

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

NOTICE OF ANNUAL AND SPECIAL MEETING

(“Notice”)

NOTICE is hereby given that the Annual and Special Meeting (the “**Meeting**”) of the shareholders of **ASCOT RESOURCES LTD.** (the “**Company**”) will be held at the offices of Blake, Cassels & Graydon LLP at Suite 2600, 595 Burrard Street, Vancouver, B.C., V7X 1L3 on Tuesday September 24, 2019 at 10:00 a.m. (Vancouver time) for the following purposes:

1. To receive and consider the nine-month transitional financial statements of the Company for the year ended December 31, 2018, together with the report of the auditors thereon;
2. To appoint auditors and to authorize the directors to fix the remuneration to be paid to the auditors;
3. To set the number of directors at eight (8);
4. To elect directors for the ensuing year;
5. To approve the adoption of the Amended and Restated Stock Option Plan of the Company;
6. To approve the adoption of the Share Unit Plan of the Company;
7. To approve the adoption of the Deferred Share Unit Plan of the Company;
8. To approve an ordinary resolution ratifying, confirming and approving the Company’s advance notice policy;
9. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

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

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

Only holders of common shares of the Company of record at the close of business on August 19, 2019 will be entitled to vote at the Meeting.

DATED at Vancouver, British Columbia, this 19th day of August, 2019.

BY ORDER OF THE BOARD

“Derek C. White”

Derek C. White
President & CEO

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LETTER TO SHAREHOLDERS FROM THE CHAIRMAN OF THE BOARD

Dear Shareholder:

Ascot Resources Ltd. (“Ascot” or the “Company”) delivered another year of strong performance with excellent exploration and development milestones. As a result of the summer 2018 drill campaign, the Company filed an updated NI 43-101 technical report on January 17, 2019 titled “Technical Report on the Premier Project, Stewart, British Columbia, Canada” (authored by Roscoe Postle Associates Inc.), presenting a new high-grade resource statement for the Premier Project. Since that report was filed, the drilling results this summer to date have continued to be extremely encouraging and will be integrated into a potential future resource update. Drilling initially concentrated on converting Inferred to Indicated Resources in the Big Missouri, 602, Prew and Silver Coin zones for inclusion into the Premier Feasibility Study, and to concentrate more on drill exploration type targets outside of known resources. We eagerly await the assay results of these drill holes at the date of writing this report.

In March, the management team acquired the Red Mountain Project from IDM Mining Ltd. (“IDM”) and is conducting a new Feasibility Study for the project. We are happy to report also, the finalization (see NR 19.04 April 10, 2019) of a Benefits Agreement with the Nisga’a Nation which sets the basis for a long-term success of the Project for the Nisga’a and the Company. The Nisga’a Nation has rights and interests as set out under the *Nisga’a Final Agreement* with Canada and British Columbia encompassing the Red Mountain Project site.

Results for the Red Mountain Updated Feasibility Study will be available in Q3 2019 followed closely by the results from the Premier Feasibility Study anticipated in Q1 of 2020. We continue to build our business for the long-term, focusing on bringing both the Premier and the Red Mountain Projects into production.

Concurrent with the acquisition of IDM Andree St. Germain joined the Ascot board rounding out the skillset of the board and we look forward to her contribution to the successes of the Company.

To better align future compensation with our peers, the Company kindly requests your support of our Amended Stock Option Plan, new Share Unit Plan and new Deferred Share Unit Plan, all three of which will remain under the previously approved 10% threshold (see pages 10 to 21). The Board believes that the new plans will ensure that director compensation, and management and employee long-term incentives are aligned with shareholder interests.

I would like to take a moment to express our sadness at the recent passing of John Toffan, founder of Ascot Resources Ltd. John had a long and prolific career in the Golden Triangle region of BC, being involved in some of the area’s major discoveries and he will be greatly missed in the industry. Our condolences to his family and friends.

Please take some time to read through our Information Circular and Proxy Statement in determining your vote. On behalf of the Board and management, we thank you for your ongoing support and confidence in Ascot and we look forward to seeing you on Tuesday, September 24, 2019 at the offices of Blake, Cassels & Graydon, LLP, Suite 2600, 595 Burrard Street, Vancouver, BC V7X 1L3, at 10:00 a.m. (PT).

Sincerely,

“Rick Zimmer”

Rick Zimmer
Chairman of the Board

ASCOT RESOURCES LTD.

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

INFORMATION CIRCULAR

THIS INFORMATION CIRCULAR CONTAINS INFORMATION
AS AT AUGUST 19, 2019

PERSONS MAKING THE SOLICITATION

This Information Circular is furnished in connection with the solicitation of proxies by management of Ascot Resources Ltd. (the “**Company**”) for use at the annual and special meeting of shareholders of the Company to be held at 10:00 a.m. on Tuesday, September 24, 2019 (the “**Meeting**”) and any adjournment thereof, for the purposes set forth in the attached Notice of Meeting. Except where otherwise indicated, the information contained herein is stated as at August 19, 2019.

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

APPOINTMENT OF PROXYHOLDER

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

REVOCATION OF PROXY

Every proxy may be revoked by an instrument in writing:

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

or in any other manner provided by law.

Only registered shareholders have the right to revoke a proxy. Non-Registered Holders (as defined herein) who wish to change their vote must, arrange for their respective intermediaries to revoke the proxy on their behalf in accordance with the instructions provided by their intermediary, but not less than seven days before the Meeting.

EXERCISE OF DISCRETION BY PROXYHOLDER

The shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for and, if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of any such direction, the Management Proxyholder will vote in favour of matters described in the proxy. In the absence of any direction as to how to vote the shares, an Alternate Proxyholder has discretion to vote them as he or she chooses.**

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

NON-REGISTERED HOLDERS

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

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

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

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

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

These securityholder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and

information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

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

RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value. As at the date of this Information Circular, there are 232,478,810 common shares issued and outstanding, each common share carrying the right to one vote. The Company has no other classes of voting securities.

In accordance with applicable laws, the board of directors of the Company (the "**Board**") has provided notice of and fixed the record date as of August 19, 2019 (the "**Record Date**") for the purposes of determining Shareholders entitled to receive notice of, and to vote at, the Meeting, and has obtained a list of all persons who are Registered Shareholders at the close of business on the Record Date and the number of common shares registered in the name of each Registered Shareholder on that date. Each Registered Shareholder as at the close of business on the Record Date will be entitled to receive notice of the Meeting and will be entitled to one vote at the Meeting for each common share registered in his or her name as it appears on the list.

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

RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company for consider the nine-month transitional financial statements of the Company for the year ended December 31, 2018 and accompanying auditor's report will be presented at the Meeting and have been previously filed under the Company's profile on SEDAR at www.sedar.com.

PARTICULARS OF MATTERS TO BE ACTED UPON

SIZE OF THE BOARD

In early 2019, during the acquisition of IDM Mining Ltd. and to support the initiative to add gender diversity to the board, Ms. Andree St-Germain was added to the board of directors of the Company increasing the size of the board from seven (7) to eight (8). The board is currently set at seven (7). To accommodate the addition of Ms. St-Germain, management proposes that the number of directors on the Company's board be increased and set to eight (8). **The Company's board of directors recommends a vote "FOR" the approval of the resolution setting the number of directors at eight (8) directors.**

ELECTION OF DIRECTORS

The term of office of each of the directors expires at the Meeting. At the 2018 annual general shareholders meeting, the Company's shareholders elected seven (7) directors. Subsequently, Ms. St-Germain was appointed to the Board in March 2019, all in accordance with the Company's Articles, increasing the size of the Board to eight (8) members. The nominees are all of the existing directors of the Company. Each director elected will hold office until the next annual general meeting or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or the provisions of the *Business Corporations Act* (British Columbia) or he or she becomes disqualified to act as a director.

The table below sets forth for each management nominee for election as director, (i) their name, (ii) the province or state and country where they reside, (iii) their age, (iv) all offices of the Company now held by each of them, including the committees on which they serve, (v) the period of time during which each has been a director of the Company, (vi) 2018 voting results, (vii) their principal occupations, businesses or employment, (viii) the number of common shares of the Company that each nominee beneficially owns, or controls or directs, directly or indirectly, as at the date hereof, and (ix) skills and qualifications relevant to the Company. The Board recommends a vote “FOR” the appointment of each of the following nominees as directors.

Name, Residence, Age, Present Position with the Company, and Voting Results ⁽¹⁾	Principal Occupation and Occupations during past 5 years ⁽¹⁾	# of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾	Skills & Qualifications ⁽¹⁾
<p>RICK ZIMMER⁽³⁾⁽⁴⁾⁽⁵⁾ B.Sc., B.Eng., MBA, P.Eng Vancouver, BC Canada Age: 71 <i>Independent Director & Board Chairman since Oct 6, 2017</i></p> <p><i>2018 Voting Results:</i> For: 85,850,486 Withheld: 1,200</p>	<p>Professional Director; Currently also a director of: Capstone Mining Corp. (since 2011); Alexco Resources Corp. (since 2012)</p>	<p>124,125 common shares</p>	<ul style="list-style-type: none"> • Over 40 years of operating and development experience in Gold and Copper mining • CEO, headship and management oversight positions • Board experience/corporate governance • Experience with budgeting and planning for mining operations • Commercial dealings/contract negotiation & analysis • Joint ventures, mergers & acquisitions • Professional Mining Engineer
<p>JAMES STYPULA⁽³⁾⁽⁴⁾ Cranbrook, BC Canada Age: 70 <i>Independent Director since Oct 6, 2017</i></p> <p><i>2018 Voting Results:</i> For: 85,834,866 Withheld: 16,820</p>	<p>Professional Director</p>	<p>83,500 common shares</p>	<ul style="list-style-type: none"> • Over 40 years of capital markets/corporate finance • Former CEO • Board experience/corporate governance • Commercial dealings/contract negotiation & analysis • International transactions • Mergers and acquisitions • Financial expertise/industry literacy
<p>ROBERT EVANS⁽²⁾⁽⁴⁾ Surrey, BC Canada Age: 66 <i>Non-Independent Director Since 1993</i></p> <p><i>2018 Voting Results:</i> For: 85,851,186 Withheld: 500</p>	<p>Chartered Accountant; Former Secretary/Treasurer, and Chief Financial Officer (from 1989 to 2017) and currently a Director of the Company (since 1989 to present)</p>	<p>105,000 common shares</p>	<ul style="list-style-type: none"> • Over 40 years of financial Reporting experience • Former CFO • Chartered accountant • Board experience • Commercial dealings/contract negotiation & analysis

Name, Residence, Age, Present Position with the Company, and Voting Results ⁽¹⁾	Principal Occupation and Occupations during past 5 years ⁽¹⁾	# of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾	Skills & Qualifications ⁽¹⁾
<p>KENNETH CARTER⁽³⁾⁽⁵⁾ Halfmoon Bay, BC Canada Age: 71 <i>Independent Director since Apr 15, 1993</i></p> <p><i>2018 Voting Results:</i> For: 85,851,186 Withheld: 500</p>	<p>Professional Director, Retired Geologist</p>	<p>750,100 common shares</p>	<ul style="list-style-type: none"> • Over 40 years of operating and development experience in base metals mining • Former general manager with headship and management oversight positions • Experience with budgeting and planning for mining operations • Board experience • Commercial dealings/contract negotiation & analysis • Professional Geologist
<p>GREG GIBSON⁽⁵⁾ Toronto, ON Canada Age: 57 <i>Independent Director since Aug 5, 2016</i></p> <p><i>2018 Voting Results:</i> For: 85,834,266 Withheld: 17,420</p>	<p>Currently President and CEO of Sprott Mining Inc. and Jerritt Canyon Gold LLC and currently a director of Sprott Mining Inc., Jerritt Canyon Canada, and Novo Resources Corp. Formerly a director of Barkerville Gold Mines Ltd., Kerr Mines Inc., Latin American Minerals, and Metanor Resources Inc.</p>	<p>Nil</p>	<ul style="list-style-type: none"> • Over 30 years of operating and development experience in gold and copper mining • Numerous CEO, headship and management oversight positions • Board experience/corporate governance • Capital markets/corporate finance • Commercial dealings/contract negotiation & analysis • International transactions • Joint ventures, mergers & acquisitions
<p>DON NJGOVAN⁽²⁾⁽⁵⁾ Toronto, ON Canada Age: 49 <i>Independent Director since Jan 16, 2018</i></p> <p><i>2018 Voting Results:</i> For: 85,834,266 Withheld: 17,420</p>	<p>Currently Vice President of New Business Development at Osisko Mining and formerly a director of St. Andrews Goldfields prior to its acquisition by Kirkland Lake Gold in 2016.</p>	<p>20,000</p>	<ul style="list-style-type: none"> • Board experience/corporate governance • Capital markets/corporate finance • Commercial dealings/contract negotiation & analysis • International transactions • Joint ventures, mergers & acquisitions
<p>WILLIAM BENNETT⁽²⁾⁽⁵⁾ Cranbrook, BC Canada Age: 69 <i>Independent Director since Feb 1, 2018</i></p> <p><i>2018 Voting Results:</i> For: 85,834,266 Withheld: 17,420</p>	<p>Profession Director; Law Degree; formerly BC MLA for 16 years; formerly Minister, Energy & Mines and currently a director of Kutcho Copper Corp., Eagle Plains Resources Ltd. and Surge Exploration Inc.</p>	<p>7,100</p>	<ul style="list-style-type: none"> • Board experience/corporate governance • Capital markets/corporate finance • Commercial dealings/contract negotiation & analysis • Government permitting, First Nations • Governance & Community Relations

Name, Residence, Age, Present Position with the Company, and Voting Results ⁽¹⁾	Principal Occupation and Occupations during past 5 years ⁽¹⁾	# of Shares Beneficially Owned or Controlled or Directed, Directly or Indirectly ⁽¹⁾	Skills & Qualifications ⁽¹⁾
ANDREE ST-GERMAIN⁽²⁾ Vancouver, BC Canada Age: 39 <i>Independent Director since Mar 28, 2019</i> 2018 Voting Results: N/A ⁽⁶⁾	Currently Chief Financial Officer at Intergra Resources and a director of Barkerville Gold Mines. Formerly a director of IDM Mining Ltd.	32,895	<ul style="list-style-type: none"> • Board experience/corporate governance • Capital markets/corporate finance • Commercial dealings/contract negotiation & analysis • International transactions • Joint ventures, mergers & acquisitions

Notes:

(1) All information in the table above is not within the knowledge of the management of the Company and has been furnished by the representative nominees.

(2) Member of the Audit Committee.

(3) Member of the Compensation Committee.

(4) Member of the Governance and Nomination Committee.

(5) Member of the Health, Safety, Environmental and Technical Committee.

(6) Ms. St-Germain joined the Board on March 28, 2019.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

No nominee director of the Company:

(a) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that, while that person was acting in that capacity:

(i) was the subject of a cease trade or similar order, or an order that denied the other relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(ii) was subject to an event that resulted, after the director, chief executive officer or chief financial officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days; or

(b) is, at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such person.

No proposed director of the Company has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities

regulatory authority; or (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

APPOINTMENT AND REMUNERATION OF AUDITOR

The Shareholders will be asked to vote for the appointment of PriceWaterhouseCoopers, an Independent Registered Public Accounting Firm, as the auditor of the Company to hold office until the next annual general meeting of Shareholders and to authorize the directors to fix their remuneration. **The Board recommends a vote “FOR” the appointment of PriceWaterhouseCoopers, an Independent Registered Public Accounting Firm, as the auditor of the Company to hold office until the close of the next annual meeting of Shareholders and to authorize the directors to fix their remuneration. In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the appointment of PriceWaterhouseCoopers, an Independent Registered Public Accounting Firm, as the auditor of the Company to hold office until the close of the next annual meeting of Shareholders and to authorize the directors to fix their remuneration.**

APPROVAL OF EQUITY COMPENSATION PLANS

The Company is seeking approval of the Amended and Restated Stock Option Plan, as approved by the Board on August 19, 2019 (the “**Stock Option Plan**”), as the Company’s prior stock option plan (the 2018 Stock Option Plan, as approved by Shareholders in December 2018 (the “**Prior Plan**”)) requires approval annually. The terms of the Stock Option Plan have also been amended from the Prior Plan, in part and as further described below, to create certain additional limitations on grants of Options under the Stock Option Plan.

The Company is also seeking Shareholder approval for the issuance of common shares from treasury pursuant to each of the Company’s new Share Unit Plan (the “**Share Unit Plan**”) and new Directors’ Deferred Share Unit Plan (the “**DSU Plan**”). In addition to the specific purposes set out in each plan, the intent of each of the proposed Share Unit Plan and the DSU Plan is to encourage share ownership by certain employees and consultants, in the case of the DSU Plan non-executive directors, and in the case of the Share Unit Plan, to provide a more flexible mix of compensation components to attract, retain, and incentivize the performance of the participants in alignment with the success of the Company and its Shareholders, and to preserve cash where possible.

Approval of Amended and Restated Stock Option Plan

Background

The Stock Option Plan is designed to encourage share or equity ownership and entrepreneurship on the part of the directors, officers, employees and consultants of the Company. The Compensation Committee of the Board believes that the Stock Option Plan aligns the interests of those persons eligible to participate in the Stock Option Plan with the interests of shareholders, by linking a component of compensation to the longer term performance of the Company’s common shares. Importantly for an exploration stage company, the Stock Option Plan also allows the Company to provide long term incentive-based compensation without depleting the Company’s cash resources which are needed for ongoing exploration and development activities.

The Stock Option Plan provides that options (“**Options**”) to purchase common shares may be granted to any director, employee or consultant of the Company or a subsidiary of the Company (each, an “**Eligible Person**”). The Compensation Committee or such other committee of the Board as may be designated by the Board (the “**Committee**”) has the authority to administer the Stock Option Plan and to determine, among other things, the vesting period and the exercise period (subject to a maximum term of five years from the date of grant and the Committee’s discretion in the event that it accelerates vesting for any reason). The Board has the ability to revoke any of the powers conferred on the Committee under the Stock Option Plan.

As at the date hereof, 15,077,875 Options are currently issued and outstanding under the Stock Option, which underlying common shares represent approximately 6.5% of the issued and outstanding common shares of the Company.

The Stock Option Plan must be approved by a majority of the votes cast by the Shareholders present in person or represented by proxy at the Meeting. In the event that the Stock Option Plan is not approved by the Shareholders, the Prior Plan will remain in effect in accordance with its terms.

Amendments

In connection with the adoption by the Board of the DSU Plan for the benefit of the Company's non-executive directors and consultants, and the adoption of the Share Unit Plan for the benefit of the Company's employees and consultants, the Board has approved certain amendments to the Prior Plan, which amendments are reflected in the Stock Option Plan.

The amendments to the Prior Plan include:

- (a) The definition of Share Compensation Arrangement to clarify that such arrangements include share unit plans and deferred share unit plans;
- (b) an amendment to Section 4.1, to provide that the maximum number of common shares that may be issuable under the Stock Option Plan shall be 10% of the number of issued and outstanding common shares on a non-diluted basis at any time, provided that the number of common shares issued or issuable under all Share Compensation Arrangements (as defined in the Stock Option Plan, which includes the Share Unit Plan and the DSU Plan) shall not exceed 10% of the number of issued and outstanding common shares on a non-diluted basis; and
- (c) certain other amendments of a "housekeeping" nature.

The Stock Option Plan will remain otherwise unchanged from the terms of the Prior Plan, and the terms of the Stock Option Plan are further described below. The full text of the Stock Option Plan reflecting all of the proposed amendments (the Amended and Restated Option Plan) is attached as **Schedule "A"** to this Information Circular.

Maximum Number of Common Shares Issuable

As described above in part, the maximum number of common shares that may be issuable under the Stock Option Plan shall be 10% of the number of issued and outstanding common shares on a non-diluted basis at any time, provided that (i) the number of common shares issued or issuable under all Share Compensation Arrangements (as defined in the Stock Option Plan) shall not exceed 10% of the issued and outstanding common shares on a non-diluted basis and (ii) the aggregate number of common shares issued to insiders within any one-year period, and issuable to insiders at any time under all Share Compensation Arrangements, shall not exceed 10% of the issued and outstanding common shares.

The aggregate number of common shares reserved for issuance pursuant to the Stock Option Plan are subject to the following limitations: (i) the number reserve for issuance to any Eligible Person within a one-year period must not exceed 5% of the common shares outstanding at the time of grant; (ii) the number reserved for issuance to any consultant within a one-year period must not exceed 2% of the common shares outstanding at the time of grant; (iii) the number reserved for issuance to an employee conducting Investor Relations Activities (as defined in the Stock Option Plan) within a one-year period must not exceed 2% of the common shares outstanding at the time of grant, with options vesting in stages and no more than one quarter (1/4) of options vesting in any three month period.

In addition, the equity award value (based on grant date fair value) of any grant of Options to non-employee directors under the Stock Option Plan shall not exceed \$100,000 to each non-employee director per year.

Exercise Price

Options may be granted from time to time by the Committee at an exercise price equal to the Market Price of the common shares at the time the Option is granted. "**Market Price**" means:

- (a) if the common shares are listed on one organized trading facility, the closing trading price of the common shares on the business day immediately preceding the grant date,

- (b) if the common shares are listed on more than one organized trading facility, the market price as determined in accordance with (a) above for the primary organized trading facility on which the common shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary regulatory approvals,
- (c) if the common shares did not trade on the business day prior to the grant date, the average of the bid and ask prices in respect of such common shares at the close of trading on such date on the primary organized trading facility on which the common shares are listed, and
- (d) if the common shares are not listed for trading on a stock exchange or over the counter market, a price which is determined by the Committee to be the fair value of the common shares, taking into consideration all factors that the Committee deems appropriate, including, without limitation, recent sale and offer prices of the common shares in private transactions negotiated at arms' length, provided that the Market Price will in no event be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the grant date in question.

Cashless Exercise

Unless the Company's Shares are listed on the TSX Venture Exchange, in lieu of paying the aggregate Option Price to purchase Shares as set forth in Section 8.1 of the Stock Option Plan, the Committee may, in its sole and absolute discretion, permit an Option Holder to elect to receive, without payment of cash or other consideration except as required by Section 8.5 of the Stock Option Plan, upon surrender of the applicable portion of a then vested and exercisable Option to the Company, that number of Shares, disregarding fractions, equal to the number obtained by dividing (a) the difference between the Market Price of one Share determined as of the date of delivery of the notice of exercise referred to in Section 8.1 and the Option Price, multiplied by the number of Shares in respect of which the Option would otherwise be exercised with payment of the aggregate Option Price, by (b) the Market Price of one Share determined as of the date of delivery of the notice of exercise referred to in Section 8.1 (a "Cashless Exercise"). For greater certainty, a Cashless Exercise will not be permitted while the Company's Shares are listed on the TSX Venture Exchange (the "TSXV").

Termination of Options

Each Option will expire and terminate immediately upon the holder thereof ceasing to be an Eligible Person except as otherwise provided in the Stock Option Plan. The Stock Option Plan provides that where an employee whose employment terminates for any reason other than for cause (but including termination without cause and voluntary resignation), any exercisable Options will continue to be exercisable for a period of 90 days following the termination date, subject to the discretion of the Committee to extend such period (provided that in no event may such period be extended beyond the expiration date of such options).

In addition, in the event that the employment of an employee is terminated by reason of death or disability, such Option holder or his or her estate or legal representative, as the case may be, is entitled to exercise any Options that were vested and exercisable as of the date of death or the date such Option holder's employment was terminated by reason of disability, as the case may be, for a period of 12 months after the date of death or the termination date, as applicable, subject to the discretion of the Committee to extend such period (but in no event beyond the expiration date of such options).

Under the Stock Option Plan, where an Option holder's employment or term of office is terminated for cause, any Options held by such Option holder will immediately expire and be cancelled upon termination unless the Committee determines otherwise.

The exercise of Options granted to a consultant of the Company or its subsidiaries will be treated in a similar manner to that described above for employees.

Transferability

Each Option is personal to the holder of such Option and is non-assignable and non-transferable. No Option granted under the Stock Option Plan may be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by the Option holder, whether voluntarily or by operation of law, other than by testate succession, will or the laws of descent and distribution.

Amendment Procedure

Under the Stock Option Plan, the Committee will be entitled to make any amendments to the Stock Option Plan that are not material. Some examples of amendments that would not be considered material, and which could therefore be made without shareholder approval, include the following: (a) ensuring continuing compliance with applicable laws, regulations, requirements, rules or policies of any governmental authority or any stock exchange; (b) amendments of a “housekeeping” nature, which include amendments to eliminate any ambiguity or correct or supplement any provision contained in the Stock Option Plan which may be incorrect or incompatible with any other provision thereof; (c) a change to provisions on transferability of Options for normal estate settlement purposes; (d) a change in the process by which an Option holder who wishes to exercise his or her Option can do so, including the required form of payment for the common shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered; (e) changing the vesting and exercise provisions of the Stock Option Plan or any Option in a manner which does not entail an extension beyond the originally scheduled expiry date for any applicable Option, including to provide for accelerated vesting and early exercise of any Options deemed necessary or advisable in the Committee’s discretion; (f) changing the termination provisions of the Stock Option Plan or any Option which does not entail an extension beyond the originally scheduled expiry date for that Option; (g) adding a cashless exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying common shares from the Stock Option Plan reserve, if a cashless exercise is permitted under the policies or rules of the stock exchange on which the common shares are listed; and (h) adding a conditional exercise feature which would give the Option holders the ability to conditionally exercise in certain circumstances determined by the Committee, at its discretion, at any time up to a date determined by the Committee, at its discretion, all or a portion of those Options granted to such Option holders which are then vested and exercisable in accordance with their terms, as well as any unvested Options which the Committee has determined shall be immediately vested and exercisable in such circumstances.

Any material amendments to the Stock Option Plan will require shareholder approval. Some examples of material amendments that would require shareholder approval include the following: (a) any amendment to the amending provisions of the Stock Option Plan other than amendments made to ensure compliance with existing laws, regulations, rules or policies or amendments of a “housekeeping” nature; (b) any increase in the maximum number of common shares available for purchase pursuant to Options other than in accordance with the provision of the Stock Option Plan that entitles the Committee to make adjustments to give effect to certain adjustments made to the common shares in the event of certain capital reorganizations and other transactions; (c) any reduction in the exercise price (except in the event of certain corporate transactions, pursuant to the Stock Option Plan’s adjustment provisions), where disinterested shareholder approval will be obtained for any reduction in the exercise price if the Option Holder (as defined in the Stock Option Plan) is an insider, or extension of the period during which an Option may be exercised; (d) any amendment to permit the re-pricing of Options; (e) the cancellation and reissue of any Options; (f) any amendments to remove or exceed the limitations on grants to Insiders and non-employee directors set out in Section 5.8 of the Plan; (g) any amendment that would permit Options to be transferred or assigned other than for normal estate settlement purposes; and if required under the rules or policies of the stock exchange at that time, (h) any amendment to the persons eligible to be granted Options under the Plan; (g) any amendment to the method for determining the Option Price (as defined in the Stock Option Plan); and (i) any amendment to the expiration or termination provisions applicable to Options.

Stock Option Plan Resolution

The text of the resolution approving the amendments to the Stock Option Plan (the “**Option Plan Resolution**”) which will be presented at the Meeting and, if deemed appropriate, adopted with or without variation is as follows:

“BE IT RESOLVED, as an ordinary resolution, that:

1. the Company’s Amended and Restated Option Plan (the “**Stock Option Plan**”) as set out in the form attached as **Schedule “A”** to the Information Circular, be and is hereby approved;
2. all unallocated options, rights and entitlements under the Stock Option Plan, be and are hereby authorized and approved;
3. any one officer or director of the Company be and is hereby authorized, for and in the name of and on behalf of the Company, to execute and deliver, or cause to be executed and delivered, all such further agreements, instruments, amendments, certificates and other documents and to do or cause to be done all such other acts and things as such officer or director may determine to be necessary or advisable for the purpose of giving full force and effect to the provisions of this resolution, the execution by such officer or director and delivery of any such agreement, instrument, amendment, certificate or other document or the doing of any such other act or thing being conclusive evidence of such determination.”

The Board recommends that Shareholders vote **FOR** the Stock Option Plan Resolution, and the Company has been advised that the directors and senior officers of the Company intend to vote all common shares held by them in favour of the Stock Option Plan Resolution. **In the absence of contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the Stock Option Plan Resolution.**

Approval of Share Unit Plan

Background

The Board has adopted the Share Unit Plan for the benefit of the Company’s employees and other persons rendering services to the Company or any subsidiary, partnership, trust or other entity controlled by the Company (collectively, the “**Ascot Entities**”). The Share Unit Plan has been established to promote a further alignment of interests between employees and consultants and the Shareholders of the Company, to associate a portion of employees’ and consultants’ compensation with the returns achieved by Shareholders of the Company, and to attract and retain employees and consultants with the knowledge, experience and expertise required by the Company.

The Board intends to use Restricted Share Units (“**RSUs**”) and Performance Share Units (“**PSUs**”) granted under the Share Unit Plan, as well as options issued under the Stock Option Plan, as part of the Company’s overall executive compensation plan. Since the RSUs and PSUs represent rights, subject to satisfaction of certain vesting conditions, to receive common shares, RSUs and PSUs reflect a philosophy of aligning the interests of employees and consultants with those of the Shareholders by tying the value of long-term compensation to the value of the common shares. In addition, RSUs and PSUs are subject to vesting conditions, which assists in the retention of qualified and experienced employees and consultants by rewarding those individuals who make a long term commitment.

There currently are no RSUs or PSUs issued or outstanding.

At the Meeting, Shareholders will be asked to approve a resolution to approve the Share Unit Plan as a treasury based plan and to reserve common shares from treasury for issuance under the Share Unit Plan (the “**Share Unit Plan Resolution**”), the text of which is set forth below. In order to be approved, the Share Unit Plan Resolution must be passed by a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. **Unless such authority is withheld, the management representatives designated in the enclosed form of proxy intend to vote FOR the approval of Share Unit Plan Resolution.**

Summary of the Share Unit Plan

Set out below is a summary of the Share Unit Plan. A complete copy of the Share Unit Plan is attached to this Information Circular as **Schedule “B”**.

Eligible Participants

The Share Unit Plan is administered by the Committee. Employees and consultants of the Company and the Ascot Entities are eligible to participate in the Share Unit Plan. In accordance with the terms of the Share Unit Plan, the Committee will determine those employees and consultants who are entitled to receive RSUs and PSUs, the number of RSUs and PSUs to be awarded to each participant and the conditions and vesting provisions of those RSUs and PSUs. RSUs and PSUs awarded to participants are credited to them by means of an entry in a notional “share unit” account in their favour on the books of the Company.

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 Committee.

The vesting of PSUs is conditional upon the satisfaction of certain performance conditions, as set forth at the time of the grant of the PSU, which performance conditions can be any financial, personal, operational or transaction-based performance criteria as may be determined by the Committee in accordance with the Share Unit Plan. Performance conditions may apply to the Company, an Ascot Entity, the Company and Ascot Entities as a whole, a business unit of the Company or group comprised of the Company and some Ascot Entities or a group of Ascot Entities, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to a pre-established target or milestone, to previous years’ results or to a designated comparator group, or otherwise, and may result in the percentage of vested PSUs in a grant exceeding 100% of the PSUs initially determined in respect of such grant.

The expiry date of RSUs and PSUs will be determined by the Committee at the time of grant, provided that where no expiry date is specified in a grant agreement for a grant, the expiry date of such grant shall be the fifth anniversary of the grant date. Unless otherwise determined by the Committee, the vesting period for any RSUs and PSUs shall not be later than December 15 of the third year following the year in which the participant performed the services to which the grant of the RSU or PSU relates.

Maximum Number of Common Shares Issuable

RSUs and PSUs may be granted in accordance with the Share Unit Plan provided the aggregate number of RSUs and PSUs outstanding pursuant to the Share Unit Plan from time to time shall not exceed 1,740,000 provided that the number of common shares issuable under all Share Compensation Arrangements (as defined in the Share Unit Plan) shall not exceed 10% of the number of issued and outstanding common shares on a non-diluted basis at any time. All common shares that are subject to RSUs or PSUs that terminate or are cancelled prior to settlement are available for future grants.

The Share Unit Plan is subject to the following additional limits: (a) the maximum number of common shares issuable to insiders (as that term is defined by the rules or policies of the stock exchange on which the common shares are listed) pursuant to the Share Unit Plan, together with any common shares issuable pursuant to any other Share Compensation Arrangement of the Company (which includes the DSU Plan and the Stock Option Plan), (b) the maximum number of common shares issued to insiders under the Share Unit Plan, together with any common shares issued to insiders pursuant to any other Share Compensation Arrangement within any one year period, will not exceed 10% of the total number of outstanding common shares; (c) the aggregate number of common shares issuable under the Share Unit Plan to any one Participant (as defined in the Share Unit Plan) in a twelve (12) month period shall not exceed 2% of the total number of issued and outstanding common shares, unless disinterested shareholder approval is obtained for any grant exceeding 2%; (d) the aggregate number of shares issuable under the Share Unit Plan to any one Participant must not exceed 1% of the issued and outstanding Shares, unless disinterested shareholder approval is obtained for any grant exceeding 1%; and (e) no common shares are issuable under the Share Unit Plan to Eligible Persons employed to conduct Investor Relations Activities.

If Company is listed on the Toronto Stock Exchange, for the purposes of determining whether the limitation set out in items (a) and (b) has been met, any options, Shares, share units, deferred shares units or other awards involving the

issuance or potential issuance of Shares that are granted or issued in reliance on Section 613(c) of the Toronto Stock Exchange Company Manual shall, notwithstanding the definition of Share Compensation Arrangement or any other provision of the Share Unit Plan, be included (and not excluded).

Cessation of Entitlement

Subject to the terms of a participant's written employment agreement with the Company or an Ascot Entity and the relevant grant agreement, in the event a Share Unit Plan participant's services as an employee or consultant with the Company or an Ascot Entity is terminated by the Company or an Ascot Entity without cause, the participant voluntarily terminates his or her services, or the services are otherwise terminated as set forth in the Share Unit Plan, all RSUs or PSUs of such participant that are not then vested shall be forfeited unless otherwise determined by the Committee.

Subject to the terms of a person's employment agreement with the Company or a Ascot Entity, and unless otherwise determined by the Committee in accordance with the Share Unit Plan, if a participant's services as an employee or consultant are terminated for cause by the Company or any Ascot Entity, all RSUs and PSUs, whether or not vested, shall terminate and be forfeited.

If a participant's RSUs or PSUs would be exercised within a "blackout period" (as defined in the Share Unit Plan) applicable to such participant, such settlement shall be postponed until the first trading day following the date on which the relevant blackout period has expired.

Change of Control

In the event of a Change of Control, subject to the terms of a participant's written employment agreement with the Company or an Ascot Entity and the grant agreement in respect of the grant of a RSU or PSU, the Committee may determine, in its sole discretion: (a) that all RSUs and/or PSUs that have not previously vested shall vest on the effective date of the Change in Control, provided that, in the case of a grant of PSUs, the total number of PSUs that vest shall be the number of PSUs covered by such grant without giving effect to any potential increase or decrease in such number as a result of graduated performance conditions permitting vesting of more or less than 100% of such PSUs (which vested RSUs and/or PSUs will be settled through the issuance of common shares immediately prior to the effective time of the Change of Control, as determined by the Committee in its sole discretion); or (b) that for any RSU or PSU there shall be substituted an entitlement to such other securities into which common shares are changed, or are convertible or exchangeable, or a cash payment based on the value of such other securities, on a basis proportionate to the number of common shares to which the participant would otherwise be entitled or some other appropriate basis.

For the purposes of the Share Unit Plan, "**Change of Control**" means (i) an amalgamation, merger or consolidation of the Company with any other corporation (otherwise than pursuant to an internal corporate reorganization that would not affect control of the Company); (ii) the liquidation, dissolution or wind-up of the Company; (iii) the sale or conveyance of all or substantially all of the property or assets of the Company; (iv) the acquisition of shares, or the right to acquire shares, of the Company as a result of which any person or group would beneficially own shares entitling such person or group to cast more than 50% of the votes attaching to all shares in the capital of the Company, by way of an offer, an arrangement or otherwise; or (v) any other transaction the Board deems to be a Change of Control for the purposes of the Share Unit Plan.

Transferability

RSUs and PSUs are not assignable or transferable other than by operation of law, except, if and on such terms as the Company may permit, to an individual who has been designated by a participant, in such form and manner as the Committee may determine, to receive benefits payable under the Share Unit Plan upon the death of the participant, or, where no such designation is validly in effect at the time of death, the participant's legal representative.

Dividends

On any payment date for dividends paid on common shares, a participant in the Share Unit Plan will be granted dividend equivalent RSUs or PSUs as of the record date for payment of dividends. The number of such additional RSUs and PSUs will be calculated based on the fair market value of a common share on the date that the dividend is paid.

Amendments to the Share Unit Plan

The Share Unit Plan and any grant of an RSU or PSU made pursuant to the Share Unit Plan may be amended, modified or terminated by the Board without approval of Shareholders, provided that no amendment to the Share Unit Plan or grants made pursuant to the Share Unit Plan may be made without the consent of a participant if it adversely alters or impairs the rights of the participant in respect of any grant previously granted to such participant under the Share Unit Plan (except that participant consent shall not be required where the amendment is required for purposes of compliance with applicable law). In addition, the following amendments may not be made without shareholder approval:

1. an increase in the number of common shares reserved for issuance pursuant to the Share Unit Plan;
2. changes to the amendment provisions granting additional powers to the Board to amend the Share Unit Plan or entitlements thereunder;
3. changes to the participation limits under the Share Unit Plan, including those to Insiders;
4. changes to the expiry and termination provision applicable to any RSUs or PSUs;
5. amending the eligibility for participation under the Share Unit Plan; and
6. an amendment that would permit RSUs or PSUs to be transferrable or assignable other than for normal estate settlement purposes, if such amendment is permitted under the stock exchange on which the common shares are listed at that time.

For greater certainty and without limiting the foregoing, shareholder approval shall not be required for the following amendments and the Board may make the following changes without shareholder approval, subject to any regulatory approvals including, where required, the approval of the TSXV or other applicable stock exchange:

1. amendments of a “housekeeping” nature;
2. a change to the vesting provisions of any grants;
3. a change to the termination provisions of any grant that does not entail an extension beyond the original term of the grant; or
4. amendments to the provisions relating to a Change of Control.

Share Unit Plan Resolution

The Share Unit Plan was approved by the Board on August 19, 2019 and must be approved by both the Shareholders and the TSXV. The Share Unit Plan was submitted for approval to the TSXV on August 14, 2019 and is subject to confirmation and approval by the Shareholders and satisfying the requirements of the TSXV, including filing of the applicable documentation.

The text of the Share Unit Plan Resolution which will be presented at the Meeting and, if deemed appropriate, adopted with or without variation is as follows:

“BE IT RESOLVED, as an ordinary resolution, that:

1. the Share Unit Plan allowing for the issuance of a maximum of 1,740,000 common shares from the treasury of the Company, as set out in the copy attached to the Information Circular as **Schedule “B”**, be and is hereby approved;

2. the unallocated entitlements under the Share Unit Plan, be and are hereby authorized and approved; and
3. any one officer or director of the Company be and is hereby authorized, for and in the name of and on behalf of the Company, to execute and deliver, or cause to be executed and delivered, all such further agreements, instruments, amendments, certificates and other documents and to do or cause to be done all such other acts and things as such officer or director may determine to be necessary or advisable for the purpose of giving full force and effect to the provisions of this resolution, the execution by such officer or director and delivery of any such agreement, instrument, amendment, certificate or other document or the doing of any such other act or thing being conclusive evidence of such determination.”

Recommendation

The Board recommends that Shareholders vote **FOR** the Share Unit Plan Resolution, and the Company has been advised that the directors and senior officers of the Company intend to vote all common shares held by them in favour of the Share Unit Plan Resolution. **In the absence of a contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intent to vote FOR the Share Unit Plan Resolution, including for the common shares to be taken from treasury and set aside for issuance under the Share Unit Plan.**

Approval of Directors’ Deferred Share Unit Plan

Background

The Board has adopted the DSU Plan for the benefit of the Company’s non-executive directors, including any non-executive Chair of the Board (“**eligible directors**”). The DSU Plan has been established to promote a greater alignment of long-term interests between such eligible directors and the shareholders of the Company and to provide a compensation system for eligible directors that, together with the other director compensation mechanisms of the Company, is reflective of the responsibility, commitment and risk accompanying board membership and the performance of the duties required of the various committees of the Board.

The Board intends to use the Deferred Share Units (“**DSUs**”) issued under the DSU Plan as part of the Company’s overall director compensation plan. DSUs may be settled in cash or in common shares issued from treasury, as determined by the Board. Since the value of DSUs increase or decrease with the price of the common shares, DSUs reflect a philosophy of aligning the interests of eligible directors with those of the Shareholders by tying compensation to share price performance.

There currently are no DSUs issued or outstanding.

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 (the “**DSU Plan Resolution**”), the text of which is set forth below. In order to be approved, the DSU Plan Resolution must be passed by a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting. **Unless such authority is withheld, the management representatives designated in the enclosed form of proxy intend to vote FOR the approval of the DSU Plan Resolution.**

Summary of the DSU Plan

Set out below is a summary of the DSU Plan. A complete copy of the DSU Plan is attached to this Information Circular as **Schedule “C”**.

Administration of Plan

The DSU Plan provides that eligible directors may elect to receive all or a portion of their annual compensation amount, which would otherwise be payable in cash, in DSUs. A DSU is a unit credited to a participant by way of a bookkeeping entry (in a notional account in favour of the participant (a “**DSU Account**”)) in the books of the Company, the value of which is equivalent to a Common Share (based on the closing trading price of the common

shares on the TSXV on the immediately preceding trading date, being the “fair market value” as defined in the DSU Plan, on the date on which the DSUs are credited). The eligible director’s DSU Account will be credited with the number of DSUs (including fractional DSUs) calculated by dividing the portion of the annual compensation the eligible director has elected to be satisfied in DSUs by the fair market value on that date.

Additionally, the Board may award such number of DSUs to an eligible director as the Board deems advisable to provide such director with appropriate equity-based compensation for the services he or she renders to the Company. 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 eligible director’s DSU Account. The aggregate equity award value (based on grant date fair value) of any grants of DSUs under the DSU Plan that are eligible to be settled in common shares, in combination with the aggregate equity award value (based on grant date fair value) of any grants under any other Share Compensation Arrangement (as defined in the DSU Plan) that may be made to an eligible director for a year, shall not exceed \$150,000. The Company and an eligible 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.

Notwithstanding any other provision under the DSU Plan, at the discretion of the Board, eligible directors may receive a grant of DSUs under the Plan upon such eligible director’s first election or appointment to the Board, provided that, where such DSU may be settled in common shares, the equity award value (based on grant date fair value) of such grant of DSUs, in combination with the equity award value (based on grant date fair value) of any grant made to such eligible director in respect of his or her first election or appointment to the Board under any other Share Compensation Arrangement shall not exceed \$150,000.

To the extent that an eligible director’s DSUs are subject to U.S. federal income tax and to taxation under the *Income Tax Act* (Canada), DSUs awarded under the DSU Plan are intended to comply with Section 409A of the Internal Revenue Code and to avoid adverse tax consequences under paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada).

Redemption of DSUs

Generally a participant in the DSU Plan who is not a US taxpayer shall be entitled to elect, by filing a notice with the Secretary of the Company, up to two dates (each an “**Entitlement Date**”): following the date of his or her death or retirement from, or loss of office or employment with the Company or a corporation related to the Company for purpose of the *Income Tax Act* (Canada) (the “**Termination Date**”) as of which the DSUs credited to such participant shall be redeemed. A participant’s elected Entitlement Date(s) shall not be later than the date which is twelve (12) months following his or her Termination Date, or earlier than three months after such Termination Date. Where a participant is eligible to file one or more election notices to redeem his or her DSUs but fails to do so, such participant’s Entitlement Date shall be deemed to be 365 days after the participant’s Termination Date.

Notwithstanding anything contrary in the DSU Plan, the Entitlement Date of a US taxpayer shall be the first trading day of the common shares that is more than six months after the eligible director’s Termination Date and all DSUs credited to such US taxpayer’s DSU Account on such date shall be redeemed and settled in accordance with the DSU Plan within 90 days following such Entitlement Date.

In no event will any common shares be issued or cash payments made to or in respect of a participant in the DSU Plan prior to such participant’s Termination Date or after December 31 of the calendar year commencing after such Termination Date.

Maximum Number of Common Shares Issuable

DSUs may be granted in accordance with the DSU Plan, provided that the number of common shares issued or issuable under all Share Compensation Arrangements shall not exceed 10% of the number of issued and outstanding common shares on a non-diluted basis at any time. It is proposed that the maximum number of common shares which may be reserved, set aside and made available for issuance under the DSU Plan is equal to 600,000. All common shares subject to DSUs that terminate or are cancelled without being settled shall be available for any subsequent grant.

The DSU Plan is subject to the following additional limits: (a) the maximum number of common shares issuable to insiders (as that term is defined by the rules or policies of any stock exchange on which the common shares are listed) pursuant to the DSU Plan, together with any common shares issuable pursuant to any other Share Compensation Arrangement (which includes the Share Unit Plan and the Stock Option Plan), (b) the maximum number of common shares issuable to insiders under the DSU Plan, together with any common shares issuable to insiders pursuant to any other Share Compensation Arrangement within any one year period, will not exceed 10% of the issued and number of outstanding common shares; (c) the aggregate number of common shares issuable under the DSU Plan to any one Participant (as defined in the DSU Plan) in a twelve (12) month period shall not exceed 2% of the total number of issued and outstanding common shares, unless disinterested shareholder approval is obtained for any grant exceeding 2%; (d) the aggregate number of common shares issuable under the DSU Plan to any one Participant at the time of grant shall not exceed 1% of the total number of issued and outstanding common shares, unless disinterested shareholder approval is obtained for any grant exceeding 1%; and (e) no common shares are issuable under the DSU Plan to Participants employed to conduct Investor Relations Activities.

If the Company is listed on the Toronto Stock Exchange, for the purposes of determining whether the limitation set out in paragraphs (a) and (b) has been met, any options, Shares, share units, deferred shares units or other awards involving the issuance or potential issuance of Shares that are granted or issued in reliance on Section 613(c) of the Toronto Stock Exchange Company Manual shall, notwithstanding the definition of Share Compensation Arrangement or any other provision of the DSU Plan, be included (and not excluded).

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.

Suspension of Entitlement

If an eligible director should become an officer (other than non-executive chairman) or employee of the Company while remaining as a director, such director's eligibility for the DSU Plan shall be suspended effective the date of the commencement of his employment and shall resume upon termination of such employment, provided such director continues as a director of the Company. During the period of such ineligibility, such individual shall not be entitled to receive or be credited with any DSUs under the DSU Plan, other than additional DSUs credited in connection with the payment of dividends on the common shares, as outlined below under "*Dividends*".

Adjustments and Reorganizations

Notwithstanding any other provision of the DSU Plan, in the event of any change in the common shares by reason of any stock dividend, split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Shares or distribution of rights to holders of common shares or any other form of corporate reorganization whatsoever, an equitable adjustment permitted under applicable law shall be made to any DSUs then outstanding. Such adjustment shall be made by the Board, subject to applicable law, shall be conclusive and binding for all purposes of the DSU Plan.

Dividends

On any payment date for dividends paid on common shares, an eligible director who is a participant in the DSU Plan will be credited with dividend equivalents in respect of any DSUs credited to such eligible director's account as of the record date for payment of dividends. Such dividend equivalents shall be converted into additional DSUs (including fractional DSUs) based on the fair market value as of the date on which the dividends on the common shares are paid.

Amendments to the DSU Plan

The Board may without shareholder approval amend, suspend or cancel the DSU Plan or DSUs granted thereunder as it deems necessary or appropriate, provided that: (a) any approvals required under applicable law or the rules and policies of the stock exchange on which the common shares are listed are obtained; (b) shareholder approval will be sought where the proposed addition or amendment results in: (i) an increase in the maximum number of common

shares issuable from treasury under the DSU Plan; (ii) a change in the method of calculation of redemption of DSUs held by participants, including insiders; (iii) a change in the term for redemption of any DSUs held by participants, including insiders (iv) an amendment to the amending provisions of the DSU Plan so as to increase the Board's ability to amend the DSU Plan without shareholder approval; (v) removing or exceeding the participation limits including insiders; (vi) any change in the eligibility for participation under the DSU Plan; (vii) an amendment that would permit DSUs to be transferrable or assignable other than for normal estate settlement purposes, if such an amendment is permitted under the rules or policies of the stock exchange on which the common shares are listed at that time; and (c) no such amendment shall, without the consent of the eligible director or unless required by law, adversely affect the rights of an eligible director with respect to any amount in respect of which an eligible director has then elected to receive DSUs or DSUs which the eligible director has then been granted under the DSU Plan.

Notwithstanding the foregoing, any amendment of the DSU Plan shall be such that the DSU Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the Income Tax Act (Canada) or any successor to such provision and the requirements of Section 409A of the U.S. Internal Revenue Code of 1986, as may apply to eligible participants under the DSU Plan who are US taxpayers.

DSU Plan Resolution

The DSU Plan was approved by the Board on August 19, 2019 and must be approved by both the Shareholders and the TSXV. The DSU Plan was submitted for approval to the TSXV on August 14, 2019 and is subject to confirmation and approval by the Shareholders and satisfying the requirements of the TSXV, including filing of the applicable documentation.

The text of the DSU Plan Resolution which will be presented at the Meeting and, if deemed appropriate, adopted with or without variation is as follows:

“BE IT RESOLVED, as an ordinary resolution, that:

1. the DSU Plan allowing for the issuance of a maximum of 600,000 common shares from the treasury of the Company, as set out in the copy attached to the Information Circular as Schedule “C”, be and is hereby approved;
2. the unallocated entitlements under the DSU Plan be and are hereby authorized and approved; and
3. any one officer or director of the Company be and is hereby authorized, for and in the name of and on behalf of the Company, to execute and deliver, or cause to be executed and delivered, all such further agreements, instruments, amendments, certificates and other documents and to do or cause to be done all such other acts and things as such officer or director may determine to be necessary or advisable for the purpose of giving full force and effect to the provisions of this resolution, the execution by such officer or director and delivery of any such agreement, instrument, amendment, certificate or other document or the doing of any such other act or thing being conclusive evidence of such determination.”

Recommendation

The Board recommends that Shareholders vote **FOR** the DSU Plan Resolution, and the Company has been advised that the directors and senior officers of the Company intend to vote all common shares held by them in favour of the DSU Plan Resolution. **In the absence of contrary instruction, the person(s) designated by management of the Company in the enclosed form of proxy intend to vote FOR the DSU Plan Resolution.**

CONFIRMATION AND APPROVAL OF ADVANCE NOTICE POLICY

Background

On January 26, 2018, the board of directors of the Company adopted an advance notice policy (the “**Advance Notice Policy**”) with immediate effect, a copy of which is attached to this Information Circular as Schedule “D”. In order for the Advance Notice Policy to remain in effect following termination of the Meeting, the Advance Notice Policy must be ratified, confirmed and approved at the Meeting, as set forth more fully below.

Purpose of the Advance Notice Policy

The directors of the Company are committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of the Advance Notice Policy is to provide shareholders, directors and management of the Company with a clear framework for nominating directors. The Advance Notice Policy fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the Company prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Company for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

Terms of the Advance Notice Policy

The following information is intended as a brief description of the Advance Notice Policy and is qualified in its entirety by the full text of the Advance Notice Policy, a copy of which is attached as Schedule “D”. The terms of the Advance Notice Policy are summarized below:

The Advance Notice Policy provides that advance notice to the Company must be made in circumstances where nominations of persons for election to the board of directors are made by shareholders of the Company other than pursuant to: (i) a "proposal" made in accordance with Division 7 of the *Business Corporations Act* (British Columbia) (the “**Act**”); or (ii) a requisition of the shareholders made in accordance with section 167 of the Act.

Among other things, the Advance Notice Policy fixes a deadline by which holders of record of common shares of the Company must submit director nominations to the secretary of the Company prior to any annual or special meeting of shareholders and sets forth the specific information that a shareholder must include in the written notice to the secretary of the Company for an effective nomination to occur. No person will be eligible for election as a director of the Company unless nominated in accordance with the provisions of the Advance Notice Policy.

In the case of an annual meeting of shareholders, notice to the Company must be made not less than 30 to the date of the annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be made not later than the close of business on the 10th day following such public announcement.

In the case of a special meeting of shareholders (which is not also an annual meeting), notice to the Company 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.

The board of directors of the Company may, in its sole discretion, waive any requirement of the Advance Notice Policy.

Confirmation and Approval of Advance Notice Policy by Shareholders

If the Advance Notice Policy is approved at the Meeting, the Advance Notice Policy will continue to be effective and in full force and effect in accordance with its terms and conditions beyond the termination of the Meeting. Thereafter,

the Advance Notice Policy will be subject to an annual review by the board of directors of the Company, and will be updated to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

If the Advance Notice Policy is not approved at the Meeting, the Advance Notice Policy will terminate and be of no further force or effect from and after the termination of the Meeting.

At the Meeting, the shareholders will be asked to approve the following by ordinary resolution (the “**Advance Notice Policy Resolution**”):

“BE IT RESOLVED, as an ordinary resolution of the Shareholders of the Company, that:

1. The Company’s Advance Notice Policy (the “Advance Notice Policy”) as set forth in the Information Circular dated August 19, 2019 be and is hereby ratified, confirmed and approved;
2. The board of directors of the Company be authorized in its absolute discretion to administer the Advance Notice Policy and amend or modify the Advance Notice Policy in accordance with its terms and conditions to the extent needed to reflect changes required by securities regulatory agencies or stock exchanges, so as to meet industry standards, or as otherwise determined to be in the best interests of the Company and its shareholders; and
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions.

The Company’s board of directors recommends a vote “**FOR**” the approval of the Advance Notice Policy Resolution. **In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the approval of the Advance Notice Policy Resolution.**

Other Business

Management knows of no other matter to come before the Meeting other than the matters referred to in the accompanying Notice of Meeting and this Information Circular.

EXECUTIVE COMPENSATION

Named Executive Officers

For the purposes of this Statement of Executive Compensation, set out below are particulars of compensation paid to the following persons (the “**Named Executive Officers**” or “**NEOs**”) during the financial year ended December 31, 2018:

- (a) the Company’s chief executive officer (“**CEO**”);
- (b) the Company’s chief financial officer (“**CFO**”);
- (c) each of the Company’s three most highly compensated executive officers, including any of its subsidiaries, or three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) any additional individuals for whom disclosure would have been provided under (c) except that the individual was not serving as an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of the most recently completed financial year.

The Company’s NEOs for the most recently completed financial year ending December 31, 2018 were:

- Derek White, President and CEO;
- Carol Li, CFO; and
- John Kiernan, Chief Operating Officer.

Management and the Board of Directors

Mr. Derek White was appointed President and CEO of the Company on October 6, 2017 replacing Mr. John Toffan, former founder and CEO. Mr. White brings over 30 years of international experience in the mining industry to this role. Before joining Ascot, Mr. White acted as a Principal of Traxys Capital Partners LLP, a private firm specializing in the mining and materials sectors. Prior to joining Traxys, Mr. White was the President and CEO of KGHM International Ltd. from 2012 to 2015 overseeing six mining operations and four large development projects in Canada, the United States and Chile. He also held the positions of Executive Vice President, Business Development/CFO from 2004 to 2012 of Quadra FNX Mining Ltd. Mr. White has held executive positions in business development, operations and finance with BHP Billiton Plc, Billiton International Metals BV and Impala Platinum Holdings Ltd., in Vancouver, Toronto, London, The Hague, and Johannesburg. He is an ICSA Accredited Director and has served on a number of precious metal boards throughout his career. Mr. White holds an undergraduate degree in Geological Engineering from the University of British Columbia and is also a Chartered Accountant. Mr. White also currently serves as a director of MAG Silver Corp. and Orca Gold Inc.

Ms. Carol Li was appointed as Chief Financial Officer on November 2, 2017. Ms. Li is a Canadian Chartered Professional Accountant with over 20 years of financial and executive management experience, of which 14 years in mining. Ms. Li was formerly Vice President, Finance for KGHM International Ltd. from 2012 to 2017 and Corporate Controller for Quadra/QuadraFNX Mining Ltd. from 2004 to 2012. Ms. Li became a director of Strikepoint Gold Inc. on June 3, 2019 as a representative for Ascot Resources as one of Strikepoint's largest shareholders. Mr. Bob Evans stepped down as CFO, Treasurer and Secretary on November 2, 2017 and remains as a director of the Company.

Mr. John Kiernan was appointed to the role of Chief Operating Officer on October 7, 2017. Mr. Kiernan is a professional mining engineer with over 30 years of operational development experience, including a cumulative four years as an underground miner and operating foreman. Previously, Mr. Kiernan served as the VP Project Development for Magellan Minerals Ltd., the Manager Project Evaluation for QuadraFNX Mining Ltd., as a Mining Analyst for PI Financial Corp. and VP Mining/Mine Manager for Roca Mines Inc. Mr. Kiernan holds a B.Sc. in Mining Engineering from Queen's University and an MBA from Laurentian University.

Mr. Rick Zimmer became a director and non-executive Chair of the board on October 6, 2017. Mr. Zimmer has a degree in Mining Engineering and an MBA and has over 40 years of Canadian and international mining experience including exploration, development and mine operations (both underground and open pit). In the past, Mr. Zimmer served as: President and CEO of Far West Mining Ltd.; VP and Project Manager for Teck's Pogo project in Alaska and General Manager of Teck's Tarmoola gold mine in Australia; Mine Manager of Teck's Afton copper-gold mine in British Columbia as well as acting in several senior mining roles throughout his career. Mr. Zimmer currently serves as a director of Capstone Mining Corp., and Alexco Resource Corp.

Mr. James (Jim) Stypula became a director of the Company on October 6, 2017. He is a businessman with over 30 years of experience and a former investment advisor and financier of mineral exploration and development companies in North and South America. Mr. Stypula was the former Chairman of the board of directors of Magellan Minerals Ltd. after its merger with Chapleau Resources Ltd. where he served as CEO and director. Mr. Stypula was also one of the founding directors of Far West Mining Ltd. Mr. Stypula has acted on numerous board committees and has a wealth of business experience related to the mining industry, especially with respect to the small cap gold sector.

Mr. Kenneth (Ken) Carter became a director of the Company on April 15, 1993. Mr. Carter graduated from UBC (1970) BSc Geology. From 1970 to 1988, Mr. Carter worked for Cominco Ltd in North America, Europe and the Middle East. From 1988 to 1991, Mr. Carter was director of Canadian Exploration for Echo Bay Mines Ltd. Since 1991, Mr. Carter has been involved with a number of junior mining companies in a management/director capacity. Mr. Carter retired in 2009 and serves Ascot as an independent director.

Mr. Robert (Bob) Evans has been a director of the Company since 1989. He obtained his Chartered Accountant designation in 1974. From 1979 to 1986, Mr. Evans worked in the junior exploration business in Calgary in both oil and

gas and mining. Since 1986, Mr. Evans has been in Vancouver, in the junior mining exploration sector. Mr. Evans was formerly a director/CFO of a number of junior companies, including Stikine Resources Ltd.

Mr. Greg Gibson became a director of the Company on August 5, 2016. Mr. Gibson is Executive Chairman and Interim CEO of Bonterra Resources Inc. He has more than 30 years' experience in the mining industry as a miner, mine manager, director, CEO and President. Mr. Gibson's experience has focused on gold and copper mines primarily in Canada, US, and Australia. Mr. Gibson successfully led Trelawney Mining and Exploration as President, CEO and director from an early explorer to the \$608 million sale to IAMGOLD in 2012. In addition, Mr. Gibson is President and CEO of Sprout Mining Inc. and is also a director of Bonterra Resources Inc., Novo Resources Corp. and Sprout Mining Inc.

Mr. Donald (Don) Njegovan, currently the Vice President of New Business Development at Osisko Mining, headquartered in Toronto, Canada, became a director of the Company on January 16, 2018. He brings a wealth of experience in both the banking and mining sectors with senior roles held previously at Scotiabank and Hudson Bay Mining & Smelting Co., Limited. Mr. Njegovan holds a Bachelor of Science in Mining Engineering from Michigan Technological University and a Bachelor of Arts from the University of Manitoba. He was also a director of St. Andrew Goldfields Ltd. prior to its acquisition by Kirkland Lake Gold Ltd. in 2016.

Mr. William (Bill) Bennett became a director of the Company on February 1, 2018. He was formerly a government MLA in British Columbia ("BC") for 16 years in the Riding of Kootenay East. In addition to holding portfolios for Local Government and Tourism, Mr. Bennett was named BC Mines Minister three separate times over his 16 years. Mr. Bennett has a BA from the University of Guelph and a law degree from Queen's University. Mr. Bennett is known across Canada for his knowledge of the mining industry in BC. He led the BC government's efforts over many years to restore BC's competitiveness for exploration investment, including having improved the BC Ministry of Energy & Mines permitting process and helping to launch BC's First Nations mine revenue sharing program. There are few people in Canada who have such a strong combined knowledge of government processes, of the mining industry and of First Nations. Mr. Bennett also sits on the board of directors of Kutcho Copper Corp. and Eagle Plains Resources Ltd.

Ms. Andrée St-Germain joined Ascot on March 28, 2019. Ms. St-Germain is the Chief Financial Officer of Integra Resources Corp. Ms. St-Germain is an experienced mining finance executive with an extensive background in banking, mining finance and financial management. Ms. St-Germain began her career in investment banking for Dundee Capital Markets Inc. As an investment banker, Ms. St-Germain worked exclusively with mining companies on M&A advisory and financing. In 2013, Ms. St-Germain joined Golden Queen Mining Co. Ltd. as CFO. During her tenure at Golden Queen, she played an instrumental role in securing project finance and overseeing Golden Queen as it transitioned from development and construction to commercial production. She joined Integra Gold as CFO in early 2017 and helped oversee the sale to Eldorado Gold Corporation in July 2017 for C\$590 million. Ms. St-Germain is a director of Barkerville Gold Mines Ltd.

The board of directors of the Company is composed of 7 independent directors and one non-independent director. There are five Board appointed committees: audit committee; compensation committee; governance and nomination committee; health, safety, environmental and technical committee; and a disclosure committee.

Employment and Consulting Contracts

Mr. White entered into a consulting contract dated October 6, 2017. Ms. Li entered into a consulting contract dated November 2, 2017. Mr. Kiernan entered an employment contract on October 7, 2017. The consulting and employment agreements prescribe the terms of consulting/employment for each of Mr. White, Ms. Li and Mr. Kiernan and set out their base consulting fees or salary and eligibility for incentive-based awards (annual discretionary bonus and equity incentive grants).

The annual salary of each of Mr. White, Ms. Li and Mr. Kiernan are reviewed annually in the manner consistent with the *Compensation Philosophy and Objectives* and *Compensation Elements* below. The payment of bonuses and the grants made under incentive equity plans are at the discretion of the Board and are determined in accordance with the methodology described in the *Compensation Elements* below. Each of Mr. White, Ms. Li and Mr. Kiernan have termination and change of control benefits as describe below in *Termination and Change of Control Benefits*.

Compensation Philosophy and Objectives

The Company's executive compensation program is designed to attract, motivate and retain high performing senior executives, encourage and reward superior performance and align the executives' interests with those of the Company's shareholders. During the nine months ended December 31, 2018 the compensation philosophy remained primarily the same as previous years with the two main elements being base salary and stock option awards. The compensation committee (the "**Compensation Committee**") assumes the responsibilities for reviewing and approving corporate goals and objectives relevant to an NEO's compensation, evaluating the NEO's performance in light of those goals and objectives and making recommendations to the Board with respect to the NEO's compensation based on this evaluation. During the nine months ended December 31, 2018, the Compensation Committee was composed entirely of three independent directors: James Stypula (Chair), Don Njegovan and Kenneth Carter.

The Compensation Committee monitors levels of executive remuneration to ensure overall compensation reflects the Company's objectives and philosophies. In mid 2018, the Compensation Committee set a new compensation philosophy to assist in compensating newly established corporate objectives as outlined below. In early 2018, the Company changed its financial year end from March 31 to December 31 and the new compensation philosophy was effective for the nine months ended December 31, 2018.

The general objective of the Company's new compensation philosophy is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results, with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders; (iii) provide a compensation package that is commensurate with other mining exploration companies in order to enable the Company to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Company operates by virtue of the fact that it is an exploration company without a history of earnings.

The Compensation Committee annually reviews each of the components and relevant competitive factors listed below and makes recommendations to the Board based on corporate and individual performance, taking into account leadership abilities, retention, risk and succession plans. The CEO makes recommendation for all senior executives except for himself and only participates in discussions regarding senior executive compensation as requested by the Compensation Committee or the Board regarding this remuneration. The CEO does not participate in the decisions of the Board in approving compensation.

The Company's new compensation philosophy is to target a higher pay at risk for the NEO (65%+ range vs. the peer group of 55%). Accordingly, where possible the Company will target the second quartile on cash compensation (salary + STIP) and above the 75th percentile on total compensation.

Compensation Elements

Under the new compensation philosophy, the compensation of the NEOs consists of three main components: base salary or consulting fees, short-term incentive compensation (discretionary annual cash bonuses) ("**STIP**") and long-term incentives, currently in the form of stock options ("**LTIP**"). The following discussion describes the components of compensation and discusses how each component relates to the Company's overall executive compensation objective.

Base Salary: The primary element of the Company's compensation program is base salary or consulting fee. The Company's view is that a competitive base salary or consulting fee is a necessary element for retaining qualified executive officers. Base salary or consulting fees are established by taking into account level of skills, expertise and capabilities demonstrated by the senior executives, individual performance and experience, level of responsibility and competitive pay practices by comparable junior natural resource issuers. Base salary or consulting fees are reviewed annually by the Board and are adjusted, if appropriate to reflect performance and market changes taking into account the recommendation of the Compensation Committee.

Short-Term Incentives: Performance bonuses are payable in cash and the amount payable is based on the Compensation Committee's assessment of the Company's performance for the year. Factors considered in determining bonus amounts generally include individual performance, financial criteria (such as successful financings, project management performance) and operational criteria (such as significant mineral property acquisitions, successful

mineral property exploration and development as well as health, safety and environmental requirements, resource growth, and the attainment of other corporate milestones).

In determining to award performance bonuses, including the amounts thereof, the Board uses its discretion and takes into consideration the Company's annual achievements, without assigning any quantifiable weight or factor in respect of any particular achievement or corporate milestone. It is the intention of the Board that the short-term incentive program be linked to the corporate objectives recommended by the Compensation Committee and approved by the Board.

Achieving predetermined individual and/or corporate targets and objectives, as well as general performance in day to day corporate activities, will trigger the award of a bonus payment to the NEOs. The NEOs will receive a partial or full incentive payment depending on the number of the predetermined targets met and the Compensation Committee's assessment of overall performance. The determination as to whether a target has been met is ultimately made by the Board.

The Board will reserve the right to make positive or negative adjustments to any bonus payment if they consider them to be appropriate.

Long-Term Incentives: The Company provides for equity participation in the Company through its Option Plan. The granting of stock options is designed to give each option holder an interest in reserving and maximizing shareholder value in the longer term, to enable the Company to attract and retain individuals with experience and ability, and to reward individuals for current performance and expected future performance.

The Company established the Option Plan in order to attract and retain directors, executive officers and employees who will be motivated to work towards ensuring the success of the Company. Proposed grants are submitted by the Compensation Committee to the Board for approval. Prior grants to executive officers are taken into consideration when considering new grants. The Board administers the Option Plan and has the authority to amend the plan, subject to applicable shareholder and regulatory approvals. In general, the Company targets a higher pay-at-risk than other companies in the industry.

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

Corporate Objectives

The Board approved the following Corporate objectives for 2018.

- i. Complete NI 43-101 underground resources with a minimum resource identified to restart operations;
- ii. Complete an engineering study that defines the capital and operating cost to restart the mill and underground mining operation based on the resources identified in (i) above;
- iii. Rectify all the governance issues of the company to appropriate standard;
- iv. Complete the environmental surety bonding, permit transfer and purchase agreement with Boliden;
- v. Increase the investor awareness by adding new analysts and increasing the average trading volumes; and
- vi. Manage the company cost within +/- 10% of the approved budget or forecast as determined by the Board.

The objectives listed above were met with exception to the completion of an engineering study (item ii) which was carried out in early 2019 due to continuation in optimization of the mine plan. Annual incentives were allocated based on individual contribution to each of the above objectives.

Comparator Group

Comparative data for the Company's peer group is accumulated by the Compensation Committee from a number of external sources. The Compensation Committee uses various considerations to recommend a peer group to the board of directors, including companies of a similar stage of development, industry focus and range of market capitalization. The

peer group compiled by the Compensation Committee is reviewed on an annual basis to ensure that it is relevant to the Company's growth and for 2018 was follows:

Auryn Resources Inc. Barkerville Gold Mines Ltd. Falco Resources Ltd. Harte Gold Corp. First Mining Gold Corp. IDM Mining Ltd.	Imperial Metals Corporation Marathon Gold Corp. Midas Gold Corp. Nighthawk Gold Corp. Probe Metals Inc. Pure Gold Mining Inc.	Sabina Gold & Silver Corp. Orca Gold Inc. Trilogy Metals Inc. Victoria Gold Corp.
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SUMMARY COMPENSATION TABLE

The following table is a summary of compensation paid to the NEOs in the most recently completed financial year for each of the Company's three most recently completed financial years ended March 31, 2017, March 31, 2018 and December 31, 2018 (nine months ended December 31, 2018):

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Derek C. White ⁽⁴⁾ <i>President & CEO</i>	2018 ⁽²⁾	Nil	Nil	Nil	100,000	Nil	Nil	199,128 ⁽⁶⁾	299,128
	2018 ⁽³⁾	Nil	Nil	4,763,848	Nil	Nil	Nil	125,000 ⁽⁶⁾	4,888,848
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Carol Li ⁽⁵⁾ <i>CFO</i>	2018 ⁽²⁾	Nil	Nil	Nil	43,050	Nil	Nil	123,626 ⁽⁶⁾	166,675
	2018 ⁽³⁾	Nil	Nil	307,862	Nil	Nil	Nil	36,250 ⁽⁶⁾	344,112
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Kiernan <i>Chief Operating Officer</i>	2018 ⁽²⁾	120,000	Nil	Nil	42,460	Nil	Nil	1,106	163,566
	2018 ⁽³⁾	73,333	Nil	607,391	Nil	Nil	Nil	Nil	680,724
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.
- (2) In March 2018, the Company changed its fiscal year end from March 31 to December 31 to be more aligned with its peers. This represents the transition year (9 months) ended December 31, 2018.
- (3) This represents the year ended (12 months) March 31, 2018.
- (4) Mr. White was appointed as President and CEO on October 6, 2017, the same date that Mr. Toffan resigned as President and CEO.
- (5) Ms. Li was appointed as CFO on November 2, 2017 concurrent with Mr. Evans resigning as CFO, Treasurer and Corporate Secretary
- (6) Consulting fees paid to the NEO.

INCENTIVE PLAN AWARDS

Outstanding share-based awards and option-based awards

The following table sets out the option-based awards made by the Company to the NEOs which were outstanding as at December 31, 2018. Further details about the granting of options and determination of their terms are discussed under "Compensation Discussion and Analysis – Compensation Elements – Option-based Awards".

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Derek C. White	5,000,000	1.60	Oct. 6, 2022	Nil	1,166,667	Nil	Nil
Carol Li	400,000	1.30	Nov. 1, 2022	8,000	100,000	Nil	Nil
John Kiernan	600,000	1.70	Oct. 7, 2022	Nil	133,334	Nil	Nil

Note:

⁽¹⁾ Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at December 31, 2018 of \$1.32 (closing price on the TSX Venture Exchange) and the exercise price of the options.

Incentive plan awards – value vested or earned during the year

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Derek C. White	1,111,565	Nil	Nil
Carol Li	76,966	Nil	Nil
John Kiernan	134,975	Nil	Nil

Note:

⁽¹⁾ All options vest immediately and are granted at the market price. The weighted average fair value at grant date of options vested during the financial year ended December 31, 2018 was \$0.93 (March 31, 2018: \$0.93).

Discussion of plan-based awards

During the financial year ended December 31, 2018, one resigning director exercised 50,000 stock options at \$0.95. During the financial year ended December 31, 2018, the Company did not grant any options to officers or directors.

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

PENSION PLAN BENEFITS

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

TERMINATION AND CHANGE OF CONTROL BENEFITS

Description of Termination and Change of Control Benefits

The Company has employment and consulting agreements in place with each of Mr. White, Ms. Li and Mr. Kiernan which provided for certain termination and change of control benefits and are summarized below:

Derek C. White

Mr. White is entitled to terminate his consulting agreement with the Company by providing not less than ninety (90) days' written notice. Upon such termination, the parties will have no further obligation to one another, except for the

Company's obligation to pay any outstanding invoices to Mr. White and, where the termination is not for cause, all outstanding stock options will vest and be fully exercisable.

If, within six (6) months immediately following a Change of Control (as defined herein), the Company terminates this consulting agreement, the Company will pay Mr. White a lump sum termination payment equal to eighteen (18) months of the monthly consulting fee.

Carol Li

Ms. Li is entitled to terminate her consulting agreement with the Company by providing not less than ninety (90) days' written notice. Upon such termination, the parties will have no further obligation to one another, except for the Company's obligation to pay any outstanding invoices to Ms. Li and, where the termination is not for cause, all outstanding stock options will vest and be fully exercisable.

If the Company terminates the consulting agreement as a result of a Change of Control (as defined herein), termination without cause or constructive dismissal, the Company agrees to enter a retention payment agreement to be negotiated in good faith with Ms. Li for a period of eighteen (18) months.

John Kiernan

Mr. Kiernan's employment contract can be terminated without cause with six (6) months written notice or, in the Company's sole discretion, can be terminated immediately upon written notice, at which time the Company shall pay Mr. Kiernan, in lieu of 6 months notice, an amount equal to the total of monthly base salary multiplied by eighteen (18) months plus a bonus equal to a percentage of the bonus earned the previous year multiplied by the base salary, or upon a combination of written notice and pay in lieu of.

If the Company terminates the employee agreement as a result of a Change of Control (as defined herein), Mr. Kiernan is entitled to termination pay of an amount equal to the total of monthly base salary multiplied by eighteen (18) months plus bonus equal to a percentage of the bonus earned the previous year multiplied by the base salary.

"Change of Control"

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

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

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

Other than as described above, the Company and its subsidiaries have no compensatory plans or arrangements with respect to the Named Executive Officers that results or will result from the resignation, retirement or any other

termination of employment of such officers' employment with the Company or its subsidiaries, from a Change of Control of the Company and its subsidiaries or a change in the Named Executive Officers' responsibilities.

Estimated Incremental Payments

The following table sets forth the estimated incremental payments that would be made to each of the NEOs assuming that termination occurred on December 31, 2018:

Name	Triggering Event	Payment pursuant to NEO Agreement (\$) ⁽¹⁾⁽²⁾⁽³⁾	Payment pursuant to accelerated vesting of options triggered by termination	Total (\$)
Derek C. White	Termination without cause by the Company	375,000	Nil	375,000
	Termination by employee	Nil	Nil	Nil
	Change of Control	375,000	Nil	375,000
Carol Li	Termination without cause by the Company	300,000	Nil	300,000
	Termination by employee	Nil	Nil	Nil
	Change of Control	300,000	Nil	300,000
John Kiernan	Termination without cause by the Company	240,000	Nil	240,000
	Termination by employee	Nil	Nil	Nil
	Change of Control	240,000	Nil	240,000

Notes:

- (1) Assuming the Company provides twelve (12) months' base salary in lieu of twelve (12) months' written notice upon termination.
- (2) Assuming the Company elects to terminate the employee's employment immediately upon receiving the employee's notice, resulting in base salary payable for ninety (90) days.
- (3) In no such circumstance will an NEO receive the benefit of more than one "Triggering Event."

DIRECTOR COMPENSATION

Director compensation table

The following table is a summary of compensation paid to directors of the Company for the most recently completed financial year ended December 31, 2018:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total compensation (\$) ⁽¹⁾
Rick Zimmer	39,700	Nil	Nil	Nil	Nil	Nil	39,700
John Stypula	32,250	Nil	Nil	Nil	Nil	Nil	32,250
Don Njegovan	30,750	Nil	Nil	Nil	Nil	Nil	30,750
Bill Bennett	24,750	Nil	Nil	Nil	Nil	Nil	24,750
Kenneth M. Carter	24,750	Nil	Nil	Nil	Nil	Nil	24,750
Greg Gibson	24,750	Nil	Nil	Nil	Nil	Nil	24,750
Robert A. Evans	24,750	Nil	Nil	Nil	Nil	Nil	24,750

Notes:

- (1) The Company uses the Black-Scholes option pricing model to calculate the fair value of option based awards. The model requires six key inputs: risk free interest rate, exercise price, market price at date of issue, expected dividend yield, expected life and expected volatility, all of which, other than the exercise price and market price, are estimates by management of the Company. The Black-Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value. These numbers are calculated in accordance with section 3870 of the CICA handbook and are the same numbers as used in the Company's financial statements.
- (2) Ms. Andree St-Germain joined the Company in March 2019.

Discussion of director compensation

Effective January 26, 2018, the Board approved director cash retainers as described in the table below. The directors of the Company do not receive any further cash compensation for attending Board meetings.

Base Retainer	\$33,000
Non-Executive Chair	\$15,000
Audit Committee Chair	\$8,000
Compensation Committee Chair	\$5,000
Governance and Nomination Committee Chair	\$5,000
Health, Safety, Environmental & Technical Committee Chair	\$5,000

Prior to the reconstitution of the Board in late 2017, directors could be compensated from time to time for consulting services provided. The compensation payable for consulting services was considered and approved by the Company's independent directors according to their understanding as to the amount of compensation that was reasonable in the circumstances. During the most recently completed financial year, the aggregate direct remuneration paid or payable by the Company to its directors for consulting services was nil.

Directors are eligible to receive stock options granted pursuant to the Company's Option Plan. The Compensation Committee makes recommendation to the Board to approve stock option grants for each director. During the most recently completed financial year, the Company did not grant incentive stock options to its directors.

Outstanding share-based awards and options-based awards

The following table sets out the option-based awards made by the Company to the directors which were outstanding as at December 31, 2018.

Name	Option Based Awards				Share Based Awards		
	Number of securities underlying unexercised Options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed
Rick Zimmer	200,000	1.60	Oct 6, 2022	Nil	Nil	Nil	Nil
	50,000	1.37	Feb 1, 2023	Nil	Nil	Nil	Nil
James Stypula	200,000	1.60	Oct 6, 2022	Nil	Nil	Nil	Nil
	50,000	1.37	Feb 1, 2023	Nil	Nil	Nil	Nil
Don Njegovan	200,000	1.31	Jan 16, 2023	Nil	Nil	Nil	Nil
Bill Bennett	200,000	1.37	Feb 1, 2023	Nil	Nil	Nil	Nil
Kenneth Carter	150,000	0.88	Jun 20, 2019	66,000	Nil	Nil	Nil
	100,000	1.68	Jul 21, 2021	Nil	Nil	Nil	Nil
	100,000	1.93	Feb 14, 2022	Nil	Nil	Nil	Nil
Greg Gibson	400,000	2.34	Aug 6, 2021	Nil	Nil	Nil	Nil
	50,000	1.37	Feb 1, 2023	Nil	Nil	Nil	Nil
Robert Evans	750,000	0.88	Jun 20, 2019	330,000	Nil	Nil	Nil
	500,000	1.68	Jul 21, 2021	Nil	Nil	Nil	Nil
	400,000	1.93	Feb. 14, 2022	Nil	Nil	Nil	Nil

Notes:

- (1) Value of unexercised in-the-money options is calculated based upon the difference between the market value of the Company's common shares as at December 31, 2018 of \$1.32 (closing price on the TSX Venture Exchange) and the exercise price of the options.
- (2) Ms. St-Germain joined the Board in March 2019.

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

The following table sets out the aggregate dollar value that would have been realized by each non-NEO director if he exercised, on the applicable vesting dates, those options held by him under option-based awards, which vested during the most recently completed financial year ended December 31, 2018.

Name	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Rick Zimmer	Nil	Nil	Nil
James Stypula	Nil	Nil	Nil
Don Njegovan	Nil	Nil	Nil
Bill Bennett	Nil	Nil	Nil
Kenneth Carter	Nil	Nil	Nil
Greg Gibson	Nil	Nil	Nil
Robert Evans	Nil	Nil	Nil

Notes:

- (1) All options vest immediately and are granted at the market price. No options were granted during the nine months ended December 31, 2018.
- (2) Ms. St-Germain joined the Board in March 2019.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as at the year ended December 31, 2018 with respect to compensation plans under which equity securities of the Company are authorized for issuance under the Company’s Option Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights (\$)	Number of securities remaining available for future issuances under equity compensation plan
Equity compensation plans approved by securityholders (Stock Option Plan)	14,240,000	\$1.50	3,197,795
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	14,240,000	\$1.50	3,197,795

Note:

- (1) The number of shares available for grant under the stock option plan was approved by Shareholders on December 18, 2018 and is 10% of the number of issued and outstanding common shares on a non-diluted basis from time to time. See “Summary of Stock Option Plan” below.

Summary of Stock Option Plan

At a Meeting of Shareholders held on December 18, 2018, the Shareholders approved the 2018 Stock Option Plan (the “**Option Plan**”) to provide that the number of Common Shares in the capital of the Company (the “**Common Shares**” or “**Shares**”) issuable pursuant the Option Plan (“**Options**”) shall not exceed 10% of the number of issued and outstanding common shares, being the maximum number of common shares that may be issuable under the Option Plan, on a non-diluted basis from time to time. At December 31, 2018, there were 174,377,951 common shares of the Company issued and outstanding with 3,197,795 Options available to be issued under the Option Plan.

The 2018 Stock Option Plan provides that options to purchase Common Shares may be granted to directors, officers, employees or consultants of the Company, as determined by the Board, subject to limitations imposed by the stock exchange on which the Common Shares are listed for trading. The options shall vest and expire at a date determined by the Board, but in no case will such date be more than five years from the date of the option grant. The Board will

also set the exercise price for each stock option granted, subject to the minimum pricing rules required under the policies of the stock exchange at that time.

If an Option Holder (as defined in the 2018 Stock Option Plan) ceases to be an employee or other Eligible Person (as defined in the 2018 Stock Option Plan), other than as a result of termination with cause, or ceases to act as a director of the Company, any option they hold will be exercisable only for 90 days thereafter, or prior to its expiration, whichever is sooner. If an Option Holder is dismissed from employment for cause, the option will immediately terminate and no longer be exercisable. If the employment or term of office of an Option Holder is terminated as a result of Disability (as defined in the 2018 Stock Option Plan) or death, the Option Holder or his or her legal representative(s) may exercise any option they hold at any time during the twelve-month period immediately following the Termination Date (as defined in the 2018 Stock Option Plan), but in no event beyond the expiration of such option.

The aggregate number of Common Shares reserved for issuance pursuant to the 2018 Stock Option Plan are subject to the following limitations: (i) the number reserved for issuance to any Eligible Person within a one-year period must not exceed 5% of the Common Shares outstanding at the time of grant; (ii) the number reserved for issuance to any consultant within a one-year period must not exceed 2% of the Common Shares outstanding at the time of grant; (iii) the number reserved for issuance to an employee conducting Investor Relations Activities (as defined in the 2018 Stock Option Plan) within a one-year period must not exceed 2% of the common shares outstanding at the time of grant, with options vesting in stages and no more than one quarter (1/4) of options vesting in any three month period; and (iv) the number reserved for issuance to Insiders (as defined in the 2018 Stock Option Plan) must not exceed 10% of the Common Shares outstanding from time to time. The aggregate number of options that may be granted pursuant to the 2018 Stock Option Plan to Insiders (as defined in the 2018 Stock Option Plan) within a one-year period must not exceed 10% of the Common Shares outstanding from time to time.

STATEMENT OF CORPORATE GOVERNANCE PRACTICE

The Canadian Securities Administrators have issued guidelines on corporate governance disclosure for venture issuers as set out in Form 58-101F2 (the “**Disclosure**”). The Disclosure addresses matters relating to constitution and independence of directors, the functions to be performed by the directors of a company and their committees and effectiveness and evaluation of proposed corporate governance guidelines and best practices (collectively, the “**Guidelines**”) specified by the Canadian securities regulators.

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

Composition and Independence of the Board of Directors

The Company’s Board is currently comprised of eight directors. As set out in the table under the heading *Election of Directors* above, all eight of the current directors are proposed to be nominated for election at the Meeting. The Board considers that seven of the eight current directors (Messrs. Zimmer, Stypula, Carter, Gibson, Njegovan, Bennett and Ms. St-Germain) are independent in accordance with the definition of “independence” set forth in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). Mr. Evans is not considered independent by virtue of the fact that he was formerly the Secretary, Treasurer and Chief Financial Officer of the Company until retiring from these positions effective November 1, 2017. Accordingly, the Board considers that a majority (87.5%) of the directors are independent.

Participation of Directors as a Director of Other Reporting Issuers

Name of Director	Participation in Other Reporting Issuers as a Director
Rick Zimmer	Capstone Mining Corp. and Alexco Resources Corp.
James Stypula	None
Kenneth M. Carter	None
Robert A. Evans	None
Greg Gibson	Director of Sprott Mining Inc., Jerritt Canyon Canada, and Novo Resources Corp.
Don Njegovan	St. Andrew Goldfields Ltd., Sable Resources Ltd., and Strongbow Exploration Inc.
Bill Bennett	Kutcho Copper Corp., Surge Exploration Inc, and Eagle Plains Resources Ltd.
Andree St-Germain	Barkerville Gold Mines Ltd.

Management Supervision by the Board of Directors

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

Orientation and Continuing Education

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

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

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

Ethical Business Conduct

The Board has adopted a written Code of Ethics (the "Code") for the directors, officers and employees of the Company which sets out the legal, ethical and regulatory standards that the Company must follow to promote integrity and deter wrongdoing. Compliance with the Code is mandatory for every director, officer, employee and consultant of the

Company. Each director, officer, employee and consultant verifies that he or she has reviewed and understands the Code and will abide by its terms. A copy of the Code is available on the Company's website at www.ascotgold.com or may be obtained under the Company's profile on SEDAR at www.sedar.com.

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

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

Gender Diversity

The Company believes in diversity and values the benefits that diversity can bring to its board of directors and our senior management team. Diversity promotes the inclusion of different perspectives and ideas, mitigates against groupthink and ensures that the Company has the opportunity to benefit from all available talent. The promotion of a diverse Board and senior management team makes prudent business sense and makes for better corporate governance. The Company approved a Board and Senior Management Diversity Policy on July 5, 2018 and reviews the policy annually, making amendments as necessary. The Company currently has one female director representing 14.3% of the board of directors and 2 female officers representing 50% of senior management.

Governance and Nomination Committee

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

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

Nomination of Directors

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

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

Compensation Committee

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

For the year ended December 31, 2018, please refer to the disclosure in this Information Circular under "Executive Compensation" and "Director Compensation" for disclosure about how compensation of directors and executive officers has been determined.

Health, Safety, Environmental and Technical Committee

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

Other Board Committees

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

Assessment

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

Site Visits

The directors last attended a site visit to the Company's main asset, the Premier Property and to the recently acquired property, Red Mountain, on August 19 and 20, 2019 to review the Company's progress. While two of the directors had other commitments this year, all nominated directors have been to the Premier Property within the last two years.

MANAGEMENT CONTRACTS

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

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

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

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, during the most recently completed financial year, no informed person of the Company, nominee for director or any associate or affiliate of an informed person or nominee had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries. An “informed person” means: (a) a director or executive officer of the Company; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if, and for so long as, it has purchased, redeemed or otherwise acquired any of its shares. During the nine month transition year ended December 31, 2018, the Company paid no fees to non-executive directors or companies controlled by non-executive directors.

AUDIT COMMITTEE

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

Composition of the Audit Committee

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

Relevant Education and Experience

Mr. Njegovan, B.Sc. Mining Engineering, BA has over 20 years experience in mining, construction, engineering, management and finance. Mr. Njegovan has been a managing director of several public companies. Mr. Njegovan is currently a director of St. Andrews Goldfields Ltd., Sable Resources Ltd. and Strongbow Exploration Inc.

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

Mr. Bennett, has a law degree and formerly worked in the BC MLA for 16 years. Mr. Bennett has been a professional director with private and public companies since 2017 including Kutcho Copper Corp., Surge Exploration Inc, and Eagle Plains Resources Ltd.

Ms. St-Germain is currently the Chief Financial Officer (“CFO”) of Integra Resources (since 2017). Ms. St-Germain has held other CFO positions with public junior resource companies since 2013 and is currently a director of Barkerville Gold Mines Ltd.

Audit Committee Charter

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

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

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

External Auditor Service Fees

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

Fiscal Year Ended	Audit Fees	Audit Related Fees	Tax Fees ⁽¹⁾	All Other Fees
December 31, 2018 ⁽²⁾	55,000	-	Nil	-
March 31, 2018	50,000	-	2,600	-

Notes: ⁽¹⁾ Tax Fees are related to the preparation of annual tax returns.
⁽²⁾ The Company changed its fiscal year end from March 31 to December 31 in early 2018.

Exemption

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

OTHER BUSINESS

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

ADDITIONAL INFORMATION

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

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

BOARD APPROVAL AND STATEMENT OF DIRECTORS

This Information Circular contains information as at August 19, 2019, except where another date is specified. The contents of this Information Circular have been approved and its mailing authorized by the Board of the Company.

DATED: August 19, 2019

BY ORDER OF THE BOARD OF DIRECTORS

"Derek C. White" (signed)

Derek C. White
President & CEO

SCHEDULE "A"

Amended and Restated Stock Option Plan



ASCOT RESOURCES LTD. (the “Company”)

AMENDED AND RESTATED STOCK OPTION PLAN (the “Plan”)

**ARTICLE 1.
PURPOSE OF THE PLAN**

The purpose of the Plan is to provide key Employees, Consultants and Directors of the Company and its Subsidiaries with compensation opportunities that will reward the creation of shareholder value over the long-term and enhance the Company's ability to attract, retain and motivate key personnel and reward significant performance achievements.

**ARTICLE 2.
INTERPRETATION**

2.1 Definitions

Where used herein, the following terms shall have the following meanings, respectively:

“**Associate**” means, where used to indicate a relationship with any person:

- (a) any relative, including the spouse of that person or a relative of that person's spouse, where the relative has the same home as the person;
- (b) any partner, other than a limited partner, of that person;
- (c) any trust or estate in which such person has a substantial beneficial interest or as to which such person serves as trustee or in a similar capacity; and
- (d) any corporation of which such person beneficially owns or controls, directly or indirectly, voting securities carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company.

“**Blackout Period**” means a period during which an Option Holder is to refrain from trading in the Company's securities, including exercising any Options, pursuant to a restriction imposed by the Company on all or any of its Option Holders, Insiders or persons in a “special relationship” (as defined in the Securities Act with the Company);

“**Board**” means the board of directors of the Company;

“**Business Day**” means any day, other than a Saturday or Sunday, on which the principal organized trading facility on which the Shares are listed, which as of the date hereof is the TSXV, is open for trading;

“**Change of Control**” shall have the meaning attributed thereto in Section 9.2;

“**Code**” means the Internal Revenue Code of 1986, as amended;

“**Committee**” shall have the meaning attributed thereto in Section 3.1;

“**Company**” means Ascot Resources Ltd., a company duly incorporated under the laws of British Columbia, and includes any successor corporation thereof;

“**Consultant**” means an individual who:

- (a) is engaged to provide, on an ongoing *bona fide* basis, consulting, technical, management, investor relations or other services to the Company or any Subsidiary other than services provided in relation to a “distribution” (as that term is defined in the Securities Act);
- (b) provides the services under a written contract between the Company or any Subsidiary and the individual or a Consultant Entity (as defined below);
- (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Subsidiary; and
- (d) has a working relationship to provide services to the Company or any Subsidiary that enables the individual to be knowledgeable about the business and affairs of the Company,

and includes a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a “**Consultant Entity**”).

“**Director**” means any director of the Company or any of its Subsidiaries;

“**Disability**” means a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than twelve months, and which causes an individual to be unable to engage in any substantial gainful activity, or any other condition of impairment that the Committee, acting reasonably, determines constitutes a disability;

“**Eligible Person**” means any Director, Employee or Consultant;

“**Employee**” means:

- (a) an individual who is considered an employee of the Company or any Subsidiary under the *Income Tax Act* (Canada) (and for whom income tax, employment insurance and CPP deductions must be made at source); or
- (b) an individual who works full-time or part-time for the Company or any Subsidiary and such other individuals as may, from time to time, be permitted by Regulatory Rules to be granted Options as employees or as an equivalent thereto; or
- (c) an individual who works for the Company or any Subsidiary either full-time or on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Subsidiary over the details and methods of work as an employee of the Company or any Subsidiary, but for whom income tax deductions are not made at source,

and includes a corporation wholly-owned by such individual;

“**Exercise Period**” means the period of time during which an Option granted under this Plan may be exercised;

“**Exchange**” means either the TSX or the TSVX, as applicable;

“Grant Date” means, for any Option, the date specified by the Committee at the time it grants the Option (which cannot be earlier than the date on which the Option was granted) or, if no such date is specified, the date on which the Option was granted;

“Insider” means:

- (a) an “insider” as that term is defined in the Securities Act; and
- (b) an Associate of any person who is an Insider by virtue of paragraph (a) above;

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

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (i) to promote the sale of products or services of the Company; or
 - (ii) to raise public awareness about the Company;that cannot reasonably be considered to promote the purchase or sale of securities of the Company;
- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws; and
 - (ii) exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it; if:
 - (i) the communication is only through the newspaper, magazine or publication; and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by an Exchange.

“ISO” or an Incentive Stock Option means an Option granted to a U.S. Option Holder in accordance with the terms of Section 422 of the U.S. Internal Revenue Code of 1986, as amended;

“Market Price” in respect of Shares means:

- (a) if the Shares are listed on one organized trading facility, the last closing trading price of the Shares immediately preceding the grant of the Option;
- (b) if the Shares are listed on more than one organized trading facility, the Market Price as determined in accordance with paragraph (a) above for the primary organized trading facility

on which the Shares are listed, as determined by the Committee, subject to any adjustments as may be required to secure all necessary Regulatory Approvals;

- (c) if the Shares did not trade on the Business Day prior to the Grant Date, the average of the bid and ask prices in respect of such Shares at the close of trading on such date on the primary organized trading facility on which the Shares are listed; and
- (d) if the Shares are not listed for trading on a stock exchange or over the counter market, a price which is determined by the Committee to be the fair value of the Shares, taking into consideration all factors that the Committee deems appropriate, including recent sale and offer prices of the Shares in private transactions negotiated at arms' length, provided that the Market Price shall in no event be less than the minimum prescribed by each of the organized trading facilities that would apply to the Company on the Grant Date in question;

“**NSO**” or a Non-Qualified Stock Option means an Option that does not meet the requirements of Code Section 422 and is not an ISO;

“**Option**” means an option to purchase Shares granted under the Plan;

“**Option Document**” means an agreement, certificate or other type of form of document or documentation approved by the Committee which sets forth the terms and conditions of an Option; such document or documentation may be in written, electronic or other media, may be limited to a notation on the books and records of the Company and, unless the Committee requires otherwise, need not be signed by a representative of the Company or the Option Holder;

“**Option Holder**” means a person to whom an Option has been granted;

“**Option Price**” means the price per share at which Shares may be purchased under any Option, as the same may be adjusted from time to time in accordance with Section 9.1;

“**Parent**” means a corporation that owns 50% or more of the total combined voting power of all classes of stock of the Company;

“**Plan**” means this stock option plan, as the same may be amended or varied from time to time;

“**Regulatory Approvals**” means any necessary approvals of the Regulatory Authorities as may be required from time to time for the implementation, operation or amendment of this Plan or for the Options granted from time to time hereunder;

“**Regulatory Authorities**” means all organized trading facilities on which the Shares are listed, and all securities commissions or similar securities regulatory bodies having jurisdiction over the Company, this Plan or the Options granted from time to time hereunder;

“**Regulatory Rules**” means all corporate and securities laws, regulations, rules, policies, notices, instruments and other orders of any kind whatsoever which may, from time to time, apply to the implementation, operation or amendment of this Plan or the Options granted from time to time hereunder including those of the applicable Regulatory Authorities;

“**Securities Act**” means the *Securities Act* (British Columbia), RSBC 1996, c.418, as from time to time amended;

“Share Compensation Arrangement” means any stock option, stock option plan, employee stock purchase plan, share unit plan, deferred share unit plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares to one or more Eligible Persons;

“Shares” means the common shares of the Company or, in the event of an adjustment contemplated by Section 9.1, such other shares or securities to which an Option Holder may be entitled upon the exercise of an Option as a result of such adjustment;

“Subsidiary” means any body corporate which is a “subsidiary” as such term is defined in the Securities Act, as the same may be amended from time to time;

“Termination Date” means:

- (a) in the case of any Option Holder that is an Employee whose employment or term of office with the Company or a Subsidiary terminates in the circumstances set out in Section 7.2 or 7.3, the date that is designated by the Company or the Subsidiary in an oral or written notice of termination, as the case may be, as the last day of the Option Holder’s employment or term of office with the Company or Subsidiary or, in the case of voluntary resignation, the effective date of resignation; provided that “Termination Date” specifically does not mean the date of expiry of any period in respect of which the Company or the Subsidiary, as the case may be, may elect or be required by law to provide pay in lieu of notice to the Option Holder; and
- (b) in the case of a Consultant whose consulting agreement or arrangement with the Company or a Subsidiary, as the case may be, terminates in the circumstances set out in Section 7.4 or 7.5, the date that is designated by the Company or the Subsidiary as the date on which the Option Holder’s consulting agreement or arrangement is terminated; provided that “Termination Date” specifically does not mean the date of expiry of any period of notice of termination that the Company or the Subsidiary may be required to provide to the Option Holder under the terms of the consulting agreement or for which the Company or the Subsidiary has elected to provide compensation in lieu of notice;

“TSXV” means The TSX Venture Exchange; and

“TSX” means the Toronto Stock Exchange.

2.2 Construction

In this Plan, unless otherwise expressly stated or the context otherwise requires:

- (a) the division of this Plan into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan;
- (b) the terms, “this Plan”, “herein”, “hereby”, “hereof” and “hereunder” and similar expressions refer to this Plan and not to any particular article, section or other portion hereof;
- (c) references to Articles and Sections are to the specified articles and sections of this Plan;
- (d) words importing the singular include the plural and *vice versa* and words importing any gender shall include the masculine, feminine and neutral genders;

- (e) the words “includes” and “including”, when following any general term or statement, are not to be construed as limiting the general term or statement to the specific items or matters set forth or to similar items or matters, but rather as referring to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement;
- (f) where the Board has revoked any of the powers conferred on the Committee under this Plan as permitted by Section 3.2, any reference to the Committee shall, where necessary, be deemed to refer to the Board and/or such committee of the Board to which all or any of the powers of the Board have been delegated;
- (g) whenever the Committee is to exercise discretion in the administration of the terms and conditions of this Plan, the term “discretion” means the sole and absolute discretion of the Committee or, if such discretion has been revoked by the Board pursuant to Section 3.2, the Board or such other committee as determined by the Board; and
- (h) unless otherwise specified, all references to money amounts are to Canadian currency.

ARTICLE 3. ADMINISTRATION OF THE PLAN

3.1 Administration

Subject to Section 3.2, this Plan will be administered by the compensation committee of the Board (the “**Committee**”) and the Committee has sole and complete authority, in its discretion, to:

- (a) determine the persons (from among the Eligible Persons) to whom Options may be granted;
- (b) grant Options in such amounts and, subject to the provisions of this Plan, on such terms and conditions as it determines including:
 - (i) the time or times at which Options may be granted;
 - (ii) the Option Price;
 - (iii) the time or times when each Option becomes exercisable and the duration of the Exercise Period;
 - (iv) any additional performance-related or other requirements for the exercise of Options;
 - (v) whether restrictions or limitations are to be imposed on the Shares and the nature of such restrictions or limitations, if any; and
 - (vi) any acceleration of exercisability or waiver of termination regarding any Option, based on such factors as the Committee may determine;
- (c) to determine the nature and extent of any adjustment(s) to be made to Options pursuant to Section 9.1;
- (d) interpret this Plan and adopt, amend and rescind administrative guidelines and other rules and regulations relating to this Plan; and

- (e) make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan.

The Committee's determinations and actions within its authority under this Plan are conclusive and binding on the Company and all other persons. The day-to-day administration of this Plan may be delegated to such officers, Employees and agents of the Company or its Subsidiaries as the Committee determines. The Committee may also appoint or engage a trustee, custodian or administrator to administer or implement this Plan.

3.2 Authority of the Board

The Board may revoke the Committee's authority hereunder at any time in the Board's sole and absolute discretion and, in such event, the Board may exercise the powers, and/or delegate to such other committee of the Board as the Board considers appropriate, all or any of the powers, conferred on the Committee under this Plan. In such event, the Board and/or the committee to which the Board has delegated such powers, will exercise the powers conferred on the Committee under this Plan. Any decision made or action taken by the Board and/or any committee to which the Board has delegated its powers hereunder arising out of or in connection with the administration or interpretation of this Plan in this context will be final and conclusive.

ARTICLE 4. SHARES SUBJECT TO THE PLAN

4.1 Total Number of Shares

Subject to adjustment as provided for in Section 9.1 hereof, the maximum number of Shares that may be issuable under the Plan shall be a number equal to 10% of the number of issued and outstanding Shares on a non-diluted basis at any time, provided that the number of Shares issuable under all Share Compensation Arrangements shall not exceed 10% on a non-diluted basis at any time.

4.2 Fractional Shares

No fractional shares shall be issued upon the exercise of any Option and, if as a result of any adjustment, an Option Holder would become entitled to a fractional share, such Option Holder shall have the right to purchase only the next lowest whole number of Shares and no payment or other adjustment will be made for the fractional interest.

ARTICLE 5. ELIGIBILITY, GRANT AND TERMS OF OPTIONS

5.1 Eligible Persons

Subject to the provisions of the Plan, Options may only be granted to Eligible Persons.

5.2 General

Subject to the other provisions of this Article 5, the Committee shall determine the number of Shares subject to each Option, the Option Price, the expiry date, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option; provided, however, that if no specific determination is made by the Committee with respect to the expiry date, the period during which an Option shall be exercisable shall be five years from the date the Option is granted to the Option Holder.

5.3 Option Price

The Option Price shall in no circumstances be lower than the Market Price of the Shares.

5.4 Term of Option

Subject only to Section 5.5, in no event may the term of an Option exceed five years from the Grant Date.

5.5 Extension of Term for Options Expiring During Blackout Periods

Notwithstanding anything else contained herein, if the term of an Option held by an Option Holder expires during a Blackout Period, then the term of such Option or the unexercised portion thereof, as applicable, shall be extended to the close of business on the tenth Business Day following the end of the Blackout Period.

5.6 Exercise Period

Options will vest and be exercisable in the manner determined by the Committee and specified in the applicable Option Document. Subject to Section 9.2, once an Option becomes exercisable, it remains exercisable until expiration or termination of the Option, unless otherwise specified by the Committee in connection with the grant of such Option or at the time of an accelerated vesting. Each Option may be exercised at any time or from time to time, in whole or in part, for up to the total number of Shares with respect to which it is then exercisable. Notwithstanding anything else contained herein, Options may not be exercised during a Blackout Period unless the Committee determines otherwise.

The Committee may elect, at any time, to accelerate the vesting schedule of one or more Options and such acceleration will not be considered an amendment to the Option in question requiring the consent of the Option Holder under Section 10.2 of this Plan.

5.7 No Repricing

Subject to Section 9.1, in no event may outstanding Options granted under this Plan be repriced.

5.8 Additional Limits

- (a) Notwithstanding any other provision of this Plan or any agreement relating to Options, no Options shall be granted under this Plan if, together with any other Share Compensation Arrangement established or maintained by the Company, such grant of Options could result, at any time, in the aggregate number of Shares (i) issued to Insiders, within any one-year period and (ii) issuable to Insiders, at any time, exceeding 10% of the issued and outstanding Shares on a non-diluted basis.
- (b) The equity award value (based on grant date fair value) of any grant of Options to non-Employee Directors under the Plan shall not exceed \$100,000 to each non-Employee Director per year.
- (c) Notwithstanding any other provision of this Plan, if required under the rules and policies of the Exchange at that time, the number of grants which may be issuable under the Plan within any one-year period:

- (i) to any one Eligible Person, shall be no more than 5% of the issued and outstanding share capital of the Company, with the exception of a Consultant, who may not receive grants of more than 2% of the issued and outstanding share capital of the Company; and
- (ii) to all Eligible Persons employed to conduct Investor Relations Activities, shall be no more than an aggregate of 2% of the number of issued and outstanding Shares at any one time, with Options vesting in stages and no more than one quarter (1/4) of Options vesting in any three month period.

5.9 Option Documents

All grants of Options will be evidenced by Option Documents. Such Option Documents will be subject to the applicable provisions of this Plan and will contain such provisions as are required by this Plan and any other provisions that the Committee may direct. By accepting an Option granted hereunder, the Option Holder has expressly agreed with the Company to be bound by the terms of this Plan. **In the event of conflict between the terms of an Option Document and the terms of this Plan, the terms of this Plan shall prevail and the Option Document shall be deemed to have been amended accordingly.**

5.10 ISOs

ISOs shall be granted only to an individual who is an Employee of the Company or a Subsidiary or related company and shall be subject to the following special limitations required by Section 422 of the Code, and any contrary provisions of this Plan shall be disregarded:

- (a) Maximum Number of Shares for ISOs. Notwithstanding any other provision of this Plan to the contrary, the aggregate number of Shares available for ISOs is 700,000 subject to adjustment pursuant to Section 9.1 of this Plan and subject to the provisions of Sections 422 and 424 of the Code.
- (b) Limitation on Amount of Grants. As to all ISOs granted under the terms of this Plan, to the extent that the aggregate fair market value of the Shares (determined at the time the ISO is granted) with respect to which ISOs are exercisable for the first time by the Option Holder during any calendar year (under this Plan and all other ISO plans of the Company, a related corporation or a predecessor corporation) exceeds US\$100,000, such options shall be treated as NSOs. The previous sentence shall not apply if the Internal Revenue Service issues a public rule, issues a private ruling to the Company, any Option Holder or any legatee, personal representative or distributee of an Option Holder or issues regulations changing or eliminating such annual limit. No such limitation shall apply to NSOs.
- (c) Grants to Ten Percent Shareholders. ISOs may be granted to a person owning more than 10% of the total combined voting power of all classes of shares of the Company and any Parent or Subsidiary only if (i) the exercise price is at least 110% of the fair market value (determined in accordance with section 422 of the Code) of the stock at the time of grant, and (ii) the option is not exercisable after the expiration of five years from the date of grant.
- (d) Notice of Disposition. The Committee may require an Option Holder to give the Company prompt notice of any disposition of Shares acquired by exercise of an ISO prior to the expiration of two years after the date of the grant of the option and one year from the date of exercise. In such case, the Option Holder will be treated for U.S. income tax purposes as having received ordinary income at the time of such disposition in an amount generally measured by the difference between the price paid for the Shares and the lesser of the fair

market value of the Shares at the date of the exercise or the amount realized on disposition of the shares.

- (e) Shareholder Approval. No Options granted under this Plan will be considered ISOs unless this Plan has been approved by the shareholders of the Company within twelve months before or after the date such Plan has been adopted by the Committee.

5.11 One-Time Grants

Notwithstanding any other provision hereunder, at the discretion of the Board, non-Employee directors may receive a grant of Options under the Plan upon such non-Employee Director's first election or appointment to the Board provided that the equity award value (based on grant date fair value) in connection with such grant of Options may not have an equity award value in excess of \$150,000.

ARTICLE 6. TRANSFERABILITY

6.1 Transferability

An Option is personal to the Option Holder and is non-assignable and non-transferable. No Option granted hereunder shall be pledged, hypothecated, charged, transferred, assigned or otherwise encumbered or disposed of by the Option Holder, whether voluntarily or by operation of law, otherwise than by testate succession, will or the laws of descent and distribution, and any attempt to do so will cause such Option to terminate and be null and void. During the lifetime of the Option Holder, an Option shall be exercisable only by the Option Holder and, upon the death of an Option Holder, the person to whom the rights shall have passed by testate succession or by the laws of descent and distribution may exercise any Option in accordance with the provisions of Section 7.2(b) or 7.4(b), as applicable.

ARTICLE 7. TERMINATION OF EMPLOYMENT OR SERVICES; DEATH AND DISABILITY

7.1 General

An Option, and all rights to purchase Shares pursuant thereto, granted to an Eligible Person shall expire and terminate immediately upon the Option Holder ceasing to be an Eligible Person, other than in the circumstances referred to in Sections 7.2, 7.3 and 7.4.

7.2 Termination of Employment or Term of Office

If, before the expiry of an Option in accordance with its terms, the employment or term of office of an Option Holder that is an Employee terminates for any reason whatsoever other than termination by the Company or the Subsidiary for cause (for this purpose, as determined by the Committee in its discretion), but including (i) the termination by the Company or Subsidiary without cause; or (ii) the voluntary resignation by the Option Holder; or (iii) the termination of employment or term of office by reason of the death or Disability of the Option Holder, the Options held by such former Employee that are exercisable at the Termination Date continue to be exercisable by the Option Holder as follows:

- (a) if the Option Holder is alive, at any time during the 90-day period immediately following the Termination Date, but in no event beyond the expiration date of such Options and only to the extent that such Options were vested and exercisable as of the Termination Date; or

- (b) if the Option Holder is deceased, by the legal representative(s) of the estate of the Option Holder at any time during the twelve-month period immediately following the date of death, but in no event beyond the expiration date of such Option and only to the extent that such Options were vested and exercisable as of the date of death; or
- (c) if the Option Holder's employment or term of office ceases as a result of the Disability of such Option Holder, by the Option Holder or his or her legal representative(s) at any time during the twelve-month period immediately following the Termination Date, but in no event beyond the expiration date of such Option and only to the extent that such Options were vested and exercisable as of the date of determination of Disability.

Notwithstanding the foregoing, the Committee shall have the discretion to extend any of the periods set forth at (a) through (c) above; provided, however, that in the case of an ISO, any such extension shall be subject to the limitations of Section 422 of the Code. Unless otherwise determined by the Committee in its discretion, any Options held by the Option Holder that are not exercisable at the Termination Date immediately expire and are cancelled on the Termination Date.

7.3 Termination of Employment or Term of Office for Cause

Where, in the case of an Option Holder that is an Employee, an Option Holder's employment or term of office is terminated by the Company or any Subsidiary for cause (for this purpose, as determined by the Committee in its discretion), then any Options held by the Option Holder, whether or not exercisable at the Termination Date, shall immediately expire and be cancelled on such Termination Date, unless otherwise determined by the Committee in its discretion.

7.4 Termination of Consulting Services

If, before the expiry of any Option in accordance with the terms hereof, a Consultant's agreement or arrangement terminates by reason of: (i) termination by the Company or any of its Subsidiaries for any reason whatsoever other than for breach or default of the consulting agreement or arrangement (whether or not such termination is effected in compliance with any termination provisions contained in the Consultant's consulting agreement or arrangement); or (ii) voluntary termination by the Consultant in accordance with the terms of the consulting agreement or arrangement; or (iii) the death or permanent disability of the Consultant, the Options held by the Consultant that are exercisable at the Termination Date continue to be exercisable by the Consultant as follows:

- (a) if the Consultant is alive, by the Consultant at any time during the 90-day period immediately following the Termination Date, but in no event beyond the expiration date of such Option and only to the extent such Options were vested and exercisable as of the Termination Date; or
- (b) if the Consultant is deceased, by the legal representative(s) of the estate of the Consultant Option Holder at any time during the twelve-month period immediately following the date of death, but in no event beyond the expiration date of such Option and only to the extent that such Options were vested and exercisable as of the date of death; or
- (c) if the Consultant's agreement terminates or arrangement ceases as a result of the Disability of such Consultant, by the Consultant or his or her legal representative(s) at any time during the twelve-month period immediately following the Termination Date, but in no event beyond the expiration date of such Option and only to the extent that such Options were vested and exercisable as of the date of determination of Disability.

Notwithstanding the foregoing, the Committee shall have the discretion to extend any of the periods set forth at (a) through (c) above, unless prohibited by the rules and policies of the Exchange at that time. Unless otherwise determined by the Committee in its discretion, any Options held by the Consultant that are not exercisable at the Termination Date immediately expire and are cancelled on the Termination Date.

7.5 Termination of Consulting for Cause

Where, in the case of a Consultant Option Holder, the Option Holder's consulting agreement or arrangement is terminated by the Company or any of its Subsidiaries for breach of the consulting agreement or arrangement (whether or not such termination is effected in compliance with any termination provisions contained in the Consultant Option Holder's consulting agreement or arrangement and as determined by the Committee in its discretion), then any Options held by the Consultant Option Holder, whether or not exercisable at the Termination Date, immediately expire and are cancelled on such Termination Date, unless otherwise determined by the Committee in its discretion.

7.6 Change of Employment or Services

Options shall not be affected by any change of employment or consulting arrangement within or among the Company or any one or more Subsidiaries or by an Option Holder ceasing to be an Employee or Consultant for so long as the Option Holder continues to be an Employee or Consultant; provided, however, that subject to Section 422 of the Code, such change may affect ISOs granted hereunder.

7.7 Deemed Non-Interruption of Engagement

Employment or engagement by the Company shall be deemed to continue intact during any military or sick leave or other *bona fide* leave of absence if the period of such leave does not exceed 90 days or, if longer, for so long as the Option Holder's right to re-employment or re-engagement by the Company is guaranteed either by statute or by contract. If the period of such leave exceeds 90 days and the Option Holder's re-employment or re-engagement is not so guaranteed, then his or her employment or engagement shall be deemed to have terminated on the ninety-first day of such leave.

ARTICLE 8. EXERCISE OF OPTIONS

8.1 Exercise of Options

Subject to the provisions of the Plan and the provisions of the applicable Option Document, an Option that has vested and become exercisable in accordance with its terms may be exercised from time to time by delivery to the Company or its agent, as the Company may direct, of a written notice of exercise addressed to the Secretary of the Company specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Price for the Shares then being purchased. Payment shall be made by certified cheque or by such other means as is acceptable to the Chief Executive Officer or the Chief Financial Officer of the Company. Upon actual receipt by the Company of such notice and of a certified cheque for, or other acceptable payment of, the aggregate Option Price, the number of Shares in respect of which the Option is exercised will within a reasonable period of time be duly issued as fully paid and non-assessable and the Option Holder exercising the Option, or such nominee as the Option Holder shall direct, shall be registered on the books of the Company as the holder of the number of Shares so issued.

8.2 Cashless Exercise

Unless the Company's Shares are listed on the TSXV, in lieu of paying the aggregate Option Price to purchase Shares as set forth in Section 8.1, the Committee may, in its sole and absolute discretion, permit an Option Holder to elect to receive, without payment of cash or other consideration except as required by Section 8.5, upon surrender of the applicable portion of a then vested and exercisable Option to the Company, that number of Shares, disregarding fractions, equal to the number obtained by dividing (a) the difference between the Market Price of one Share determined as of the date of delivery of the notice of exercise referred to in Section 8.1 and the Option Price, multiplied by the number of Shares in respect of which the Option would otherwise be exercised with payment of the aggregate Option Price, by (b) the Market Price of one Share determined as of the date of delivery of the notice of exercise referred to in Section 8.1 (a "Cashless Exercise"). For greater certainty, a Cashless Exercise will not be permitted while the Company's Shares are listed on the TSXV.

8.3 Regulatory Approval

Notwithstanding any of the provisions contained in the Plan or in any Option Document, the Company's obligation to issue Shares to an Option Holder or the legal representatives of its estate, as applicable, pursuant to the exercise of an Option shall be subject to:

- (a) completion of such registration or other qualifications of such Shares or obtaining approval of such Regulatory Authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
- (b) the admission of such Shares to listing on any stock exchange on which the Shares may then be listed; and
- (c) the receipt from the Option Holder or the legal representatives of its estate, as applicable, of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of any Regulatory Rule.

In connection with the foregoing, the Company shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for issuance of such Shares in compliance with any Regulatory Rules and for the listing of such Shares on any stock exchange on which the Shares are then listed.

8.4 Unvested Options

Except as expressly provided herein, no unvested Options may be exercised.

8.5 Taxes

Upon the exercise of an Option, the Option Holder shall make arrangements satisfactory to the Company regarding payment of any federal, state, provincial, local or other taxes of any kind required by law to be paid in connection with the exercise of the Option. In addition, as a condition of and prior to participation in the Plan, each Option Holder authorizes the Company to withhold from any amount otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan. The Company shall also have the right in its sole discretion to satisfy any such liability for withholding or other required deduction amounts by requiring the Option Holder to complete a sale to a third party in respect of such number of Shares, which have been issued and would otherwise be delivered to the Option Holder under the Plan, and any amount payable from such sale

will first be paid to the Company to satisfy any liability for withholding. The Company may require an Option Holder, as a condition of participation in the Plan, to pay or reimburse the Company for any cost incurred by the Company as a result of the participation by the Option Holder in the Plan.

ARTICLE 9. ADJUSTMENTS

9.1 *Adjustments*

Subject to any necessary Regulatory Approvals, appropriate adjustments in the number of Shares subject to this Plan, and as regards Options granted or to be granted, in the number of Shares which are subject to Options and in the Option Price, shall be made by the Committee in its discretion to give effect to adjustments in the number of Shares resulting from any subdivision, consolidation, reorganization or reclassification of the Shares, the payment of any stock dividend by the Company (other than dividends in the ordinary course) or other relevant changes in the capital stock of the Company. The Committee's determination of such adjustments shall be final, binding and conclusive for all purposes.

9.2 *Change of Control*

Notwithstanding anything else contained in this Plan, (i) if the Company proposes to enter into a statutory arrangement, amalgamate, merge or consolidate with any other corporation (otherwise than pursuant to an internal corporate reorganization that would not affect control of the Company) or to liquidate, dissolve or wind-up, or in connection with any proposed sale or conveyance of all or substantially all of the property or assets of the Company or any proposed offer to acquire all of the outstanding Shares or any other proposed transaction involving the Company; or (ii) at least 50% of the directors constituting the Board cease to be directors as a result of, in connection with or pursuant to an actual or threatened contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies by or on behalf of a person or persons, other than a solicitation that was approved by directors constituting a majority of the Board, (in each case, a "**Change of Control**"), the Committee may, in its discretion, permit and authorize the accelerated vesting and early exercise of all or any portion of the then outstanding Options in connection with the completion of such Change of Control. Whether or not the Committee determines to accelerate the vesting of any Options, the Company shall give written notice of any proposed Change of Control to each Option Holder. Upon the giving of any such notice, Option Holders shall be entitled to exercise, at any time within the 14-day period following the giving of such notice and conditionally upon completion of the Change of Control, all or a portion of those Options granted to such Option Holders which are then vested and exercisable in accordance with their terms, as well as any unvested Options which the Committee has determined shall be immediately vested and exercisable in connection with the completion of such Change of Control (subject to the extension of such 14-day period as the Committee may determine in its sole discretion, not to exceed the expiration of the Option). Unless the Committee determines otherwise (in its discretion), upon the expiration of the notice period referred to above, all rights of the Option Holders to exercise any outstanding Options, whether vested or unvested, shall terminate and all such Options shall immediately expire and cease to have any further force or effect, subject to the completion of the relevant Change of Control.

ARTICLE 10. APPROVALS AND AMENDMENT

10.1 *Shareholder Approval of Plan*

This Plan is subject to the approval of a majority of the votes cast at a meeting of the shareholders of the Company. Any Options granted under this Plan prior to such time will not be exercisable or binding on the Company unless and until such shareholder approval is obtained.

10.2 Amendment of Option or Plan

Subject to any required Regulatory Approvals and Section 10.3, the Committee may from time to time amend any existing Option or the Plan or the terms and conditions of any Option thereafter to be granted provided that where such amendment relates to an existing Option and it would, in the discretion of the Committee:

- (a) materially decrease the rights or benefits accruing to an Option Holder; or
- (b) materially increase the obligations of an Option Holder,

then, unless otherwise excepted out by a provision of this Plan, the Committee must also obtain the written consent of the Option Holder in question to such amendment.

10.3 Amendments by Committee and Amendments Requiring Shareholder Approval

- (a) Subject to Section 10.2, the Committee may amend, suspend, discontinue or terminate the Plan and any outstanding Option granted hereunder, in whole or in part, at any time without notice to or approval by the shareholders of the Company, for any purpose whatsoever, including without limitation, the following:
 - (i) ensuring continuing compliance with any Regulatory Rule;
 - (ii) amendments of a “housekeeping” nature, which include amendments to eliminate any ambiguity or correct or supplement any provision contained herein which may be incorrect or incompatible with any other provision hereof;
 - (iii) a change to provisions on transferability of Options for normal estate settlement purposes;
 - (iv) a change in the process by which an Option Holder who wishes to exercise his or her Option can do so, including the required form of payment for the Shares being purchased, the form of exercise notice and the place where such payments and notices must be delivered;
 - (v) changing the vesting and exercise provisions of the Plan or any Option in a manner which does not entail an extension beyond the originally scheduled expiry date for any applicable Option, including to provide for accelerated vesting and early exercise of any Options deemed necessary or advisable in the Committee’s discretion;
 - (vi) changing the termination provisions of the Plan or any Option which does not entail an extension beyond the originally scheduled expiry date for that Option;
 - (vii) adding a Cashless Exercise feature, payable in cash or securities, which provides for a full deduction of the number of underlying Shares from the Plan reserve, if a Cashless Exercise is permitted under the policies or rules of the Exchange at that time; and
 - (viii) adding a conditional exercise feature which would give the Option Holders the ability to conditionally exercise in certain circumstances determined by the Committee, at its discretion, at any time up to a date determined by the Committee,

at its discretion, all or a portion of those Options granted to such Option Holders which are then vested and exercisable in accordance with their terms, as well as any unvested Options which the Committee has determined shall be immediately vested and exercisable in such circumstances.

- (b) Notwithstanding anything contained herein to the contrary, no amendment to the Plan requiring the approval of the shareholders of the Company under any applicable securities laws or Exchange requirements shall become effective until such approval is obtained. Without limitation to the foregoing the approval of the holders of a majority of the Shares present and voting in person or by proxy at a meeting of shareholders shall be required for the following matters, to the extent required by Regulatory Rules:
- (i) any amendment to the provisions of this Section 10.3 which is not an amendment within the nature of Section 10.3(a)(i) or Section 10.3(a)(ii);
 - (ii) any increase in the maximum percentage of Shares issuable by the Company under the Plan (other than pursuant to Section 9.1);
 - (iii) any reduction in the Option Price (other than pursuant to Section 9.1), where disinterested shareholder approval will be obtained for any reduction in the exercise price if the Option Holder is an Insider, or any extension of the term of an Option beyond the original Exercise Period;
 - (iv) any amendments to Section 5.7 to permit the repricing of Options;
 - (v) the cancellation and reissue of any Option;
 - (vi) any amendment to remove or exceed the limitations prescribed by Section 5.8 of the Plan;
 - (vii) any amendment to the provisions of the Plan that would permit Options to be transferred or assigned other than for normal estate settlement purposes,
 - (viii) if required under the rules or policies of the Exchange at that time, any amendment to the persons eligible to be granted Options under the Plan;
 - (ix) if required under the rules or policies of the Exchange at that time, any amendment to the method for determining the Option Price; and
 - (x) if required under the rules or policies of the Exchange at that time, any amendment to the expiration and termination provisions applicable to Options;

provided that, in the case of an amendment referred to in Sections 10.3(b)(iii) and 10.3(b)(v) insiders of the Company who benefit from such amendment are not eligible to vote their Shares in respect of the approval.

- (c) For the purposes of this Section 10.3, an amendment does not include an accelerated expiry of an Option by reason of the fact that an Option Holder ceases to be an Employee or Consultant.

**ARTICLE 11.
MISCELLANEOUS PROVISIONS**

11.1 No Shareholder Rights

An Option Holder shall not have, and nothing in this Plan or any Option shall confer on any Option Holder, any of the rights and privileges of a shareholder, a potential shareholder, or a stakeholder of the Company, whether under common law, equitable principles, statutory provisions or otherwise, unless and until such Option has been exercised in accordance with the terms of this Plan (including tendering payment in full of the aggregate Option Price for the Shares in respect of which the Option is being exercised) and the Company has issued such Shares to the Option Holder.

11.2 No Additional Rights Offered

Participation in this Plan is entirely voluntary and not obligatory and nothing in this Plan or any Option shall confer on any Option Holder that is an Employee any right to continue in the employ of the Company or any of its Subsidiaries or affect in any way the right of the Company or any such Subsidiary to terminate his or her employment at any time; nor shall anything in this Plan or any Option Document be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Company or any of its Subsidiaries to extend the employment of any Option Holder beyond the time which he or she would normally be retired pursuant to the provisions of any present or future retirement plan of the Company or any of its Subsidiaries or any present or future retirement policy of the Company or any of its Subsidiaries, or beyond the time at which he or she would otherwise be retired pursuant to the provisions of any contract of employment with the Company or any of its Subsidiaries.

Nothing in this Plan or any Option shall confer on any Consultant any right to continue to provide services to the Company or any of its Subsidiaries or affect in any way the right of the Company or any of its Subsidiaries to terminate at any time any agreement or contract with such Consultant; nor shall anything in this Plan or any Option be deemed to be or construed as an agreement, or an expression of intent, on the part of the Company or the Subsidiary to extend the time for the provision of services beyond the time specified in the contract with the Company or such Subsidiary.

11.3 Governing Law

This Plan and all Option Documents entered into pursuant to this Plan shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

Approved by the Board on November 15, 2018

Amended by the Board on August 19, 2019

Approved by the Shareholders on [insert date]

SCHEDULE "B"

Share Unit Plan



SHARE UNIT PLAN

Effective August 19, 2019

ARTICLE 1.
PREAMBLE AND DEFINITIONS

1.1 Title

The Plan described in this document shall be called the "Ascot Resources Ltd. Share Unit Plan".

1.2 Purpose of the Plan

The purposes of the Plan are:

- (a) to promote a further alignment of interests between employees and the shareholders of the Company;
- (b) to associate a portion of employees' compensation with the returns achieved by shareholders of the Company; and
- (c) to attract and retain employees with the knowledge, experience and expertise required by the Company.

1.3 Definitions

"**Applicable Law**" means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder, and Stock Exchange Rules.

"**Ascot Entity**" means any of the Company's subsidiaries, partnerships, trusts or other controlled entities and "**Ascot Entities**" means all such entities collectively.

"**Beneficiary**" means, subject to Applicable Law, an individual who has been designated by a Participant, in such form and manner as the Committee may determine, to receive benefits payable under the Plan upon the death of the Participant, or, where no such designation is validly in effect at the time of death, the Participant's legal representative.

"**Black-Out Period**" means a period during which a Participant is to refrain from trading in the Company's securities pursuant to a restriction imposed by the Company on all or any of its executives, employees, insiders or persons in a "special relationship" (as defined) with the Company.

"**Board**" means the Board of Directors of the Company.

"**Business Day**" means any day, other than a Saturday, Sunday or statutory holiday, on which the Stock Exchange is open for trading.

"**Cause**" in respect of a Participant who is an employee means "just cause" "or "cause" for Termination by the Company or an Ascot Entity as determined under Applicable Law and, in respect of a Participant who is a consultant, means a material breach by the Participant of his or her consulting agreement with the Company or an Ascot Entity, in either case, as determined by the Committee in good faith.

"**Change of Control**" means (i) an amalgamation, merger or consolidation of the Company with any other corporation (otherwise than pursuant to an internal corporate reorganization that would not affect control of the Company); (ii) the liquidation, dissolution or wind-up of the Company; (iii) the sale or conveyance of all or substantially all of the property or assets of the Company;

(iv) the acquisition of shares, or the right to acquire shares, of the Company as a result of which any person or group would beneficially own shares entitling such person or group to cast more than 50% of the votes attaching to all shares in the capital of the Company, by way of an offer, an arrangement or otherwise; or (v) any other transaction the Board deems to be a Change of Control for the purposes of the Plan.

"**Code**" means the United States Internal Revenue Code of 1986, as amended, and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder.

"**Committee**" means Compensation Committee of the Board, or such other the committee of the Board as is designated by the Board to administer the Plan from time to time.

"**Company**" means Ascot Resources Ltd. ("Ascot" or the "Company"), and any successor company whether by amalgamation, merger or otherwise.

"**Consultant**" means, in relation to the Company, an individual or company that:

- (a) is engaged to provide on an ongoing bona fide basis, consulting, technical, management or other services to the Company or an Ascot Entity, other than services provided in relation to a "distribution" (as defined in the *Securities Act* (British Columbia));
- (b) provides the services under a written contract between the Company or any Ascot Entity and the individual or a Consultant Entity (as defined below);
- (c) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or any Ascot Entity; and
- (d) has a working relationship to provide services to the Company or any Ascot Entity that enables the individual to be knowledgeable about the business and affairs of the Company,

and includes a corporation of which the individual is an employee or shareholder or a partnership of which the individual is an employee or partner (a "**Consultant Entity**").

"**Director**" means a member of the Board.

"**Disability**" means either:

- (a) a medically determinable physical or mental impairment expected to result in death or to last for a continuous period of not less than twelve months, and which causes an individual to be unable to engage in substantial gainful activity, or any other condition of impairment that Committee, acting reasonably, determines constitutes disability; or
- (b) where a Participant has a written employment agreement with the Company or an Ascot Entity, "Disability" as defined in such employment agreement if applicable.

"**Disability Date**" means, in relation to a Participant, that date determined by the Committee to be the date on which the Participant experienced a Disability.

"**Eligible Person**" means an individual bona fide Employed by the Company or any Ascot Entity who, by the nature of his/her position or job is, in the opinion of the Committee, in a position to contribute to the success of the Company.

"**Employed**" means, with respect to a Participant, that:

- (a) he/she is rendering services to the Company or an Ascot Entity as an employee for the purposes of the *Income Tax Act* (Canada), including services as a Consultant, but excluding Directors; or
- (b) he/she is not actively rendering services to the Company or an Ascot Entity due to an approved leave of absence, maternity or parental leave or leave on account of Disability (provided, in the case of a US Taxpayer, that the Participant has not incurred a "Separation From Service", within the meaning of Section 409A of the Code),

and "**Employment**" has the corresponding meaning.

"**Expiry Date**" means, with respect to a Grant, the date identified as the "expiry date" in the Grant Agreement relating to such Grant, provided that where no expiry date is specified in a Grant Agreement for a Grant, the "Expiry Date" of such Grant shall be the fifth anniversary of the Grant Date.

"**Grant**" means a grant of Share Units made pursuant to Section 3.1.

"**Grant Agreement**" means an agreement between the Company and a Participant under which a Grant is made, as contemplated by Section 3.1, together with such schedules, amendments, deletions or changes thereto as are permitted under the Plan.

"**Grant Date**" means the effective date of a Grant, as specified by the Committee.

"**Insider**" means an "insider" as defined in the manual, forms, policies or rules of the Stock Exchange relating to security-based compensation arrangements.

"**Investor Relations Activities**" means any activities or oral or written communications, by which or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (i) to promote the sale of products or services of the Company; or
 - (ii) to raise public awareness about the Company;

that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws; and
 - (ii) exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;
- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it; if:
 - (i) the communication is only through the newspaper, magazine or publication; and

- (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by a Stock Exchange.

"**Participant**" has the meaning set forth in Section 3.2.

"**Performance Period**" means, with respect to PSUs, the period specified by the Committee for achievement of any applicable Performance Conditions as a condition to Vesting.

"**Performance Conditions**" means such financial, personal, operational or transaction-based performance criteria as may be determined by the Committee in respect of a Grant to any Participant or Participants and set out in a Grant Agreement. Performance Conditions may apply to the Company, an Ascot Entity, the Company and Ascot Entities as a whole, a business unit of the Company or group comprised of the Company and some Ascot Entities or a group of Ascot Entities, either individually, alternatively or in any combination, and measured either in total, incrementally or cumulatively over a specified performance period, on an absolute basis or relative to a pre-established target or milestone, to previous years' results or to a designated comparator group, or otherwise, and may result in the percentage of Vested PSUs in a Grant exceeding 100% of the PSUs initially determined in respect of such Grant pursuant to Section 3.1(d).

"**Plan**" means this Ascot Share Unit Plan, including any schedules or appendices hereto, as may be amended from time to time.

"**PSU**" means a right, granted to a Participant in accordance with Article 3, to receive a Share, that generally becomes Vested, if at all, subject to the attainment of certain Performance Conditions and satisfaction of such other conditions to Vesting, if any, as may be determined by the Committee.

"**RSU**" means a right granted to a Participant in accordance with Article 3, to receive a Share, that generally becomes Vested, if at all, following a period of continuous Employment of the Participant with the Company or a Ascot Entity.

"**Share**" means a common share of the Company and such other share as may be substituted for it as a result of amendments to the notice of articles of the Company, arrangement, reorganization or otherwise, including any rights that form a part of the common share or substituted share.

"**Share Compensation Arrangement**" means any stock option, stock option plan, employee stock purchase plan, share unit plan, deferred share unit plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Company by way of loan, guarantee or otherwise, but if applicable under the Stock Exchange Rules at that time, excludes any options, Shares, share units, deferred share units or award involving the issuance or potential issuance of Shares granted or issued in reliance on Section 613(c) of the Toronto Stock Exchange Company Manual.

"**Share Unit**" means either an RSU or a PSU, as the context requires.

"**Share Unit Account**" has the meaning set out in Section 5.1.

"**Stock Exchange**" means either the TSX Venture Exchange or the Toronto Stock Exchange, as applicable or if the Shares are not listed on any stock exchange, then on the over-the-counter market.

"**Stock Exchange Rules**" means the applicable rules and policies of the Stock Exchange upon which the Shares of the Company are listed.

"Termination" means (i) the termination of a Participant's active Employment with the Company or an Ascot Entity (other than in connection with the Participant's transfer to Employment with the Company or another Ascot Entity), which shall occur on the earlier of the date on which the Participant ceases to render services to the Company or Ascot Entity, as applicable, and the date on which the Company or a Ascot Entity, as applicable, delivers notice of the termination of the Participant's employment to him/her, whether such termination is lawful or otherwise, without giving effect to any period of notice or compensation in lieu of notice, but, for greater certainty, a Participant's absence from active work during a period of vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability shall not, in and of itself, be considered to be a "Termination", and (ii) in the case of a Participant who does not return to active Employment with the Company or an Ascot Entity immediately following a period of absence due to vacation, temporary illness, authorized leave of absence, maternity or parental leave or leave on account of Disability, such cessation shall be deemed to occur on the last day of such period of absence (provided, in each case in the case of a US Taxpayer, that the Termination constitutes a "Separation From Service", within the meaning of Section 409A of the Code), and **"Terminated"** and **"Terminates"** shall be construed accordingly.

"Time Vesting" means any conditions relating to continued service with the Company or an Ascot Entity for a period of time in respect of the Vesting of Share Units determined by the Committee.

"Trading Day" means any date on which any Stock Exchange is open for the trading of Shares and on which Shares are actually traded.

"US Taxpayer" means an individual who is a citizen or permanent resident of the United States for purposes of the Code or an individual for whom the compensation subject to deferral under this Plan would otherwise be subject to income tax under the Code.

"Vested" means the applicable Time Vesting, Performance Conditions and/or any other conditions for settlement (subject to any conditions on such settlement imposed in respect of US Taxpayers under Exhibit "A" hereto) in relation to a whole number, or a percentage (which may be more or less than 100%) of the number, of PSUs or RSUs determined by the Committee in connection with a Grant of PSUs or Grant of RSUs, as the case may be, (i) have been met; (ii) have been waived or deemed to be met pursuant to Section 6.6; (iii) or are otherwise waived pursuant to Section 3.3, and "Vesting" and "Vest" shall be construed accordingly.

"Vesting Date" means the date on which the applicable Time-Vesting, Performance Conditions and/or any other conditions for a Share Unit becoming Vested are met, deemed to have been met or waived as contemplated in the definition of "Vesting".

"Vesting Period" means, with respect to a Grant, the period specified by the Committee, commencing on the Grant Date and ending on the last Vesting Date for Share Units subject to such Grant which, unless otherwise determined by the Committee, shall not be later than December 15 of the third year following the year in which the Participant performed the services to which the Grant relates.

ARTICLE 2. CONSTRUCTION AND INTERPRETATION

2.1 *Gender, Singular, Plural*

In the Plan, references to the masculine include the feminine; and references to the singular shall include the plural and vice versa, as the context shall require.

2.2 *Governing Law*

The Plan shall be governed and interpreted in accordance with the laws of the Province of British Columbia and federal laws of Canada applicable in that province. Any actions, proceedings or claims in any way pertaining to the Plan shall be commenced in the courts of the Province of British Columbia.

2.3 *Severability*

If any provision or part of the Plan is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

2.4 *Headings, Sections.*

Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained. A reference to a section or schedule shall, except where expressly stated otherwise, mean a section or schedule of the Plan, as applicable.

ARTICLE 3. SHARE UNIT GRANTS AND VESTING PERIODS

3.1 *Grant of Share Units*

Unless otherwise determined by the Board, the Plan shall be administered by the Committee. The Committee shall have the authority in its sole and absolute discretion to administer the Plan and to exercise all the powers and authorities either specifically granted to it under the Plan or necessary or advisable in the administration of the Plan subject to and not inconsistent with the express provisions of this Plan, including, without limitation, the authority:

- (a) to make Grants;
- (b) to determine the Grant Date for Grants, provided that the Committee shall ensure that no Grant Date falls within a Blackout Period or on the first Trading Day following the date on which the relevant Blackout Period has expired;
- (c) to determine the Eligible Persons to whom, and the time or times at which Grants shall be made and shall become issuable;
- (d) subject to Section 4.1, to determine the number of Share Units to be covered by each Grant;
- (e) to approve or authorize the applicable form and terms of the related Grant Agreements and any other forms to be used in connection with the Plan;
- (f) to determine the terms and conditions of Grants granted to any Participant, including, without limitation, (A) the type of Share Unit, (B) the number of RSUs or PSUs subject to a Grant, (C) the Vesting Period(s) applicable to a Grant, (D) the conditions to the Vesting of any Share Units granted hereunder, including terms relating to Performance Conditions, Time Vesting and/or other Vesting conditions, any multiplier that may apply to Share Units subject to a Grant in connection with the achievement of Vesting conditions, the Performance Period for PSUs and the conditions, if any, upon which Vesting of any Share Unit will be waived or accelerated without any further action by the

Committee (including, without limitation, the effect of a Change of Control and a Participant's Termination in connection therewith), (E) the circumstances upon which a Share Unit shall be forfeited, cancelled or expire, (F) the consequences of a Termination with respect to a Share Unit, (G) the manner and time of exercise or settlement of Vested Share Units, and (H) whether, and the terms upon which, any Shares delivered upon exercise or settlement of a Share Unit must continue to be held by a Participant for any specified period;

- (g) to determine whether and the extent to which any Performance Conditions or other criteria applicable to the Vesting of a Share Unit have been satisfied or shall be waived or modified;
- (h) subject to Section 9.5, to amend the terms of any outstanding Share Units under the Plan or Grant Agreement provided, however, that no such amendment, suspension or termination shall be made at any time to the extent such action would materially adversely affect the existing rights of a Participant with respect to any then outstanding Share Unit without his/her consent in writing and provided further, however, that, notwithstanding the foregoing clause of this Section 3.1(h), the Committee may amend the terms of a Share Unit or Grant Agreement without the consent of the Participant for purposes of complying with Applicable Law whether or not such amendment could adversely affect the rights of the Participant;
- (i) to determine whether, and the extent to which, adjustments shall be made pursuant to Section 5.3 and the terms of any such adjustments;
- (j) to interpret the Plan and Grant Agreements;
- (k) to prescribe, amend and rescind such rules and regulations and make all determinations necessary or desirable for the administration and interpretation of the Plan and Grant Agreements;
- (l) to determine the terms and provisions of Grant Agreements (which need not be identical) entered into in connection with Grants; and
- (m) to make all other determinations deemed necessary or advisable for the administration of the Plan.

3.2 Eligibility and Award Determination

- (a) In determining the Eligible Persons to whom Grants are to be made ("**Participants**") and the number of Share Units to be covered by each Grant (subject to adjustment in accordance with Time Vesting or Performance Conditions), the Committee shall take into account the terms of any written employment agreement between an Eligible Person and the Company or any Ascot Entity and may take into account such other factors as it shall determine in its sole and absolute discretion.
- (b) For greater certainty and without limiting the discretion conferred on the Committee pursuant to this Section, the Committee's decision to approve a Grant in any period shall not require the Committee to approve a Grant to any Participant in any other period; nor shall the Committee's decision with respect to the size or terms and conditions of a Grant in any period require it to approve a Grant of the same or similar size or with the same or

similar terms and conditions to any Participant in any other period. The Committee shall not be precluded from approving a Grant to any Participant solely because such Participant may have previously received a Grant under this Plan or any other similar compensation arrangement of the Company or an Ascot Entity. No Eligible Person has any claim or right to receive a Grant except as may be provided in a written employment agreement between an Eligible Person and the Company or an Ascot Entity.

- (c) Each Grant Agreement shall set forth, at a minimum, the type of Share Units and Grant Date of the Grant evidenced thereby, the number of RSUs or PSUs subject to such Grant, the applicable Vesting conditions, the applicable Vesting Period(s) and the treatment of the Grant upon Termination and may specify such other terms and conditions consistent with the terms of the Plan as the Committee shall determine or as shall be required under any other provision of the Plan. The Committee may include in a Grant Agreement terms or conditions pertaining to confidentiality of information relating to the Company's operations or businesses which must be complied with by a Participant including as a condition of the grant or Vesting of Share Units.

3.3 *Discretion of the Committee*

Notwithstanding any other provision hereof or of any applicable instrument of grant, the Committee may accelerate or waive any condition to the Vesting of any Grant, all Grants, any class of Grants or Grants held by any group of Participants.

3.4 *Effects of Committee's Decision*

Any interpretation, rule, regulation, determination or other act of the Committee hereunder shall be made in its sole discretion and shall be conclusively binding upon all persons.

3.5 *Limitation of Liability*

No member of the Committee, the Board or any officer or employee of the Company or an Ascot Entity shall be liable for any action or determination made in good faith pursuant to the Plan or any Grant Agreement under the Plan. To the fullest extent permitted by law, the Company and the Ascot Entities shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such person is or was a member of the Committee or the Board or is or was an officer or employee of the Company or a Ascot Entity.

3.6 *Delegation and Administration*

The Committee may, in its discretion, delegate such of its powers, rights and duties under the Plan, in whole or in part, to any one or more directors, officers or employees of the Company as it may determine from time to time, on terms and conditions as it may determine, except the Committee shall not, and shall not be permitted to, delegate any such powers, rights or duties to the extent such delegation is not consistent with Applicable Law. The Committee may also appoint or engage a trustee, custodian or administrator to administer or implement the Plan or any aspect of it, except that the Committee shall not, and shall not be permitted to, appoint or engage such a trustee, custodian or administrator to the extent such appointment or engagement is not consistent with Applicable Law.

ARTICLE 4.
SHARES SUBJECT TO THE PLAN

4.1 ***Maximum Number of Shares and Limitations***

Subject to Section 4.2 and to adjustment pursuant to Section 5.3, the maximum number of Shares that may be issued pursuant to the Plan shall be 1,740,000, provided that the number of Shares issuable under all Share Compensation Arrangements shall not exceed 10% of the issued and outstanding Shares on a non-diluted basis at any time.

Notwithstanding any other provisions of this Plan, if required under the Stock Exchange Rules at that time, the number of Shares which are issuable under the Plan and any other Share Compensation Arrangement of the Company are subject to the following additional limits: (i) the aggregate number of Shares issued to Insiders, within any one year period and (ii) the aggregate number of Shares issuable to Insiders at any time, shall not exceed 10% of the issued and outstanding Shares. Provided that if the Company is listed on the TSX, any options, Shares, share units, deferred share units or other awards involving the issuance or potential issuance of Shares that are granted or issued in reliance on Section 613(c) of the TSX Company Manual shall, notwithstanding the definition of Share Compensation Arrangement or any other provision of this Plan, be included (and not excluded) in determining whether any Shares issued under this Plan might exceed the limitations set out in paragraphs (i) and (ii).

If required under the Stock Exchange Rules at that time, the number of Shares which are issuable under the Plan are subject to the following additional limits: (a) the aggregate number of Shares issuable to any one Participant at the time of grant shall not exceed 1% of the issued and outstanding Shares on a non-diluted basis, unless disinterested shareholder approval is obtained for any grant exceeding 1%; (b) the aggregate number of Shares issuable to any one Participant in a twelve (12) month period shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis, unless disinterested shareholder approval is obtained for any grant of Shares exceeding 2%; and (c) no Shares shall be issuable to Eligible Persons employed to conduct Investor Relations Activities.

4.2 ***Issuance of Shares Subject to Applicable Law***

Notwithstanding anything herein to the contrary, the Company's obligation to issue and deliver Shares in respect of any Share Unit is subject to the satisfaction of all requirements under Applicable Law in respect thereof and obtaining all regulatory approvals as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof and the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction or to comply with Applicable Law. In this connection, the Company shall take all reasonable steps to obtain such approvals and registrations as may be necessary for the issuance of such Shares in compliance with Applicable Law.

ARTICLE 5.
ACCOUNTS, DIVIDEND EQUIVALENTS AND REORGANIZATION

5.1 ***Share Unit Account***

An account, called a "**Share Unit Account**", shall be maintained by the Company, for each Participant and will be credited with such notional grants of Share Units as are received by a Participant from time to time pursuant to Sections 3.1 and 3.2 and any dividend equivalent Share Units pursuant to Section 5.2. Share Units that fail to vest to a Participant and are forfeited pursuant to Article 6, or that are

paid out to the Participant or his/her Beneficiary, shall be cancelled and shall cease to be recorded in the Participant's Share Unit Account as of the date on which such Share Units are forfeited or cancelled under the Plan or are paid out, as the case may be. For greater certainty, where a Participant is granted both RSUs and PSUs, such RSUs and PSUs shall be recorded separately in the Participant's Share Unit Account.

5.2 *Dividend Equivalent Share Units*

Except as otherwise provided in the Grant Agreement relating to a grant of RSUs or PSUs, if and when cash dividends (other than extraordinary or special dividends) are paid with respect to Shares to shareholders of record as of a record date occurring during the period from the Grant Date under the Grant Agreement to the date of settlement of the RSUs or PSUs granted thereunder, a number of dividend equivalent RSUs or PSUs, as the case may be, shall be granted to the Participant who is a party to such Grant Agreement. The number of such additional RSUs or PSUs will be calculated by dividing the aggregate dividends or distributions that would have been paid to such Participant if the RSUs or PSUs in the Participant's Share Unit Account had been Shares by the fair market value of a Share on the date on which the dividends or distributions were paid on the Shares. The additional RSUs or PSUs granted to a Participant will be subject to the same terms and conditions, including Vesting and settlement terms, as the corresponding RSUs or PSUs, as the case may be.

5.3 *Adjustments*

In the event of any stock dividend, stock split, combination or exchange of shares, capital reorganization, consolidation, spin-off, dividends (other than cash dividends in the ordinary course) or other distribution of the Company's assets to shareholders, or any other similar changes affecting the Shares, a proportionate adjustment to reflect such change or changes shall be made with respect to the number of Share Units outstanding under the Plan and the number of Shares subject to the Plan, or securities into which the Shares are changed or are convertible or exchangeable may be substituted for Shares under this Plan, on a basis proportionate to the number of Share Units in the Participant's Share Unit Account or some other appropriate basis, all as determined by the Committee in its sole discretion.

ARTICLE 6. VESTING AND SETTLEMENT OF SHARE UNITS

6.1 *Vesting Based on Continued Employment*

Subject to this Article 6, Share Units subject to a Grant and dividend equivalent Share Units credited to the Participant's Share Unit Account in respect of such Share Units, adjusted in accordance with the applicable multiplier, if any, as set out in the Grant Agreement, shall Vest in such proportion(s) and on such Vesting Date(s) as may be specified in the Grant Agreement governing such Grant provided that the Participant is Employed on the relevant Vesting Date. For greater certainty, a Participant shall not be considered to be Employed on a Vesting Date if, prior to such Vesting Date, such Participant received a payment in lieu of notice of Termination of employment, whether under a contract of employment or a consulting contract, as damages or otherwise.

6.2 *Exercise/Settlement*

- (a) A Participant who remains Employed may exercise all or a portion of his or her Vested RSUs and/or PSUs prior to their Expiry Date by delivery to the Company or its agent, as the Company may direct, of a written notice of exercise addressed to the Secretary of the Company specifying the number of RSUs and/or PSUs being exercised. Where a

Participant has failed to file a notice of exercise with respect to any of the Participant's Vested Share Units prior to the Expiry Date of such Vested Share Units, the Participant shall be deemed to have filed such a notice to exercise such Vested Share Units on their Expiry Date.

- (b) Where a Participant who ceases to be Employed in circumstances in which Section 6.6 applies, (i) if the Participant's Employment is Terminated by the Company or an Ascot Entity without Cause or the Participant voluntarily terminates his or her Employment, the Participant, shall be entitled to exercise Share Units that are Vested on such Participant's date of Termination for a period ending on the earlier of (A) the Expiry Date of such Vested Share Units and (B) ninety (90) days following such date of Termination; (ii) if the Participant dies while Employed, the Participant's Beneficiary shall be entitled to exercise Share Units that are Vested on such Participant's date of Termination for a period ending on the earlier of (A) the Expiry Date of such Vested Share Units and (B) twelve (12) months following the Participant's date of death; and (iii) if the Participant experiences a Disability while Employed, the Participant's Beneficiary shall be entitled to exercise Share Units that are Vested on such Participant's Disability Date for a period ending on the earlier of (A) the Expiry Date of such Vested Share Units and (B) twelve (12) months following such Disability Date.
- (c) Subject to Section 4.2 and to the payment or other satisfaction of all related withholding obligations in accordance with Section 9.2, the Company shall issue one Share for each Share Unit that is exercised, or deemed to be exercised, as the case may be, as soon as reasonably practicable, and, in any case, within sixty (60) days, after receipt by the Company of the Participant's exercise notice, or the Expiry Date of the Participant's Share Units, as applicable.
- (d) In no case shall the Company settle RSUs or PSUs in cash.

6.3 Postponed Settlement

If a Participant's Share Units would, in the absence of this Section 6.3 be exercised within a Blackout Period applicable to such Participant, such settlement shall be postponed until the first Trading Day following the date on which the relevant Blackout Period has expired.

6.4 Failure to Vest

For greater certainty, a Participant shall have no right to receive Shares or a cash payment as compensation, damages or otherwise, with respect to any RSUs or PSUs that do not become Vested.

6.5 Termination of Employment for Cause

Subject to the terms of a Participant's written employment agreement with the Company or an Ascot Entity and unless otherwise determined by the Committee, in the event a Participant's Employment is Terminated for Cause by the Company or an Ascot Entity, as applicable, all Share Units of such Participant, whether or not Vested, shall immediately cease to be exercisable and shall be forfeited.

6.6 Termination of Employment without Cause, Death or Disability

Subject to the terms of a Participant's written employment agreement with the Company or an Ascot Entity and the relevant Grant Agreement, in the event a Participant's Employment is terminated by

the Company, or an Ascot Entity, as applicable, without Cause, the Participant voluntarily terminates his or her Employment, the Participant dies or experiences a Disability all Share Units of such Participant that are not then Vested shall be forfeited unless otherwise determined by the Committee.

6.7 Change of Control

In the event of a Change of Control, subject to the terms of a Participant's written employment agreement with the Company or an Ascot Entity and the Grant Agreement in respect of the Grant, the Committee may determine, in its sole discretion:

- (a) that all RSUs and/or PSUs that have not previously Vested shall Vest on the effective date of the Change in Control, provided that, in the case of a Grant of PSUs, the total number of PSUs that Vest shall be the number of PSUs covered by such Grant pursuant to Section 3.2(c) without giving effect to any potential increase or decrease in such number as a result of graduated Performance Conditions permitting Vesting of more or less than 100% of such PSUs. Share Units that Vest in accordance with this Section 6.7(a) shall be settled through the issuance of Shares immediately prior to the effective time of the Change of Control equal to the number of Vested Share Units, as determined by the Committee in its sole discretion;
- (b) that for any RSU or PSU there shall be substituted an entitlement to such other securities into which Shares are changed, or are convertible or exchangeable, or a cash payment based on the value of such other securities, on a basis proportionate to the number of Shares to which the Participant would otherwise be entitled or some other appropriate basis.

ARTICLE 7. CURRENCY

7.1 Currency

Except where the context otherwise requires, all references in the Plan to currency refer to lawful Canadian currency. Any amounts required to be determined under this Plan that are denominated in a currency other than Canadian dollars shall be converted to Canadian dollars at the applicable Bank of Canada noon rate of exchange on the date as of which the amount is required to be determined.

ARTICLE 8. SHAREHOLDER RIGHTS

8.1 No Rights to Shares

Share Units are not Shares and a Grant of Share Units will not entitle a Participant to any shareholder rights, including, without limitation, voting rights, dividend entitlement or rights on liquidation.

**ARTICLE 9.
MISCELLANEOUS**

9.1 *Compliance with Laws and Policies*

The Company's obligation to make any payments or deliver (or cause to be delivered) any Shares hereunder is subject to compliance with Applicable Law. Each Participant shall acknowledge and agree (and shall be conclusively deemed to have so acknowledged and agreed by participating in the Plan) that the Participant will, at all times, act in strict compliance with Applicable Law and all other laws and any policies of the Company applicable to the Participant in connection with the Plan including, without limitation, furnishing to the Company all information and undertakings as may be required to permit compliance with Applicable Law.

9.2 *Withholdings*

So as to ensure that the Company or an Ascot Entity, as applicable, will be able to comply with the applicable obligations under any federal, provincial, state or local law relating to the withholding of tax or other required deductions, the Company or the Ascot Entity shall withhold or cause to be withheld from any amount payable to a Participant, either under this Plan, or otherwise, such amount as may be necessary to permit the Company or the Ascot Entity, as applicable, to so comply. The Company and any Ascot Entity may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Company may determine in its sole discretion, by (a) selling on such Participant's behalf, or requiring such Participant to sell, any Shares, and retaining any amount payable which would otherwise be provided or paid to such Participant in connection with any such sale, or (b) requiring, as a condition to the delivery of Shares in settlement of any Participant's Share Units, that such Participant make such arrangements as the Company may require so that the Company and the Ascot Entities can satisfy such withholding obligations, including requiring such Participant to remit an amount to the Company or a Ascot Entity in advance, or reimburse the Company or any Ascot Entity for, any such withholding obligations.

9.3 *No Right to Continued Employment*

Nothing in the Plan or in any Grant Agreement entered into pursuant hereto shall confer upon any Participant the right to continue in the employ or service of the Company or any Ascot Entity, to be entitled to any remuneration or benefits not set forth in the Plan or a Grant Agreement or to interfere with or limit in any way the right of the Company or any Ascot Entity to terminate Participant's employment or service arrangement with the Company or any Ascot Entity.

9.4 *No Additional Rights*

Neither the designation of a person as a Participant nor the grant of any Share Units to any Participant entitles any person to the grant, or any additional grant, as the case may be, of any Share Units under the Plan.

9.5 *Amendment, Termination*

The Plan and any Grant made pursuant to the Plan may be amended, modified or terminated by the Board without approval of shareholders, provided that no amendment to the Plan or Grants made pursuant to the Plan may be made without the consent of a Participant if it adversely alters or impairs the rights of the Participant in respect of any Grant previously granted to such Participant under the Plan, except that Participant consent shall not be required where the amendment is required for purposes of

compliance with Applicable Law. For greater certainty, the following amendments may not be made without shareholder approval:

- (a) an increase in the number of Shares reserved for issuance pursuant to the Plan and as set out in Section 4.1;
- (b) changes to the amendment provisions granting additional powers to the Board to amend the Plan or entitlements thereunder;
- (c) changes to the participation limitations under the Plan, including those to Insiders set forth in Section 4.1;
- (d) the expiry and termination provisions applicable to Share Units;
- (e) amending the eligibility for participation under the Plan; and
- (f) an amendment that would permit Share Units to be transferrable or assignable other than for normal estate settlement purposes, if such an amendment is permitted under the Stock Exchange Rules at that time.

For greater certainty and without limiting the foregoing, shareholder approval shall not be required for the following amendments and the Board may make the following changes without shareholder approval, subject to any regulatory approvals including, where required, the approval of any Stock Exchange:

- (a) amendments of a "housekeeping" nature;
- (b) a change to the vesting provisions of any Grants;
- (c) a change to the termination provisions of any Grant that does not entail an extension beyond the original term of the Grant; or
- (d) amendments to the provisions relating to a Change of Control.

9.6 Administration Costs

The Company will be responsible for all costs relating to the administration of the Plan.

9.7 Designation of Beneficiary

Subject to the requirements of Applicable Law, a Participant may designate a Beneficiary, in writing, to receive any benefits that are payable under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, change such designation from time to time. Such designation or change shall be in such form as may be prescribed by the Committee from time to time. A Beneficiary designation under this Section 9.7 and any subsequent changes thereto shall be filed with the General Counsel of the Company.

ARTICLE 10. ASSIGNMENT

Subject to Section 9.7, the assignment or transfer of the Share Units, or any other benefits under this Plan, shall not be permitted other than by operation of law.

ARTICLE 11.
EFFECTIVE DATE

The Company is establishing the Plan effective on August 19, 2019, provided that no Share Units may be issued under the Plan until and unless all required Stock Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of Share Units hereunder.

Exhibit "A"
to
Ascot Resources Corp. Share Unit Plan

Special Provisions Applicable to Participants Subject to Section 409A of the United States Internal Revenue Code ("Section 409A")

This Exhibit sets forth special provisions of the Ascot Resources Ltd. Share Unit Plan (the "Plan") that apply to Participants who are US Taxpayers. This Exhibit shall apply to such Participants notwithstanding any other provisions of the Plan. Terms defined elsewhere in the Plan and used herein shall have the meanings set forth in the Plan, as may be amended from time to time.

Definitions

For purposes of this Exhibit:

"Separation From Service" shall mean that employment or service with the Company and any entity that is to be treated as a single employer with the Company for purposes of United States Treasury Regulation Section 1.409A-1(h) terminates such that it is reasonably anticipated that no further services will be performed.

"Specified Employee" means a US Taxpayer who meets the definition of "specified employee," as defined in Section 409A(a)(2)(B)(i) of the Code.

Compliance with Section 409A

In General. Notwithstanding any provision of the Plan to the contrary, it is intended that any distributions under the Plan either be exempt from or comply with Section 409A, and all provisions of the Plan and/or the applicable Grant Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A. Each issuance of Shares made in respect of Share Units shall be deemed to be a separate distribution for purposes of Section 409A. Each US Taxpayer is solely responsible and liable for the satisfaction of all taxes and penalties that may be imposed on or for the account of such US Taxpayer in connection with the Plan or any other plan maintained by the Company (including any taxes and penalties under Section 409A), and neither the Company nor any Ascot Entity shall have any obligation to indemnify or otherwise hold such US Taxpayer (or any Beneficiary) harmless from any or all of such taxes or penalties.

Distributions to Specified Employees. Solely to the extent required by Section 409A, any issuance of Shares in respect of Share Units which is subject to Section 409A and which is to be made by reason of a Separation from Service to any Participant who is determined to be a Specified Employee shall not be made before the date which is six months after such Specified Employee's Separation from Service (or, if earlier, the date of death of such Specified Employee). Following any applicable six month delay of payment, all such delayed payments shall be made to the Specified Employee in a single distribution on the earliest possible distribution date.

Amendment of Exhibit.

Subject to Applicable Law, the Board shall retain the power and authority to amend or modify this Exhibit to the extent the Board in its sole discretion deems necessary or advisable to comply with any guidance issued under Section 409A. Such amendments may be made without the approval of any US Taxpayer.

SCHEDULE "C"

Deferred Share Unit Plan



Ascot Resources Ltd.
DEFERRED SHARE UNIT PLAN

Effective August 19, 2019

ARTICLE 1. INTERPRETATION

1.1 Purpose

The purposes of the Plan are:

- (a) to promote a greater alignment of long-term interests between Participants and the shareholders of the Company; and
- (b) to provide a compensation system for Participants that, together with the other compensation mechanisms of the Company, is reflective of the responsibility, commitment and risk accompanying Board membership and the performance of the duties required of Participants.

1.2 Definitions

As used in the Plan, the following terms have the following meanings:

"Account" means the account maintained by the Company in its books for each Participant to record the DSUs credited to such Participant under the Plan;

"Annual Cash Remuneration" means all amounts ordinarily payable in cash to the Participant by the Company in respect of the services provided by the Participant to the Company in connection with such Participant's service on the Board in a fiscal year, including without limitation (i) the cash retainer, (ii) the fee for serving as a member of a Board committee; (iii) the fee for chairing a Board committee; (iv) meeting and per diem fees, which amounts shall, unless otherwise determined by the Board, be payable Quarterly in arrears;

"Applicable Law" means any applicable provision of law, domestic or foreign, including, without limitation, applicable securities legislation, together with all regulations, rules, policy statements, rulings, notices, orders or other instruments promulgated thereunder and Stock Exchange Rules;

"Blackout Period" means a period during which a Participant is to refrain from trading in the Company's securities pursuant to a restriction imposed by the Company on all or any of its executives, employees, insiders or persons in a "special relationship" (as defined in the Securities Act) with the Company.

"Beneficiary" means an individual who, on the date of a Participant's death, is the person who has been designated in accordance with Section 4.8 and the laws applying to the Plan, or where no such individual has been validly designated by the Participant, or where the individual does not survive the Participant, the Participant's legal representative;

"Board" means the Board of Directors of the Company;

"Code" means the U.S. Internal Revenue Code of 1986, as amended and any applicable United States Treasury Regulations and other binding regulatory guidance thereunder;

"Company" means Ascot Resources Ltd. and includes any successor corporation thereof, and any reference in the Plan to action by the Company means action by or under the authority of the Board;

"Conversion Date" means the date used to determine the Fair Market Value of a Deferred Share Unit for purposes of determining the number of Deferred Share Units to be credited to a Participant

under Section 2.3 and, in any event, shall not be earlier than the first business day of the year in respect of which the Deferred Share Units are being provided;

"Deferred Share Unit" or **"DSU"** means a unit credited by the Company to a Participant by way of a bookkeeping entry in the books of the Company, as determined by the Board, pursuant to the Plan, the value of which at any particular date shall be the Fair Market Value at that date;

"Director" means a member of the Board;

"DSU Award Agreement" means the agreement setting out the terms of any DSU award in the form of Schedule B hereto, or such other form as may be prescribed by the Board from time to time;

"Effective Date" has the meaning ascribed thereto in Section 1.3;

"Elected Percentage" has the meaning ascribed thereto in Schedule A;

"Election Notice" means the written election under Section 2.2 to receive Deferred Share Units, in the form of Schedule A hereto, or such other form as may be prescribed by the Board from time to time;

"Entitlement Date" has the meaning ascribed thereto in Section 3.1;

"Fair Market Value" means, with respect to any particular date, (i) if the Shares are listed on the Stock Exchange, the closing trading price of the Shares on the Trading Day immediately preceding the particular date; (ii) if the Shares are listed on more than one Stock Exchange, the Fair Market Value as determined in accordance with paragraph (i) above for the primary Stock Exchange on which the Shares are listed, as determined by the Board; and (iii) if the Shares are not listed for trading on a Stock Exchange, a price which is determined by the Board to be the fair value of the Shares, taking into consideration all factors that the Board deems appropriate, including recent sale and offer prices of the Shares in private transactions negotiated at arms' length;

"Insider" means an "insider" as defined in the manual, forms, policies or rules of the Stock Exchange relating to security-based compensation arrangements;

"Investor Relations Activities" means any activities or oral or written communications, by which or on behalf of the Company or a shareholder of the Company, that promote or reasonably could be expected to promote the purchase or sale of securities of the Company, but does not include:

- (a) the dissemination of information provided, or records prepared, in the ordinary course of business of the Company:
 - (i) to promote the sale of products or services of the Company; or
 - (ii) to raise public awareness about the Company;

that cannot reasonably be considered to promote the purchase or sale of securities of the Company;

- (b) activities or communications necessary to comply with the requirements of:
 - (i) applicable securities laws; and
 - (ii) exchange requirements or the by-laws, rules or other regulatory instruments of any other self-regulatory body or exchange having jurisdiction over the Company;

- (c) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it; if:
 - (i) the communication is only through the newspaper, magazine or publication; and
 - (ii) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
- (d) activities or communications that may be otherwise specified by a Stock Exchange.

"Participant" means any *bona fide* Director who is not an employee, and including any non-executive Chair of the Board;

"Plan" means this Ascot Resources Ltd. Deferred Share Unit Plan, as amended from time to time;

"Quarter" means a fiscal quarter of the Company, which, until changed by the Company, shall be the three month period ending March 31, June 30, September 30 and December 31 in any year and "Quarterly" means each "Quarter";

"Share" means a common share of the Company and such other share as may be substituted for it as a result of amendments to the notice of articles of the Company, arrangement, reorganization or otherwise, including any rights that form a part of the common share or substituted share;

"Share Compensation Arrangement" means any stock option, stock option plan, employee stock purchase plan, share unit plan, deferred share unit plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Company by way of loan, guarantee or otherwise, but if applicable under the Stock Exchange Rules at that time, excludes any options, Shares, share units, deferred share units or award involving the issuance or potential issuance of Shares granted or issued in reliance on Section 613(c) of the Toronto Stock Exchange Company Manual;

"Securities Act" means the *Securities Act* (British Columbia), RSBC 1996, c.418, as from time to time amended;

"Stock Exchange" means either the TSX Venture Exchange or the Toronto Stock Exchange as applicable, or if the Shares are not listed on any stock exchange, then on the over-the-counter market;

"Stock Exchange Rules" means the applicable rules and policies of any Stock Exchange upon which the Shares of the Company are listed;

"Termination Date" means the date of a Participant's death, or retirement from, or loss of office or employment with the Company or a corporation related to the Company, within the meaning of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada), including, (i) the voluntary resignation or retirement of a Participant from the Board; or (ii) the removal of such Participant from the Board whether by shareholder resolution or failure to achieve re-election; provided that, solely with respect to a Participant who is a US Taxpayer, such retirement or loss of office is also a "separation from service" within the meaning of Section 409A of the Code such that it is reasonably anticipated that no further services will be performed;

"Trading Day" means any date on which the Stock Exchange is open for the trading of Shares and on which Shares are actually traded; and

"**US Taxpayer**" means an individual who is a citizen or permanent resident of the United States for purposes of the Code or an individual for whom the compensation subject to deferral under this Plan would otherwise be subject to income tax under the Code.

1.3 Effective Date

The Plan shall be effective as of August 19, 2019 (the "**Effective Date**"), provided that no Shares may be issued under the Plan until and unless all required Stock Exchange, regulatory and shareholder approvals have been obtained with respect to the issuance of Shares hereunder.

1.4 Eligibility

If a Participant should become an officer (other than non-executive Chairman) or employee of the Company while remaining as a Director, his eligibility for the Plan shall be suspended effective the date of the commencement of his employment and shall resume upon termination of such employment, provided he continues as a Director of the Company. During the period of such ineligibility, such individual shall not be entitled to receive or be credited with any Deferred Share Units under the Plan, other than dividend equivalent allocations under Section 2.5.

1.5 Construction

In this Plan, all references to the masculine include the feminine; references to the singular shall include the plural and vice versa, as the context shall require. If any provision of the Plan or part hereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof. Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions contained herein. References to "Section" or "Sections" mean a section or sections contained in the Plan, unless expressly stated otherwise. All amounts referred to in this Plan are stated in Canadian dollars unless otherwise indicated.

1.6 Administration

The Board may, in its discretion, delegate such of its powers, rights and duties under the Plan, in whole or in part, to a committee of the Board or any one or more directors, officers or employees of the Company as it may determine from time to time, on terms and conditions as it may determine, except the Board shall not, and shall not be permitted to, delegate any such powers, rights or duties to the extent such delegation is not consistent with Applicable Law. The Board may also appoint or engage a trustee, custodian or administrator to administer or implement the Plan or any aspect of it, except that the Board shall not, and shall not be permitted to, appoint or engage such a trustee, custodian or administrator to the extent such appointment or engagement is not consistent with Applicable Law.

Subject to the foregoing, the Board shall, in its sole and absolute discretion: (i) interpret and administer the Plan; (ii) establish, amend and rescind any rules and regulations relating to the Plan; and (iii) make any other determinations that the Board deems necessary or desirable for the administration of the Plan. The Board may correct any defect or rectify any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Board or any delegate of the Board with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Participant and any other person claiming an entitlement or benefit through the Participant. All expenses of administration of the Plan shall be borne by the Company as determined by the Board.

1.7 *Governing Law*

The Plan shall be governed by and interpreted in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province. Any actions, proceedings or claims in any way pertaining to the Plan shall be commenced in the courts of the Province of British Columbia.

ARTICLE 2. ELECTION UNDER THE PLAN

2.1 *Payment of Annual Cash Remuneration*

- (a) Subject to Section 2.2 and such rules, regulations, approvals and conditions as the Board may impose, a Participant may elect to receive his or her Annual Cash Remuneration in the form of Deferred Share Units, cash or any combination thereof.

2.2 *Election Process*

- (a) A person who is a Participant on the effective date of the Plan may elect a form or forms of payment of Annual Cash Remuneration payable for services provided after such effective date of the Plan by completing and delivering to the secretary of the Company an initial Election Notice by no later than 30 days after the effective date of the Plan, which shall apply to the Participant's Annual Cash Remuneration payable for services provided after the effective date of such election.
- (b) An individual who becomes a Participant during a year may elect the form or forms of payment of Annual Cash Remuneration earned in Quarters that commence after the date the election is made by completing and delivering to the secretary of the Company an Election Notice within 30 days after the individual becomes a Participant.
- (c) A Participant who has previously made an election under this Section 2.2, or who has never made an election under the Plan may elect the form or forms of payment of Annual Cash Remuneration for a subsequent period by completing and delivering to the secretary of the Company a new Election Notice prior to January 1 of the calendar year that includes the first day of the relevant period.
- (d) The Board may prescribe election forms for use by Participants who are residents of a jurisdiction other than Canada that differ from the election forms it prescribes for use by Canadian resident Participants where the Board determines it is necessary or desirable to do so to obtain comparable treatment for the Plan, the Participants or the Company under the laws or regulatory policies of such other jurisdiction as is provided under the laws and regulatory policies of Canada and its Provinces, provided that no election form prescribed for use by a non-resident of Canada shall contain terms that would cause the Plan to cease to meet the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) and any successor to such provisions.
- (e) For greater certainty, if the Company establishes a policy for members of the Board with respect to the acquisition and / or holding of Shares and / or DSUs, each Director shall ensure that any election he or she makes under this Section 2.2 complies with any such applicable policy.

2.3 *Deferred Share Units*

- (a) Deferred Share Units elected by a Participant pursuant to Section 2.2 shall, be credited to the Participant's Account as of the applicable Conversion Date. The number of Deferred Share Units (including fractional Deferred Share Units) to be credited to a Participant's Account as of a particular Conversion Date pursuant to this Section 2.3(a) shall be determined by dividing the portion of that Participant's Annual Cash Remuneration for the applicable period to be satisfied by Deferred Share Units by the Fair Market Value on the particular Conversion Date, which, unless otherwise determined by the Board, shall be the last day of the Quarter in which such portion of the Participant's Annual Cash Remuneration was earned.
- (b) In addition to Deferred Share Units granted pursuant to Section 2.3(a):
 - (i) subject to Section 2.4(d) and 2.4(e), the Board may award such number of Deferred Share Units to a Participant as the Board deems advisable to provide the Participant with appropriate equity-based compensation for the services he or she renders to the Company. Subject to Applicable Law, the Board shall determine the date on which such Deferred Share Units may be granted and the date as of which such Deferred Share Units shall be credited to a Participant's Deferred Share Unit Account, together with any terms or conditions with respect to the vesting of such Deferred Share Units. The Company and a Participant who receives an award of Deferred Share Units pursuant to this Section 2.3(b) shall enter into a DSU Award Agreement to evidence the award and the terms, including terms with respect to vesting, applicable thereto;
 - (ii) notwithstanding any other provision hereunder, at the discretion of the Board, a Participant may receive a grant of Deferred Share Units under the Plan upon such Participant's first election or appointment to the Board, provided that, where such Deferred Share Units may be settled in Shares, the equity award value, based on grant date fair value, of such grant of Deferred Share Units, in combination with the equity award value, based on grant date fair value, of any grant made to such a Participant in respect of his or her first election or appointment to the Board under any other Share Compensation Arrangement shall not exceed \$150,000.
- (c) Deferred Share Units credited to a Participant's Account under Section 2.3(a), together with any additional Deferred Share Units granted in respect thereof under Section 2.5, will be fully vested upon being credited to a Participant's Account and the Participant's entitlement to payment of such Deferred Share Units at his Termination Date shall not thereafter be subject to satisfaction of any requirements as to any minimum period of membership on the Board.
- (d) Deferred Share Units credited to a Participant's Account under Section 2.3(b), together with any additional Deferred Share Units granted in respect thereof under Section 2.5, will vest in accordance with such terms and conditions as may be determined by the Board and set out in the DSU Award Agreement.
- (e) The Board may specify in a DSU Award Agreement entered into pursuant to Section 2.3(b) whether the Deferred Share Units subject to such agreement will be settled in cash or Shares, or both cash and Shares, provided that where a DSU Award Agreement does not

provide for the settlement of the Deferred Share Units subject to such agreement in Shares, such Deferred Share Units may only be settled in cash.

- (f) Notwithstanding the provisions under this Section 2.3: (a) the Board shall ensure that no Deferred Share Units are granted on a date which falls within a Blackout Period or on the first Trading Day following the date on which the relevant Blackout Period has expired; and (b) if the Conversion Date falls on a day within a Blackout Period, then the Conversion Date shall be automatically postponed until the second Trading Day following the date on which the relevant Blackout Period has expired.

2.4 *Maximum Number of Shares and Limits*

- (a) Subject to adjustment pursuant to Section 2.7, the maximum number of Shares that may be issued pursuant to the Plan shall be a number equal to 600,000, provided that the number of Shares issuable under all Share Compensation Arrangements shall not exceed 10% of the issued and outstanding Shares on a non-diluted basis at any time.
- (b) The aggregate equity award value, based on grant date Fair Market Value, of any grants of Deferred Share Units under Section 2.3(b)(i) that are eligible to be settled in Shares, in combination with the aggregate equity award value, based on grant date Fair Market Value, of any grants under any other Share Compensation Arrangement, that may be made to a Participant for a year shall not exceed \$150,000.
- (c) If required by the Stock Exchange Rules at that time, under this Plan:
 - (i) the number of Shares issuable to any one Participant at the time of grant shall not exceed 1% of the issued and outstanding Shares on a non-diluted basis, unless disinterested shareholder approval is obtained for any grant exceeding 1%;
 - (ii) the number of Shares issuable to any one Participant in a twelve (12) month period shall not exceed 2% of the issued and outstanding Shares on a non-diluted basis, unless disinterested shareholder approval is obtained for any grant of Shares exceeding 2% during a twelve (12) month period;
 - (iii) no Shares shall be issuable to any Participant whose role and duties primarily consist of Investor Relations Activities;
- (d) Under this Plan and any other Share Compensation Arrangements of the Company:
 - (i) the number of Shares issuable to Insiders, and
 - (ii) the number of Shares issued to Insiders, within a one year period

shall not exceed 10% of the issued and outstanding Shares. Any options, Shares, share units, deferred shares units or other awards involving the issuance or potential issuance of Shares that are granted or issued in reliance on Section 613(c) of the Toronto Stock Exchange Company Manual shall, notwithstanding the definition of Share Compensation Arrangement or any other provision of this Plan, be included (and not excluded) in determining whether the number of Shares issued or issuable might exceed the limitations set out in this Section 2.4(d).

- (e) Notwithstanding anything herein to the contrary, the Company's obligation to issue and deliver Shares in respect of any DSU is subject to the satisfaction of all requirements under Applicable Law in respect thereof and obtaining all regulatory approvals as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof and the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction or to comply with Applicable Law. In this connection, the Company shall take all reasonable steps to obtain such approvals and registrations as may be necessary for the issuance of such Shares in compliance with Applicable Law. In a case of the issuance of Shares in respect of any Deferred Share Units granted to a Participant resident in the United States of America, such issuance shall be contingent upon receipt of completed representations as set forth in Schedule D hereto.

2.5 Dividends

On any payment date for dividends paid on Shares, a Participant shall be credited with dividend equivalents in respect of Deferred Share Units credited to the Participant's Account as of the record date for payment of dividends. Such dividend equivalents shall be converted into additional Deferred Share Units (including fractional Deferred Share Units) based on the Fair Market Value as of the date on which the dividends on the Shares are paid.

2.6 Eligible Participant's Account

A Participant's Account shall record at all times the number of Deferred Share Units standing to the credit of the Participant. Upon payment in satisfaction of Deferred Share Units credited to a Participant in the manner described herein, such Deferred Share Units shall be cancelled. A written confirmation of the balance in each Participant's Account shall be provided by the Company to the Participant at least annually.

2.7 Adjustments and Reorganizations

Notwithstanding any other provision of the Plan, in the event of any change in the Shares by reason of any stock dividend, split, recapitalization, reclassification, amalgamation, arrangement, merger, consolidation, combination or exchange of Shares or distribution of rights to holders of Shares or any other form of corporate reorganization whatsoever, an equitable adjustment permitted under Applicable Law shall be made to any Deferred Share Units then outstanding. Such adjustment shall be made by the Board, subject to Applicable Law, shall be conclusive and binding for all purposes of the Plan.

ARTICLE 3. REDEMPTIONS

3.1 Redemption of Deferred Share Units – Non-US Taxpayers

Subject to Sections 3.5 and 3.6, a Participant who is not a US Taxpayer may elect up to two separate dates as of which either a portion (specified in whole percentages or number of Deferred Share Units on any one date) or all of the Deferred Share Units credited to the Participant's Account shall be redeemed (each such date being an "**Entitlement Date**") by filing one or two irrevocable written redemption elections with the secretary of the Company prior to the Entitlement Date specified in the redemption election. No Entitlement Date elected by a Participant pursuant to this Section 3.1 shall be before the date that is three months after the Participant's Termination Date, and no later than the date which is twelve (12) months

after the Participant's Termination Date. Where a Participant to whom this Section 3.1 applies does not elect a particular date or dates within the permissible period set out above as his Entitlement Date or Entitlement Dates, as the case may be, there shall be a single Entitlement Date for such Participant which, subject to Section 3.5, shall be 365 days after the Participant's Termination Date.

3.2 *Redemption of Deferred Share Units – US Taxpayer*

Notwithstanding anything contrary in the Plan, subject to Section 3.7, the Entitlement Date of a US Taxpayer shall be the first Trading Day that is more than six months after his Termination Date and all Deferred Share Units credited to such US Taxpayer's Account on such date shall be redeemed and settled in accordance with Section 3.3 within 90 days following such Entitlement Date.

3.3 *Settlement of Deferred Share Units*

Subject to Section 4.13, a Participant, or the Beneficiary of a Participant, as the case may be, whose Deferred Share Units are redeemed hereunder as of an Entitlement Date shall be entitled to receive from the Company, as a single distribution and not in installments, a cash payment, Shares or any combination of cash and Shares, as determined by the Board, subject to the DSU Award Agreement applicable to such Deferred Share Units, if any. Settlement in Shares shall be made by way of the issuance by the Company of one Share for each Deferred Share Unit being settled in Shares as of the relevant Entitlement Date. Settlement of Deferred Share Units in cash shall be made by way of the lump sum payment of an amount equal to the Fair Market Value on the relevant Entitlement Date multiplied by the number of Deferred Share Units being settled in cash as of such Entitlement Date. No fractional Shares will be issued and any fractional Deferred Share Units shall be settled in cash based on the Fair Market Value on the relevant Entitlement Date.

3.4 *Postponed Settlement*

If the Entitlement Date of a Participant's Deferred Share Units, whether in cash, Shares or any combination thereof, would, in the absence of this Section 3.4 fall within a Blackout Period applicable to such Participant, such settlement shall be automatically postponed until the second Trading Day following the date on which the relevant Blackout Period has expired.

3.5 *Extended Entitlement Date*

In the event that the Board is unable, by a Participant's Entitlement Date, to compute the final value of the Deferred Share Units recorded in such Participant's Account by reason of the fact that any data required in order to compute the market value of a Share has not been made available to the Board and such delay is not caused by the Participant, then the Entitlement Date shall be the next following Trading Day on which such data is made available to the Board.

3.6 *Limitation on Extension of Entitlement Date*

Notwithstanding any other provision of the Plan, all Shares issuable and any payments hereunder to, or in respect of, a Participant who is not a US Taxpayer shall be issued or paid, as applicable, on or before December 31 of the calendar year commencing immediately after the Participant's Termination Date. For greater certainty, except as provided in Section 3.5, Shares issuable and payments hereunder to or in respect of a US Taxpayer shall be issued or paid, as applicable, within the time determined in accordance with Section 3.2 or Section 3.3, as applicable.

3.7 *Death of Eligible Participant*

In the event of a Participant's death, Shares shall become issuable and/or amounts payable in respect of any and all Deferred Share Units then credited to the Participant's Account in accordance with Sections 3.3, 3.5 and 3.6 as soon as reasonably practicable after the Participant's date of death and such date of death shall be deemed to be the sole Entitlement Date with respect to the Participant, and in no event, shall such Shares be issued later than one (1) year from the date of the Participant's death; provided that, solely with respect to a deceased US Taxpayer, in no event shall such Shares be issued or any payment made later than December 31 of the calendar year in which the death occurs, or if later, the 15th day of the third month following the Participant's date of death.

ARTICLE 4. GENERAL

4.1 *Unfunded Plan*

Unless otherwise determined by the Board, the Plan shall be unfunded. To the extent any individual holds any rights by virtue of an election under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured general creditor of the Company.

4.2 *Successors and Assigns*

The Plan shall be binding on all successors and permitted assigns of the Company and a Participant, including without limitation, the estate of such Participant and the legal representative of such estate, or any receiver or trustee in bankruptcy or representative of the Company's or the Participant's creditors.

4.3 *Plan Amendment*

The Board reserves the right, in its sole discretion, to amend, suspend, terminate or cancel the Plan or Deferred Share Units granted hereunder as it deems necessary or appropriate, in accordance with applicable legislation, without obtaining the approval of shareholders. Notwithstanding the foregoing, the Company will be required to obtain shareholder approval for any amendment related to:

- (i) any increase in the maximum number of Shares issuable by the Company under the Plan (other than pursuant to Section 2.7);
- (ii) a change in the method of calculation of redemption of Deferred Share Units held by Participants, including Insiders;
- (iii) a change in the term for redemption of any Deferred Share Units held by Participants, including Insiders;
- (iv) removing or exceeding the participation limits including Insiders set forth in Section 2.4(d) herein;
- (v) an amendment to the amending provisions of the Plan so as to increase the Board's ability to amend the Plan without shareholder approval;
- (vi) amending the eligibility for participation under the Plan;

- (vii) an amendment that would permit Deferred Share Units to be transferrable or assignable other than for normal estate settlement purposes if such an amendment is permitted under the Stock Exchange Rules at that time; and

no such amendment shall, without the consent of the Participant or unless required by law, adversely affect the rights of a Participant with respect to any amount in respect of which a Participant has then elected to receive Deferred Share Units or Deferred Share Units which the Participant has then been granted under the Plan.

4.4 Notwithstanding Section 4.3, any amendment of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision and the requirements of Section 409A of the Code, as may apply to Participants who are U.S. Taxpayers. For avoidance of doubt, and notwithstanding Section 4.3, if any provision of the Plan contravenes any regulations or U.S. Treasury guidance promulgated under Section 409A of the Code or would cause the Deferred Share Units to be subject to the interest and penalties under Section 409A of the Code, such provision of the Plan shall, to the extent that it applies to U.S. Taxpayers, be modified, without the consent of any Participant, to maintain, to the maximum extent practicable, the original intent of the applicable provision without violating the provisions of Section 409A of the Code.

4.5 *Plan Termination*

The Board may terminate the Plan at any time but no such termination shall, without the consent of the Participant or unless required by law, adversely affect the rights of a Participant with respect to any amount in respect of which a Participant has then elected to receive Deferred Share Units or Deferred Share Units which the Participant has then been granted under the Plan. Notwithstanding the foregoing, any termination of the Plan shall be such that the Plan continuously meets the requirements of paragraph 6801(d) of the regulations under the *Income Tax Act* (Canada) or any successor to such provision and the requirements of Section 409A of the Code as may apply to Participants who are U.S. Taxpayers.

4.6 *Applicable Trading Policies and Reporting Requirements*

The Board and each Participant will ensure that all actions taken and decisions made by the Board or a Participant, as the case may be, pursuant to the Plan, comply with applicable securities laws and regulations and policies of the Company relating to insider trading and "black out" periods. All Deferred Share Units shall be considered a "security" of the Company solely for reporting purposes under the insider trading policy of the Company.

4.7 *Currency*

All payments and benefits under the Plan shall be determined and paid in the lawful currency of Canada.

4.8 *Designation of Beneficiary*

Subject to the requirements of Applicable Law, a Participant may designate in writing a person who is a dependant or relation of the Participant as a beneficiary to receive any benefits that are payable under the Plan upon the death of such Participant. The Participant may, subject to Applicable Law, change such designation from time to time. Such designation or change shall be in the form of Schedule C. The initial designation of each Participant shall be executed and filed with the secretary of the Company within sixty (60) days following the Effective Date of the Plan. Changes to such designation may be filed from time to time thereafter.

4.9 *Rights of Participants*

Except as specifically set out in the Plan, no Eligible Participant, or any other person shall have any claim or right to any benefit in respect of Deferred Share Units granted or amounts payable pursuant to the Plan.

Rights of Participants respecting Deferred Share Units and other benefits under the Plan shall be non-transferable and non-assignable other than by will or the laws of descent and distribution.

The Plan shall not be construed as granting a Participant a right to be retained as a member of the Board or a claim or right to any future grants of Deferred Share Units, future amounts payable or other benefits under the Plan.

Under no circumstances shall Deferred Share Units be considered Shares nor shall they entitle any Participant or other person to exercise voting rights or any other rights attaching to the ownership of Shares.

4.10 *Compliance with Law*

Any obligation of the Company pursuant to the terms of the Plan is subject to compliance with Applicable Law. The Participants shall comply with Applicable Law and furnish the Company with any and all information and undertakings as may be required to ensure compliance therewith.

4.11 *Administration Costs*

The Company will be responsible for all costs relating to the administration of the Plan.

4.12 *Limited Liability*

No member of the Board, any committee of the Board or any officer or employee of the Company or any subsidiary, partnership or trust of the Company or other controlled entity (each a "**ASCOT Entity**") shall be liable for any action or determination made in good faith pursuant to the Plan, any Election Notice or DSU Award Agreement under the Plan. To the fullest extent permitted by law, the Company and its Affiliates shall indemnify and save harmless each person made, or threatened to be made, a party to any action or proceeding in respect of the Plan by reason of the fact that such person is or was a member of the Board or a committee of the Board or is or was an officer or employee of the Company or a ASCOT Entity.

4.13 *Withholding*

The Company may withhold from any amount payable to a Participant, either under the Plan or otherwise, such amount as may be necessary to enable the Company to comply with the applicable requirements of any federal or provincial tax law or authority relating to the withholding of tax or any other required deductions with respect to Deferred Share Units. The Company may also satisfy any liability for any such withholding obligations, on such terms and conditions as the Company may determine in its discretion, by (a) selling on behalf of any Participant, or causing any Participant to sell, any Shares issued hereunder, or retaining any amount payable, which would otherwise be provided or paid to the Participant hereunder or (b) requiring a Participant, as a condition to the redemption of any Deferred Share Units, to make such arrangements as the Company may require so that the Company can satisfy such withholding obligations, including, without limitation, requiring the Participant to remit to the Company in advance, or reimburse the Company for, any such withholding obligations.

Schedule A
Ascot Resources Ltd. Deferred Share Unit Plan
(the "Plan")

ELECTION NOTICE

I. Election:

Subject to Part II of this Notice, for the period _____ to _____, I hereby elect to receive the following percentage (the "Elected Percentage") of my Annual Cash Remuneration by way of Deferred Share Units ("DSUs"):

	Percentage in DSUs	Percentage in Cash
Annual Cash Remuneration	____%	____%

II. Acknowledgement

I confirm and acknowledge that:

1. I have received and reviewed a copy of the terms of the Plan and agree to be bound by them.
2. I will not be able to cause the Company or any Affiliate thereof to redeem DSUs granted under the Plan until the date specified in the Plan following my Termination Date.
3. When DSUs credited to my Account pursuant to this election are redeemed in accordance with the terms of the Plan after my Termination Date, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Company will make all appropriate withholdings as required by law at that time.
4. The value of DSUs is based on the value of the Shares and therefore is not guaranteed.
5. No funds will be set aside to guarantee the payment of DSUs. Future payment of DSUs will remain an unfunded and unsecured liability recorded on the books of the Company.
6. This election is irrevocable.
7. The foregoing is only a brief outline of certain key provisions of the Plan. In the event of any discrepancy between the terms of the Plan and the terms of this Election Notice, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise defined above.

Date

(Name of Eligible Participant)

(Signature of Eligible Participant)

Schedule B
Deferred Share Unit Plan
(the "Plan")

DSU AWARD AGREEMENT

I. Notice of Crediting of DSUs

This Agreement confirms the crediting by Ascot Resources Ltd. (the "Company") to the Account of the director named below (the "Eligible Participant") pursuant to Section [2.3(b)(i) / 2.3(b)(ii)] of the Plan of _____ [number] Deferred Share Units ("DSUs") effective •, 20__ (the "Effective Date") on the terms set out in the Plan.

II. [Vesting – insert vesting conditions if any or] All DSUs referred to in Part I above, together with any additional DSUs credited to the Participant's Account pursuant to Section 2.5 of the Plan in respect of such DSUs shall at all times following their grant be fully vested in the Participant, and shall not be subject to forfeiture.

III. Confirmation

For greater certainty, the above-noted DSUs have been credited to the Participant's Account on the understanding that that:

1. The Participant will not be able to cause the Company or any Affiliate thereof to redeem DSUs granted under the Plan until the date specified in the Plan following his/her Termination Date.
2. When DSUs credited to the Participant's Account pursuant to this Agreement are redeemed in accordance with the terms of the Plan after his/her Termination Date, income tax and other withholdings as required will arise at that time. Upon redemption of the DSUs, the Company will make all appropriate withholdings as required by law at that time.
3. The value of DSUs is based on the value of the Shares of the Company and therefore is not guaranteed.
4. No funds will be set aside to guarantee the payment of DSUs. Future payment of DSUs will remain an unfunded liability recorded on the books of the Company.
5. In the event of any discrepancy between the terms of the Plan and the terms of this Agreement, the terms of the Plan shall prevail. All capitalized expressions used herein shall have the same meaning as in the Plan unless otherwise specified above.

Schedule C
Deferred Share Unit Plan
(the "Plan")

BENEFICIARY DESIGNATION

To: Ascot Resources Ltd.

I, _____, being a Participant under the Ascot Resources Ltd. Deferred Share Unit Plan hereby designate the following person as my Beneficiary for purposes of the Plan:

Name of Beneficiary: _____

Address of Beneficiary: _____

This designation revokes any previous beneficiary designation made by me under the Plan. Under the terms of the Plan, I reserve the right to revoke this designation and to designate another person as my Beneficiary.

Date: _____

Name: _____ (please print)

Signature: _____

Schedule D
Deferred Share Unit Plan
(the "Plan")

CERTIFICATE OF U.S. RESIDENT DIRECTOR

This Certificate is delivered pursuant to Section 2.4(e) of the Deferred Share Unit Plan of Ascot Resources Ltd. (the "Company"), and evidences that the undersigned _____, being the holder (the "DSU Holder") of the right, by way of "deferred share units" (the "DSUs"), to acquire certain common shares (the "Shares") of the capital stock of the Company upon such term, conditions and price as set forth in the Plan, hereby represents, warrants, acknowledges and affirms as follows:

- (1) the undersigned is a resident of the United States of America; and
- (2) the undersigned, in his/her capacity as a Director of the Company, has had full access to the books and records of the Company; has had the opportunity to access and review the Company's public Internet filings on the System for Electronic Document Analysis and Retrieval at www.sedar.com, the Electronic Data Gathering and Retrieval System at www.sec.gov, and to consult with his/her legal and tax advisors with regard thereto; has been offered the opportunity to ask questions and receive answers from management concerning the Company and its Securities; and that any request for such information has been complied with to the undersigned's satisfaction; and
- (3) the undersigned understands and agrees that all certificate(s) representing the Shares will be endorsed with, and be subject to the terms and conditions of, the following U.S. restrictive legend:

"THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF ASCOT RESOURCES LTD. ("THE COMPANY") THAT SUCH SECURITIES MAY BE OFFERED, SOLD OR OTHERWISE TRANSFERRED ONLY (A) TO THE COMPANY, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT AND APPLICABLE STATE LAWS; (C) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT, (D) WITHIN THE UNITED STATES IN ACCORDANCE WITH AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 OR 144A THEREUNDER, IF AVAILABLE, AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, OR (E) IN A TRANSACTION THAT DOES NOT REQUIRE REGISTRATION UNDER THE U.S. SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS, AND THE SELLER HAS FURNISHED TO THE COMPANY AN OPINION TO SUCH EFFECT, FROM COUNSEL OF RECOGNIZED STANDING REASONABLY SATISFACTORY TO THE COMPANY, PRIOR TO SUCH OFFER, SALE OR TRANSFER UNDER (D) OR (E) ABOVE. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE GOOD DELIVERY IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA.

SUBJECT TO APPLICABLE CANADIAN LAW, AND PROVIDED THAT THE FOLLOWING PROCEDURE COMPLIES WITH U.S. SECURITIES LAWS AT THE TIME OF SALE, A NEW CERTIFICATE BEARING NO U.S. RESTRICTIVE LEGENDS MAY BE OBTAINED FROM THE COMPANY'S REGISTRAR AND TRANSFER AGENT UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO THE

TRANSFER AGENT AND THE COMPANY, TO THE EFFECT THAT SUCH SALE IS BEING MADE IN ACCORDANCE WITH REGULATIONS UNDER THE U.S. SECURITIES ACT."

Provided that, if the Shares bearing such legend are being sold outside the United States in compliance with Rule 904 of such Regulation S and in compliance with applicable local laws and regulations, the Company shall use its reasonable best efforts to cause the legend to be timely removed upon delivery of the certificate and a duly executed declaration to the Company's registrar and transfer agent in the form attached hereto as "Exhibit 1" to this Schedule D (or as the Company may reasonably prescribe from time to time); *provided, further,* that if any such Shares are being sold pursuant to Rule 144 under the U.S. Securities Act, the legend may be removed by delivery to the Company's registrar and transfer agent of an opinion of U.S. counsel of recognized standing in form and substance satisfactory to the Company, to the effect that the legend is no longer required under applicable requirements of the U.S. Securities Act and applicable state securities laws.

Please issue a certificate for the Shares being acquired pursuant to my DSUs as follows:

NAME:

_____ (Please Print)

ADDRESS:

Signature of DSU Holder:

Signature

Date signed: _____

Printed Name and Address:

EXHIBIT 1 TO SCHEDULE D

DECLARATIONS FOR REMOVAL OF U.S. RESTRICTIVE LEGEND

To: Computershare Investor Services Inc., as registrar and transfer agent for the shares of Ascot Resources Ltd. (the "Company")

The undersigned (A) acknowledges that the sale of _____ shares of the Company, represented by certificate number _____, to which this declaration relates, has been made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the "1933 Act"), and (B) certifies that (1) the undersigned is not an "affiliate" (as defined in Rule 405 under the 1933 Act) of the Company, or is an "affiliate" solely by virtue of being an officer and/or director thereof; (2) the offer of such securities was not made to a "US Person" or to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of The Toronto Stock Exchange, and neither the seller nor any person acting on its behalf knows that the transaction was prearranged with a buyer in the United States; (3) in the case of the undersigned being an officer and/or director of the Company, no selling concession, fee or other remuneration will be paid in connection with such offer and sale other than the usual and customary broker's commission; and (4) neither the seller nor any person acting on its behalf engaged in any directed selling efforts in connection with the offer and sale of such securities. Terms used herein have the meanings given to them by Regulation S.

By: _____ Date: _____
Signature

Name (please print) _____

Affirmation by Seller's Broker-Dealer

We have read the foregoing representations of our customer with regard to the sale of shares described therein, and on behalf of ourselves we certify and affirm that (A) we have no knowledge that the transaction had been prearranged with a buyer in the United States, (B) the transaction was executed on or through the facilities of The Toronto Stock Exchange and (C) neither we, nor any person acting on our behalf, engaged in any directed selling efforts in connection with the offer and sale of such securities. Terms used herein have the meanings given to them by Regulation S.

Name of Firm

By: _____
Authorized officer

Date: _____

SCHEDULE "D"

ADVANCE NOTICE POLICY

ASCOT RESOURCES LTD. (the "Corporation")

INTRODUCTION

The Corporation is committed to: (i) facilitating an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensuring that all shareholders receive adequate notice of the director nominations and sufficient information with respect to all nominees; and (iii) allowing shareholders to register an informed vote having been afforded reasonable time for appropriate deliberation.

The purpose of this Advance Notice Policy (the "**Policy**") is to provide shareholders, directors and management of the Corporation with a clear framework for nominating directors. This Policy fixes a deadline by which holders of record of common shares of the Corporation must submit director nominations to the Corporation prior to any annual or special meeting of shareholders and sets forth the information that a shareholder must include in the notice to the Corporation for the notice to be in proper written form in order for any director nominee to be eligible for election at any annual or special meeting of shareholders.

It is the position of the Corporation that this Policy is in the best interests of the Corporation, its shareholders and other stakeholders. This policy will be subject to an annual review, and will reflect changes as required by securities regulatory agencies or stock exchanges, or so as to meet industry standards.

NOMINATIONS OF DIRECTORS

1. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation. Nominations of persons for election to the board of directors of the Corporation (the "**Board**") may be made at any annual meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called was the election of directors:
 - a. by or at the direction of the Board, including pursuant to a notice of meeting;
 - b. by or at the direction or request of one or more shareholders pursuant to a "proposal" made in accordance with Division 7 of the British Columbia *Business Corporations Act* (the "**Act**"), or a requisition of the shareholders made in accordance with section 167 of the Act; or
 - c. by any person (a "**Nominating Shareholder**"): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for below in this Policy and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Corporation as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting; and (B) who complies with the notice procedures set forth below in this Policy.
2. In addition to any other requirements under applicable laws, for a nomination to be made by a Nominating Shareholder, the Nominating Shareholder must have given notice thereof that is both timely (in accordance with paragraph 3 below) and in proper written form (in accordance with paragraph 4 below) to the Secretary of the Corporation at the principal executive offices of the Corporation.
3. To be timely, a Nominating Shareholder's notice to the Secretary of the Corporation must be made:
 - a. in the case of an annual meeting of shareholders, not less than 30 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the

address as may be stipulated from time to time by the Secretary of the Corporation for purposes of this notice), and shall be deemed to have been given and made only at the time it is served by personal delivery to the Secretary at the address of the principal executive offices of the Corporation, email (at the address as aforesaid) or sent by facsimile transmission (provided that receipt of confirmation of such transmission has been received); provided that if such delivery or electronic communication is made on a day which is a not a business day or later than 5:00 p.m. (Vancouver time) on a day which is a business day, then such delivery or electronic communication shall be deemed to have been made on the next following day that is a business day.

8. Notwithstanding the foregoing, the Board may, in its sole discretion, waive any requirement in this Policy.

EFFECTIVE DATE

This Policy was approved and adopted by the Board on 26 January 2018 (the "**Effective Date**") and is and shall be immediately effective and in full force and effect in accordance with its terms and conditions from and after such date.

GOVERNING LAW

This Policy shall be interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable in that province.

SCHEDULE “E”

ASCOT RESOURCES LTD. (the “Company”)

AUDIT COMMITTEE CHARTER

1. General

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

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

2. Members

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

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

3. Duties

The Committee will have the following duties:

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

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

- Consider at least annually the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services obtained by the Company, including:
 - insuring receipt from the independent auditor of a formal written statement delineating all relationships between the independent auditor and the Company, consistent with the Independence Standards Board Standard No. 1 and related Canadian regulatory body standards;
 - considering and discussing with the independent auditor any relationships or services, including non-audit services, that may impact the objectivity and independence of the independent auditor; and
 - as necessary, taking, or recommending that the Board take, appropriate action to oversee the independence of the independent auditor.

- Ensure that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure contained in the Company's financial statements, Management's Discussion and Analysis and annual and interim earnings press releases; and must periodically assess the adequacy of those procedures.

- Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.

- Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.

- Establish a procedure for:
 - the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
 - the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters.

- Meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately in the absence of management.

- Endeavour to cause the receipt and discussion on a timely basis of any significant findings and recommendations made by the external auditors.

- Ensure that the Board is aware of matters which may significantly impact the financial condition or affairs of the business.

- Review and oversee all related party transactions.

- Perform other functions as requested by the Board.

- If necessary, institute special investigations and, if appropriate, hire special counsel or experts to assist, and set the compensation to be paid to such special counsel or other experts.

- Review and re-assess annually the adequacy of this Charter and recommend updates to this charter; receive approval of changes from the Board.

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

4. Chair

The Board shall designate one Committee member to act as the chair of the Committee (the “Chair”). In the Chair’s absence, the Committee may select another member to act as Chair by majority vote in order to transact business at a meeting of the Committee. The Chair will not have a casting vote. The Chair shall lead all Committee meetings, ensure the fulfillment of the Committee’s mandate and report on Committee activities to the Board.

5. Meetings

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

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

6. Quorum

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

7. Removal and Vacancy

A member may resign from the Committee, and may also be removed and replaced at any time by the Board, and will automatically cease to be a member as soon as the member ceases to be a director of the Company. The Board will

fill vacancies in the Committee by appointment from among the directors in accordance with Section 2 of this Charter or as otherwise permissible under Canadian securities laws. Subject to quorum requirements, if a vacancy exists on the Committee, the remaining members will exercise all of the Committee's powers.

8. Authority

The Committee may:

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

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

9. Secretary and Minutes

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

10. Funding

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

This Audit Committee Charter, as may be amended from time to time, was initially adopted by the Board of Directors of Ascot Resources Ltd. on the 14th day of November 2017. Annual review was conducted and any revisions were approved by the Board of Directors on March 26, 2019.