</sup>	Non-equity incentive plan compensation – Value earned during the year (CDN\$)
CHASE, Robert	38,000	Nil
DAVIDSON, Alexander	38,000	Nil
FIELD, David	23,000	Nil
JACKSON, L. Simon	38,000	Nil
WHITE, Derek	23,000	Nil

Notes to Incentive Plan Awards – Value Vested or Earned During the Year Table:

<sup>(1)</sup> Calculated using the closing price of the Common shares on the TSXV on the dates on which stock options vested during 2018, or if the TSXV was not open on such date, the closing price of the Common shares on the TSXV on the last date that the TSXV was open preceding the vesting date and subtracting the exercise price of in-the-money stock options.

#### DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation has purchased and maintains liability insurance for its directors and officers acting in their respective capacities in an aggregate amount of CDN\$15 million, against liabilities incurred by such persons as directors and officers of the Corporation and its subsidiaries, except where the liability relates to such person's failure to act honestly and in good faith with a view to the best interests of the Corporation. The annual premium paid by the Corporation for this insurance in respect of the directors and officers as a group is CDN\$83,400. No premium for this insurance is paid by the individual directors and officers. The insurance contract underlying this insurance does not expose the Corporation to any liability in addition to the payment of the required premium.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The information provided in the following table is as of December 31, 2018:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options (a)</b>	<b>Weighted-average exercise price of outstanding options (CDN\$)</b>	<b>Number of securities remaining available for future issuance under the Plan (excluding securities reflected in column (a))</b>
Equity Compensation Plans approved by securityholders	17,025,000	0.41	3,441,056
Equity compensation plans not approved by security holders	N/A	N/A	N/A
<b>TOTAL:</b>	<b>17,025,000</b>		<b>3,441,056</b>

### Stock Option Plan

The Corporation has a stock option plan (the “**Option Plan**”) which governs the issuance of stock options. The Corporation’s current Stock Option Plan governing the issuance of stock options was initially adopted at the annual general and special meeting held on December 21, 2012 and most recently approved by shareholders on May 30, 2018.

Information regarding the terms and conditions of the Corporation’s Stock Option Plan are set forth under “Particulars of Other Matters to be Acted Upon” below.

### CORPORATE GOVERNANCE

The Corporation is listed on the TSXV and discloses its corporate governance practices using the disclosure requirements in National Instrument 58-101, *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) that apply to issuers listed on the TSXV. The Corporation’s statement of corporate governance practices is made with reference to National Policy 58-201, *Corporate Governance Guidelines* and NI 58-101 (collectively the “**Governance Guidelines**”) which are initiatives of the Canadian Securities Administrators (“**CSA**”). The corporate governance practices of the Corporation also conform to the TSXV corporate governance guidelines, which have essentially been supplanted by the Governance Guidelines. Copies of the Corporation’s governance materials, including Position Descriptions for the Chairman and Lead Director as well as the Corporation’s Board mandate and Board Committee charters can be found on the Corporation’s website at [www.orcagold.com](http://www.orcagold.com).

### Board Governance

The Board has the responsibility for the overall stewardship of the conduct of the business of the Corporation and the activities of management. Management is responsible for the day-to-day conduct of the business. The Board’s fundamental objectives are to enhance and preserve long-term shareholder value, and to ensure the Corporation meets its obligations on an ongoing basis and that the Corporation operates in a reliable and safe manner. In performing its functions, the Board considers the legitimate interests that its other stakeholders, such as employees, customers and communities, may have in the Corporation. In overseeing the conduct of the business, the Board, through the Chief Executive Officer, sets the standards of conduct for the Corporation.

The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. The Board retains the responsibility for managing its own affairs including selecting its Chair, nominating candidates for election to the Board and constituting committees of the Board. Subject to the Articles and By-Laws of the Corporation and the *Canada Business Corporations Act*, the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board.

## **Board Mandate**

The Board has a written mandate which includes responsibility to supervise and evaluate management, to oversee the conduct of the Corporation's business, to set policies appropriate for the business of the Corporation and to approve corporate strategies and goals. The Board is to carry out its mandate in a manner consistent with the fundamental objective of enhancing shareholder value. In discharging its duty of stewardship over the Corporation the Board expressly undertakes the following specific duties and responsibilities: (i) adopting, supervising and providing guidance on the Corporation's strategic planning process; (ii) identifying the principal risks of the Corporation's business and ensuring the implementation of appropriate risk management systems; (iii) ensuring that the Corporation has management of the highest caliber and maintaining adequate and effective succession planning for senior management; (iv) placing limits on management's authority; (v) overseeing the integrity of the Corporation's internal control and management information systems; and (vi) overseeing the Corporation's communication policy with its shareholders and with the public generally.

## **Composition of the Board**

The Board is currently comprised of seven (7) directors, the majority of whom are "independent" directors within the meaning of the Governance Guidelines. A director is "independent" if he or she is independent of management and has no direct or indirect relationship with the Corporation which could, in the view of the Board, be reasonably expected to interfere with the exercise of the member's independent judgment.

The Board has considered the relationship of each director to the Corporation. At the date of this Proxy Circular, three (3) of the Corporation's directors are not considered to be independent. Mr. Jackson is not independent because of his recent management positions with the Corporation. Messrs. Clark and Stuart are not independent because of their current management positions with the Corporation. Messrs. Chase, Davidson, Field, and White are all independent directors.

As Messrs. Clark, Jackson, and Stuart are not considered to be independent within the meaning of the Governance Guidelines, the Board has instituted a practice, whereby at the conclusion of each regularly scheduled meeting of the Board, the Corporation's independent directors may request an in-camera session at which non-independent directors and members of management are not in attendance. In addition, the Board appointed Mr. Davidson as Lead Director of the Board on March 6, 2017 to facilitate the independent function of the Board and provide leadership for the Board's independent directors. The Board appointed Mr. Davidson as Chairman of the Board on August 1, 2018.

## **Directorships**

The current directors of the Corporation may serve as directors of other reporting issuers. See the individual Directors biographies under "Election of Directors".

## **Position Descriptions**

The Board has adopted a written position description for each of the Chairman, Chief Executive Officer, the Lead Director, the chair of each Board committee and an individual Director mandate. The CEO position description addresses, among other things, reporting, integrity, strategic planning, business and risk management and organizational effectiveness.

## **Orientation and Education**

Under its mandate, the Corporate Governance and Nominating Committee is responsible for developing and implementing an orientation program for new directors, where necessary. Currently, new recruits to the board receive a comprehensive board manual which contains specific information on the Corporation's operations, information on the role of the board and each of its committees, industry information, corporate governance related materials and other information required to be addressed under an orientation program. In addition, trips to where

the Corporation's operations are located are arranged for directors from time to time so they have an opportunity to meet operational management and site personnel.

Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and development, and to attend related industry seminars. The Corporation also organizes corporate governance education through invitations to attend a series of web based seminars presented by a major law firm. Board members have full access to the Corporations records.

### **Board Diversity**

The Corporation recognizes that improving diversity on the Board and among its senior executives presents the Corporation with an opportunity to develop a competitive advantage by ensuring that the Corporation appeals to potential employees from the broadest possible talent pool. The focus always has been, and will continue to be, to recruit and appoint the most qualified individuals.

### **Ethical Business Conduct**

The Board has adopted a formal written Code of Business Conduct and Ethics (the "**Code of Conduct**") for its directors, officers and employees.

Individuals governed by the Code of Conduct are required to disclose in writing all business, commercial or financial interests or activities which might reasonably be regarded as creating an actual or potential conflict with their duties. Individuals must avoid all situations in which their personal interests conflict or might conflict with their duties to the Corporation or with the economic interest of the Corporation. All business transactions with individuals, corporations or other entities that could potentially, directly or indirectly, be considered to be a related party, must be approved by the Board regardless of the amount involved.

Directors, officers and employees are encouraged to report violations of the Code of Conduct on a confidential and, if preferred, anonymous basis, in accordance with the complaints procedure set out in the Code of Conduct or the Corporation's Whistleblower Policy. The Audit Committee may request special treatment for any complaint, including the involvement of the Corporation's external auditors or outside counsel or other advisors. All complaints are required to be documented in writing by the person(s) designated to investigate the complaint, who shall report forthwith to the Chair of the Audit Committee. On an annual basis, or otherwise upon request from the Board, the Code of Conduct requires the Chair of the Audit Committee to prepare a written report to the Board summarizing all complaints received during the previous year, all outstanding unresolved complaints, how such complaints are being handled, the results of any investigations and any corrective actions taken.

A copy of the Corporation's Code of Conduct has been filed on and is accessible under the Corporation's profile on the SEDAR website at [www.sedar.com](http://www.sedar.com). A copy of the Code of Conduct and the Corporation's Internal Employee Alert Policy are also available on the Corporation's website at [www.orcagold.com](http://www.orcagold.com).

### **Corporate Governance and Nominating Committee**

The purpose of the Corporate Governance and Nominating Committee is to provide a focus on corporate governance that will enhance corporate performance, and to ensure on behalf of the Board and Shareholders that the Corporation's corporate governance system is effective in the discharge of its obligations to the Corporation's shareholders.

The Corporate Governance and Nominating Committee also has the responsibility of proposing nominees for director. The Committee considers the competencies and skills that the Board as a whole should possess, the competencies and skills of existing Board members and the competencies and skills of proposed new Board members. The Committee members utilize their extensive knowledge of the industry and personal contacts to identify potential nominees that possess the desired skills and competencies.

The duties and responsibilities of the Corporate Governance and Nominating Committee include, without limitation, the following:

- (a) to develop and monitor the Corporation's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects superior standards of corporate governance practices;
- (b) to report annually to the Corporation's Shareholders, through the Corporation's annual management proxy circular or annual report to Shareholders, on the Corporation's system of corporate governance and the operation of its system of governance;
- (c) to analyze and report annually to the Board the relationship of each director to the Corporation as to whether such director is a related director or an unrelated director; and
- (d) to advise the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered by the Board or any such committee.

The Corporation has adopted a formal written mandate for the Corporate Governance and Nominating Committee. The mandate provides that the Corporate Governance and Nominating Committee shall consist of at least three members of the Board, and should generally be composed entirely of "independent" directors within the meaning of NI 58-101. During the most recently completed financial year, the Corporate Governance and Nominating Committee members were Messrs. Alexander Davidson (Chair), David Field and Robert Chase. All Committee members were considered to be independent.

The Board appoints the members of the Corporate Governance and Nominating Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Shareholders of the Corporation. The Board may at any time remove or replace any member of the Corporate Governance and Nominating Committee and may fill any vacancy in the committee.

The Corporate Governance and Nominating Committee meets regularly each year on such dates and at such locations as the Chair of the committee determines. The Corporate Governance and Nominating Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel and advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

### **Audit Committee**

The principal purpose of the Audit Committee is to ensure that the Corporation's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements of the Corporation and to review the Corporation's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of material facts on financial and tax related matters.

The Corporation has adopted a formal written mandate for the Audit Committee, a copy of which was attached as Schedule "A" to the Corporation's Annual Information Form dated April 29, 2019 and available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The mandate provides that the Audit Committee shall consist of at least three members of the Board, all of whom shall be "independent" within the meaning of National Instrument 52-110 *Audit Committees* ("NI 52-110"). NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect relationship with the issuer, which could, in the view of the issuer's Board of directors, reasonably interfere with the exercise of the member's independent judgment. The Corporation is relying upon the exemption provided by Part 6 of NI 52-110, which exempts venture issuers from the requirement to comply with the restrictions on the composition of its Audit Committee and the disclosure requirements of its Audit Committee in the form as prescribed by NI 52-110.



During the most recently completed financial year, the Audit Committee was composed of the following three independent and financially literate (3) directors:

<b>Name</b>	<b>Independent/non-independent</b>	<b>Financially literate or not financially literate</b>
<b>CHASE, Robert</b>	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
<b>FIELD, David</b>	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>
<b>WHITE, Derek</b>	Independent <sup>(1)</sup>	Financially literate <sup>(2)</sup>

Notes to Audit Committee Table:

- (1) A member of an audit committee is independent if the member has no direct or indirect material relationship with the Corporation, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.
- (2) An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

### Relevant Education and Experience

A general description of the education and experience of each Audit Committee member which is relevant to the performance of his responsibilities as an Audit Committee member is contained in their respective biographies set out under "Election of Directors – Principal Occupation/Biography".

The Audit Committee meets a minimum of four times a year, including to review the annual financial statements prior to their submission to the Board. The Audit Committee has direct communication channels with internal personnel responsible for financial statement preparation and with the Corporation's external auditors. The Audit Committee may also engage independent counsel or other advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Board appoints the members of the Audit Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Corporation's Shareholders. The Board may at any time remove or replace any member of the Audit Committee and may fill any vacancy in the committee.

Fees billed by the Corporation's external auditors during 2018 and 2017, were as follows:

	<b>Year ended December 31, 2018 (\$)</b>	<b>Year ended December 31, 2017 (\$)</b>
Audit Fees <sup>(1)</sup>	62,000	62,000
Audit-Related Fees <sup>(2)</sup>	32,025	24,000
Tax Fees <sup>(3)</sup>	Nil	Nil
All Other Fees <sup>(4)</sup>	Nil	Nil
<b>Total</b>	<b>94,025</b>	<b>86,000</b>

Notes:

- (1) The aggregate fees billed for audit services.
- (2) The aggregate fees billed in connection with the review of the Corporation's quarterly financial statements.
- (3) The aggregate fees billed for tax compliance, tax advice, and tax planning services.
- (4) The aggregate fees billed for professional services other than those listed in the other categories.

### Compensation Committee

The principal purpose of the Compensation Committee is to implement and oversee compensation policies approved by the Board. The duties and responsibilities of the Compensation Committee include, without limitation, the following:

- (a) to recommend to the Board compensation policies and guidelines for the Corporation; and

- (b) to review and approve corporate goals and objectives relevant to the compensation of the Chief Executive Officer and, in light of those goals and objectives, to recommend to the Board the annual salary, bonus and other benefits, direct and indirect, of the Chief Executive Officer and to approve compensation for all other designated officers of the Corporation, after considering the recommendations of the Chief Executive Officer, all within the human resources and compensation policies and guidelines approved by the Board.

The Corporation has adopted a formal written mandate for the Compensation Committee. The mandate provides that the committee shall consist of at least three members of the Board, a majority of whom shall be “independent” within the meaning of the Governance Guidelines. During the most completed financial year, the Compensation Committee members were Messrs. Alexander Davidson (Chair), Derek White and Richard Clark. All of the members of the Compensation Committee were independent, except for Mr. Clark, the Corporation’s Chief Executive Officer.

All members of the Compensation Committee have direct experience that is relevant to their responsibilities as Compensation Committee members. All of the members of the Compensation Committee have acted as Directors and/or Officers for a public company, and therefore have a good understanding of how compensation works and how to motivate staff. All of the members have good financial understanding, which allows them to assess the costs versus benefits of compensation plans. The members combined experience in the resource sector provides them with the understandings of the Corporation’s success factors and risks which is very important when determining the metrics for measuring success. The Corporation did not retain any compensation consultants or advisors during or since the year ended December 31, 2018.

The Board appoints the members of the Compensation Committee for the ensuing year at its organizational meeting held in conjunction with each annual general meeting of the Corporation’s Shareholders. The Board may at any time remove or replace any member of the Compensation Committee and may fill any vacancy in the committee.

The Compensation Committee meets at least once annually on such dates and at such locations as the Chair of the Compensation Committee determines. The Compensation Committee has access to such officers and employees of the Corporation and to such information respecting the Corporation and may engage independent counsel or advisors at the expense of the Corporation, all as it considers to be necessary or advisable in order to perform its duties and responsibilities. During the 2018 financial year, the Corporation did not engage independent counsel or advisors to assist the Compensation Committee in performing its duties and responsibilities.

#### **Assessment of the Board**

In accordance with the Board’s mandate, the Board, through its Corporate Governance and Nominating Committee, undertakes assessments of itself, its committees and each individual director’s effectiveness and contribution.

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

None of the Corporation’s directors or executive officers, or former directors or executive officers, nor any associate of such individuals, is as at the date hereof, or has been, during the financial year ended December 31, 2018, indebted to the Corporation or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Corporation or any of its subsidiaries.

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

Other than as set out below and in this Proxy Circular, other than transactions carried out in the ordinary course of business of the Corporation, none of the directors or executive officers of the Corporation, a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation, nor any shareholder beneficially owning, directly or indirectly, Common Shares of the Corporation, or exercising control or direction over Common Shares of the Corporation, or a combination of both, carrying more than 10% of the voting rights attached to the outstanding shares of the Corporation nor an associate or affiliate of any of the foregoing persons has since January 1, 2018 (being the commencement of the Corporation’s last completed financial year) any material interest,

direct or indirect, in any transactions which materially affected or would materially affect the Corporation or any of its subsidiaries.

## **MANAGEMENT CONTRACTS**

Hugh Stuart Exploration Consultants Ltd (“HSEC”) and Geodex Consultants Ltd. (“Geodex”), companies owned by Mr. Hugh Stuart, director, President of the Corporation, provide exploration services to the Corporation through consultancy services agreements. The Corporation paid \$239,267 to HSEC and Geodex for exploration services rendered during the year. HSEC also provides executive management services to the Corporation through a management Agreement. Please refer to the Summary Compensation Table provided herein for the Corporation’s payments to HSEC for executive management services provided to the Corporation during the year.

Other than as described herein, management functions of the Corporation and its subsidiaries are performed by directors, executive officers or senior officers of the Corporation and not, to any substantial degree, by any other person with whom the Corporation has contracted.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON**

### **Annual Approval of Stock Option Plan**

The Corporation’s current Stock Option Plan governing the issuance of stock options was initially adopted at the annual general and special meeting held on December 21, 2012 and most recently approved by shareholders on May 30, 2018.

The following is a description of material terms of the Stock Option Plan.

1. In combination with the aggregate number of Common Shares which may be issuable under any and all of the Corporation’s equity incentive plans in existence from time to time, including the Corporation’s RSU Plan and DSU Plan, shall not exceed 10% of the issued and outstanding Common Shares of the Corporation at the time of grant, the exercise price of which, as determined by the board of directors in its sole discretion, shall not be less than the closing price of the Corporation’s Common Shares traded through the facilities of the Exchange on the date prior to the date of grant, less allowable discounts, in accordance with the policies of the Exchange, provided that the option price shall not be less than CDN \$0.05 per share.
2. The board of directors shall not grant options to any one person in any one year which will exceed 5% of the issued and outstanding Common Shares of the Corporation, or to any consultant in any one year which will exceed 2% of the issued and outstanding Common Shares of the Corporation or in any one year period to those persons employed by the Corporation who perform investor relations services which will, in aggregate, exceed 2% of the issued and outstanding Common Shares of the Corporation, as calculated on the date that that option is granted.
3. Shares subject to, but not issued or delivered under an option which expires or terminates, shall again be available for option under the Stock Option Plan. The maximum term of any option is ten years.
4. If the option holder ceases to be an eligible person, being a bona fide consultant, a director, an employee or a management company employee in relation to the Corporation (as those terms are defined in Policy 4.4 of the Exchange) the option shall terminate no longer than 90 days after such person ceases to be in at least one of those categories, or if an optionee dies, within one year after the date of such death. Options granted to an option holder who is engaged in investor relations activities must expire within 30 days after the option holder ceases to be so engaged.
5. The options may be subject to such vesting schedule over time as the board of directors may, in their discretion, implement or as may be required by the Exchange. Options granted to consultants engaged to

perform investor relations activities must be subject to vesting requirement, whereby such options must vest in stages over a 12 month period, with no more than 25% of the Shares vesting in any three month period.

6. The options are non-assignable. The Corporation may withhold from the optionee or its agent, as the case may be, any amounts required by applicable legislation to be withheld for any taxes, or otherwise, as a consequence of such participation in the Stock Option Plan.
7. The Corporation must obtain disinterested shareholder approval for any grant of stock options to insiders within a 12 month period, of a number of options exceeding 10% of the issued share capital of the Corporation.
8. Specific disinterested shareholder approval is required to reduce the exercise price of an option for an optionee who is an insider.
9. The exercise price and the number of Common Shares which are subject to an option may be adjusted from time to time for share dividends, and in the event of amalgamation or merger.

The Corporation does not provide any financial assistance to participants in order to facilitate the purchase of Common Shares under the Stock Option Plan. As at the date of this Proxy Circular, there were options outstanding under the Stock Option Plan to acquire 10,725,000 Common Shares, representing approximately 5.1% of the Corporation's current issued and outstanding shares.

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

The policies of the Exchange require that rolling plans be approved by shareholders on a yearly basis. Accordingly, Shareholders are being asked to pass an ordinary resolution to ratify and confirm the Stock Option Plan as adopted by the Board which permits the issuance of up to 10% of the issued and outstanding Common Shares of the Corporation from time to time. To be effective, the resolution must be passed by a simple majority of the votes cast thereon by Shareholders present in person or by proxy at the Meeting. If the resolution to approve the Stock Option Plan is not approved by Shareholders of the Corporation, all unallocated stock options will be cancelled and the Corporation will not be permitted to make any further grants until Shareholder approval is obtained.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to re-approve the Stock Option Plan.

**"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:**

1. the Stock Option Plan of the Corporation, as adopted by the Board of Directors, and as described in the Corporation's Proxy Circular dated April 26, 2019, be and is hereby approved and ratified, and the Corporation be and is hereby authorized to reserve for issuance pursuant to the Stock Option Plan up to 10% of the issued and outstanding Common shares of the Corporation from time to time;
2. the Board of Directors be and is hereby authorized on behalf of the Corporation to make any amendments to the Stock Option Plan as may be required by regulatory authorities or otherwise made necessary by applicable legislation, without further approval of the shareholders of the Corporation, in order to ensure the adoption and efficient function of the Stock Option Plan; and
3. any director or officer of the Corporation be and is hereby authorized and directed to do such things and to execute and deliver all such instruments, deeds and documents, and any amendments thereto, as may be necessary or advisable in order to give effect to the foregoing resolutions, and to complete all transactions in connection with the implementation of the Stock Option Plan."

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

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

### **Approval of Restricted Share Unit Plan**

The Board has adopted the RSU Plan for the benefit of the Corporation's employees, directors and consultants. The RSU Plan has been established to assist the Corporation in the recruitment and retention of highly qualified employees, directors and eligible consultants by providing a means to reward performance, to motivate participants under the RSU Plan to achieve important corporate and personal objectives and, through the proposed issuance by the Corporation of Common Shares under the RSU Plan, to better align the interests of participants with the long-term interests of Shareholders.

The Board intends to use Restricted Share Units ("RSUs") issued under the RSU Plan, as well as options issued under the Stock Option Plan, as part of the Corporation's overall executive compensation plan. Since the value of RSUs increase or decrease with the price of the Common Shares, RSUs reflect a philosophy of aligning the interests of executives with those of the Shareholders by tying executive compensation to share price performance. In addition, RSUs assist in the retention of qualified and experienced executives by rewarding those individuals who make a long term commitment.

At the Meeting, Shareholders will be asked to approve a resolution to approve the RSU Plan as a treasury based plan and to reserve Common Shares from treasury for issuance under the RSU Plan. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of the Common Shares present in person or represented by proxy at the Meeting, excluding the votes attached to Common Shares beneficially owned by insiders (as defined under the policies of the TSXV) of the Corporation to whom RSUs may be granted under the RSU Plan and their associates (as defined under the policies of the TSXV). Based on the present shareholdings of the insiders to whom RSUs may be granted under the RSU Plan and their associates, a total of up to 12,390,252 Common Shares will be excluded from voting on the resolution approving the RSU Plan, representing 5.9% of the issued and outstanding Common Shares as of April 26, 2019. If the resolution approving the RSU Plan is not approved by disinterested shareholders at the Meeting, the RSU Plan will not become effective.

### *Summary of the RSU Plan*

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

### *Eligible Participants*

The RSU Plan is administered by the Compensation Committee of the Board or such other Committee of the Board as may be designated by the Board (the "**Committee**"). Employees, directors and eligible consultants of the Corporation and its designated subsidiaries are eligible to participate in the RSU Plan. In accordance with the terms of the RSU Plan, the Corporation, under the authority of the Board of Directors through the Committee, will approve those employees, directors and eligible consultants who are entitled to receive RSUs and the number of RSUs to be awarded to each participant. RSUs awarded to participants are credited to them by means of an entry in a notional account in their favour on the books of the Corporation. Each RSU awarded conditionally entitles the participant to receive one Common Share (or the cash equivalent) upon attainment of the RSU vesting criteria.

### *Vesting*

The vesting of RSUs is conditional upon the expiry of a time-based vesting period. The duration of the vesting period and other vesting terms applicable to the grant of the RSUs shall be determined at the time of the grant by the Compensation Committee.

Once the RSUs vest, the participant is entitled to receive the equivalent number of underlying Common Shares or cash equal to the Market Value of the equivalent number of Common Shares. The vested RSUs may be settled through the issuance of Common Shares from treasury (subject to the Shareholder approval being sought at this Meeting), by the delivery of Common Shares purchased in the open market, in cash or in any combination of the foregoing (at the discretion of the Corporation). If settled in cash, the amount shall be equal to the number of Common Shares in respect of which the participant is entitled multiplied by the Market Value of a Common Share on the payout date. Market Value per share is defined in the RSU Plan and means, as at any date (if the Common Shares are listed and posted for trading on the TSXV), the arithmetic average of the closing price of the Common Shares traded on the TSXV for the five (5) trading days on which a board lot was traded immediately preceding such date. The RSUs may be settled on the payout date, which shall be the third anniversary of the date of the grant or such other date as the Committee may determine at the time of the grant, which in any event shall be no later than the expiry date for such RSUs. The expiry date of RSUs will be determined by the Committee at the time of grant. However, the maximum term for all RSUs is one year after the participant ceases to be an employee or eligible consultant of the Corporation. All unvested or expired RSUs are available for future grants.

### *Maximum Number of Common Shares Issued*

RSUs may be granted in accordance with the RSU Plan provided the maximum number of Common Shares which may be reserved, set aside and made available for issuance under the RSU Plan shall not exceed Five Million (5,000,000) Common Shares of the Corporation.

The RSU Plan provides that the maximum number of Common Shares issuable pursuant to the RSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the RSU Plan, together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation within any one year period, will not exceed 10% of the total number of outstanding Common Shares. Finally, the maximum number of Common Shares issued pursuant to the RSU Plan, together with any other security-based compensation arrangement of the Corporation within any one year period to any one participant shall not exceed 5% of the outstanding Common Shares and to any one eligible consultant shall not exceed 2% of the outstanding Common Shares.

### *Cessation of Entitlement*

Unless otherwise determined by the Corporation in accordance with the RSU Plan, RSUs which have not vested on a participant's termination date shall terminate and be forfeited. If a participant who is an employee ceases to be an employee as a result of termination of employment without cause, in such case, at the Corporation's discretion, or for good reason (unless otherwise provided in the applicable Grant Agreement), all or a portion of such participant's RSUs may be permitted to continue to vest, in accordance with their terms, during any statutory or common law severance period or any period of reasonable notice required by law or as otherwise may be determined by the Corporation in its sole discretion. All forfeited RSUs are available for future grants.

### *Transferability*

RSUs are not assignable or transferable other than by will or the laws of descent and distribution.

### *Amendments to the RSU Plan*

Following receipt of the Shareholder approval contemplated hereunder, the Board may, without notice, at any time and from time to time, without shareholder approval, amend the RSU Plan or any provisions thereof in such manner as the Board, in its sole discretion, determines appropriate including, without limitation:

- (a) amendments to the terms and conditions of the RSU Plan necessary to ensure that the RSU Plan complies with the applicable regulatory requirements, including the rules of the TSXV, in place from time to time;
- (b) amendments to the provisions of the RSU Plan respecting administration of the RSU Plan and eligibility for participation under the RSU Plan;
- (c) amendments to the provisions of the RSU Plan respecting the terms and conditions on which RSUs may be granted pursuant to the RSU Plan, including the provisions relating to the payment of the RSUs;
- (d) amendments necessary to suspend or terminate the RSU Plan;
- (e) amendments to the RSU Plan that are of a “housekeeping” nature; and
- (f) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSXV.

provided, however, that:

- (a) no such amended of the RSU Plan may be made without the consent of each affected participant in the RSU Plan if such amendment would adversely affect the rights of such affect participant(s) under the RSU Plan; and
- (b) disinterested shareholder approval shall be obtained in accordance with the requirements of the TSXV for any amendment that results in:
  - (i) a change to the maximum number of Common Shares issuable pursuant to the RSU Plan other than as already contemplated in the RSU Plan;
  - (ii) a change in the method of calculation of the payout of RSUs held by participants; and
  - (iii) an extension of the payout date of RSUs held by participants.

The TSXV has conditionally approved the treasury-based aspects of the RSU Plan, subject to approval of the Shareholders.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to approve the RSU Plan:

**““BE IT RESOLVED AS AN ORDINARY RESOLUTION, with votes of certain insiders and their associates excluded therefrom, THAT**

1. the Restricted Share Unit Plan allowing for the issuance of a maximum of Five Million (5,000,000) Common Shares from treasury, as described in the Corporation’s Proxy Circular dated April 26, 2019, be and is hereby approved;
2. the unallocated entitlements are hereby approved and the Corporation will have the ability to issue Restricted Share Units which may be settled in Common Shares; and
3. any director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution.”

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

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

### **Approval of Deferred Share Unit Plan**

The Board has adopted the DSU Plan for the benefit of the Corporation's non-executive directors of which currently there are four. The DSU Plan has been established to assist the Corporation in the recruitment and retention of qualified persons to serve on the Board and, through the proposed issuance by the Corporation of Common Shares under the DSU Plan, to promote better alignment of the interests of directors and the long-term interests of Shareholders.

The Board intends to use the Deferred Share Units ("**DSUs**") issued under the DSU Plan, as well as options issued under the Stock Option Plan and RSUs issued under the RSU Plan, if any, as part of the Corporation's overall director compensation plan. Since the value of DSUs increase or decrease with the price of the Common Shares, DSUs reflect a philosophy of aligning the interests of directors with those of the Shareholders by tying compensation to share price performance.

At the Meeting, Shareholders will be asked to approve a resolution to approve the DSU Plan as a treasury-based plan and to reserve Common Shares from treasury for issuance under the DSU Plan. In order to be approved, the resolution must be passed by a majority of the votes cast by the holders of the Common Shares present in person or represented by proxy at the Meeting, excluding the votes attached to Common Shares beneficially owned by insiders (as defined under the policies of the TSXV) of the Corporation to whom DSUs may be granted under the DSU Plan and their associates (as defined under the policies of the TSXV). Based on the present shareholdings of the insiders to whom DSUs may be granted under the DSU Plan and their associates, a total of up to 2,140,026 Common Shares will be excluded from voting on the resolution approving the DSU Plan, representing 1.0% of the issued and outstanding Common Shares as of the Record Date. If the resolution approving the DSU Plan is not approved by disinterested shareholders at the Meeting, the DSU Plan will not become effective.

### *Summary of the DSU Plan*

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

### *Administration of Plan*

The DSU Plan provides that non-executive directors may elect to receive up to 50% of their annual compensation amount (the "**Annual Base Compensation**") in DSUs. A DSU is a unit credited to a participant by way of a bookkeeping entry in the books of the Corporation, the value of which is equivalent to a Common Share. All DSUs paid with respect to Annual Base Compensation will be credited to the director by means of an entry in a notional account in their favour on the books of the Corporation (a "**DSU Account**") when such Annual Base Compensation is payable. The director's DSU Account will be credited with the number of DSUs calculated to the nearest thousandth of a DSU, determined by dividing the dollar amount of compensation payable in DSUs on the payment date by the Share Price of a Common Share at the time. Share Price is defined in the DSU Plan and means (if the Common Shares are listed and posted for trading on the TSXV) the closing price of a Common Share on the TSXV averaged over the five (5) consecutive trading days immediately preceding the date of grant or the redemption date, as the case may be. Fractional Common Shares will not be issued and any fractional entitlements will be rounded down to the nearest whole number.

Additionally, subject to certain participation limits prescribed by the TSXV, the Board may award such number of DSUs to a non-executive director as the Board deems advisable to provide the director with appropriate equity-



based compensation for the services he or she renders to the Corporation. The Board shall determine the date on which such DSUs may be granted and the date as of which such DSUs shall be credited to the director's DSU Account. The Corporation and a director who receives such an additional award of DSUs shall enter into a DSU award agreement to evidence the award and the terms applicable thereto.

Generally, a participant in the DSU Plan shall be entitled to redeem his or her DSUs during the period commencing on the business day immediately following the date upon which the non-executive director ceases to hold any position as a director of the Corporation and its subsidiaries and is no longer otherwise employed by the Corporation or its subsidiaries, including in the event of death of the participant (the "**Termination Date**") and ending on the 90th day following the Termination Date. Redemptions under the DSU Plan may be in Common Shares issued from treasury subject to the Shareholder approval being sought at this Meeting, may be purchased by the Corporation on the open market for delivery to the director, may be settled in cash or any combination of the foregoing.

#### *Maximum Number of Common Shares Issued*

DSUs may be granted in accordance with the DSU Plan, provided that the maximum number of Common Shares which may be reserved, set aside and made available for issuance under the DSU Plan does not exceed One Million (1,000,000) Common Shares.

The DSU Plan provides that the maximum number of Common Shares pursuant to the DSU Plan, together with any Common Shares issuable pursuant to any other security-based compensation arrangement of the Corporation, will not exceed 10% of the total number of outstanding Common Shares. In addition, the maximum number of Common Shares issued to insiders under the DSU Plan, together with any Common Shares issued to insiders pursuant to any other security-based compensation arrangement of the Corporation within any one year period, will not exceed 10% of the total number of outstanding Common Shares. Finally, the maximum number of Common Shares issued pursuant to the DSU Plan, together with any other security-based compensation arrangement of the Corporation within any one year period to any one participant shall not exceed 5% of the outstanding Common Shares.

#### *Transferability*

No right to receive payment of deferred compensation or retirement awards shall be transferable or assignable by any participant under the DSU Plan except by will or laws of descent and distribution.

#### *Amendments to the DSU Plan*

Following receipt of the Shareholder approval contemplated hereunder, the Board may at any time, and from time to time, and without shareholder approval, amend any provision of the DSU Plan, subject to any regulatory or stock exchange requirement at the time of such amendment, including, without limitation:

- (a) amendments to the terms and conditions of the DSU Plan necessary to ensure that the Plan complies with the applicable regulatory requirements, including the rules of the TSXV, in place from time to time;
- (b) amendments to the provisions of the DSU Plan respecting administration of the DSU Plan and eligibility for participation under the DSU Plan;
- (c) amendments to the provisions of the DSU Plan respecting the terms and conditions on which DSUs may be granted pursuant to the DSU Plan, including the provisions relating to the payment of the DSUs;
- (d) amendments necessary to suspend or terminate the DSU Plan;
- (e) amendments to the Plan that are of a "housekeeping" nature; and
- (f) any other amendment, fundamental or otherwise, not requiring shareholder approval under applicable laws or the applicable rules of the TSXV,

provided, however, that:

- (a) no such amendment of the DSU Plan may be made without the consent of each affected participant if such amendment would adversely affect the rights of such affected participant(s) under the plan; and
- (b) disinterested shareholder approval shall be obtained in accordance with the requirements of the TSXV for any amendment to:

- (i) a change to the maximum number of Common Shares issuable pursuant to the DSU Plan other than as already contemplated in the DSU Plan;
- (ii) a change in the method of calculation of the value of DSUs held by participants; and
- (iii) an extension of the expiry date of DSUs held by participants.

The TSXV has conditionally approved the treasury-based aspects of the DSU Plan, subject to approval of the Shareholders.

Shareholders will be asked to pass an ordinary resolution, in substantially the following form to approve the DSU Plan:

**“BE IT RESOLVED AS AN ORDINARY RESOLUTION, with votes of certain insiders and their associates excluded therefrom, THAT:**

1. that the Deferred Share Unit Plan allowing for the issuance of a maximum of One Million (1,000,000) Common Shares of the Corporation, as described in the Corporation’s Proxy Circular dated April 26, 2019, be and is hereby approved;
2. the unallocated entitlements are hereby approved and the Corporation will have the ability to issue Deferred Share Units which may be settled in Common Shares; and
3. any director or officer of the Corporation be and is hereby authorized, for and on behalf of the Corporation, to do all such things and execute all such documents and instruments as may be necessary or desirable to give effect to this resolution.”

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

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

#### **ANY OTHER MATTERS**

Management knows of no matter to come before the Meeting other than those referred to in the Notice of Annual General Meeting and this Proxy Circular. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the Proxy to vote with regard to those matters in accordance with their best judgement.

#### **ADDITIONAL INFORMATION**

The Board approves the Corporation’s annual Financial Statements and annual MD&A, interim quarterly reports to shareholders and the content of the Corporation’s other significant public disclosure documents. These and other prescribed documents are available on Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com). The Corporation has also established and maintains a corporate website at [www.orcagold.com](http://www.orcagold.com) that includes, among other things, an investors section containing past annual and quarterly reports and press releases. Financial information regarding the Corporation is provided in the annual financial statements and annual MD&A for the period ended December 31, 2018. The Corporation will provide, at no charge to the shareholder, a copy of its latest Financial Statements and MD&A for the year ended December 31, 2018, interim quarterly reports for subsequent periods, and a copy of this Proxy Circular upon request to the Corporation as follows:

- (i) e-mail: [info@orcagold.com](mailto:info@orcagold.com)
- (ii) telephone: 604-689-7842

(iii) mail: Orca Gold Inc.  
2000 - 885 West Georgia Street  
Vancouver, BC V6C 3E8  
Attn: Corporate Secretary

**DIRECTORS' APPROVAL**

The contents and the distribution of this Proxy Circular to the Shareholders of the Corporation have been approved by the Board.

**BY ORDER OF THE BOARD OF DIRECTORS**

Dated: April 26, 2019

(Signed) Richard P. Clark  
Chief Executive Officer and Director