



NOTICE OF MEETING

AND

**MANAGEMENT INFORMATION
CIRCULAR**

**ANNUAL GENERAL AND SPECIAL
MEETING OF SHAREHOLDERS**

to be held **JULY 10, 2019**

**TSXV: KNT
OTCQX: KNTNF**

2019 AGM

K92 MINING INC.
NOTICE OF THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS
to be held on JULY 10, 2019

NOTICE IS HEREBY GIVEN that the Annual General and Special Meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of **K92 MINING INC.** (the “**Company**” or “**K92**”) will be held at, Suite 580 – 1090 West Georgia Street in Vancouver, British Columbia, Canada, on **Wednesday, July 10, 2019 at 10:00 am** (Pacific Time) for the following purposes:

1. to set the number of directors for the ensuing year at six (6);
2. to elect the directors of the Company, to serve until the next annual general meeting of the shareholders or until their successors are elected or appointed;
3. to appoint the auditor of the Company for the ensuing year and to authorize the board of directors of the Company to fix the remuneration to be paid to the auditor;
4. to consider and, if thought advisable, to approve an ordinary resolution of the Company to approve the stock option plan of the Company, as more particularly described in the accompanying Information Circular;
5. to receive the consolidated financial statements of the Company for the year ended on December 31, 2018, together with the report of the Company’s auditor thereon; and
6. to transact any other business which may properly come before the Meeting or at any adjournment or postponement thereof.

The Board of Directors has fixed **June 5, 2019 as the record date** for the determination of Shareholders entitled to notice of, and to vote at, the Meeting and at any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to and expressly made a part of this Notice of Meeting.

If you are a Registered Shareholder of the Company who wishes to vote and are unable to attend the Meeting in person, you must complete, date and sign the accompanying form of proxy and deliver it to the Company’s transfer agent, TSX Trust Company (“**TSX Trust**”), by either of the methods below:

Internet - www.voteproxyonline.com

Mail -

TSX Trust Company
301 - 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1

Fax - +1 (416) 595-9593

If applicable, please include the 12-digit control number found on the front of your proxy. To be eligible for voting at the Meeting, the form of proxy must be returned to or deposited with TSX Trust no later than 10:00 a.m. (Pacific time) on July 8, 2019, or if the Meeting is adjourned or postponed, at least 48 business hours (where "business hours" means hours on days other than a Saturday, Sunday or any other holiday in British Columbia) before the time on the date to which the Meeting is adjourned or postponed.

If you are a **Beneficial Shareholder** (as defined in the accompanying Information Circular), please follow the instructions contained in any voting instruction form provided to you by your broker, investment dealer or other intermediary.

The Company reserves the right to accept late proxies and to waive the proxy cut-off, with or without notice, but is under no obligation to accept or reject any particular late proxy. If you received a voting instruction form, you are a Beneficial Shareholder that holds your common shares through a broker, investment dealer or other intermediary and must provide your instructions as specified in the voting instruction form in sufficient time for the broker, investment dealer or other intermediary to act on them prior to the proxy deadline.

Please note that the Company is not utilizing the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial shareholders.

Accompanying this Notice are: an Information Circular, a form of Proxy or Voting Instruction Form containing voting instructions from your broker, and a voluntary Mailing List Return Card.

We value your opinion and participation in the Meeting as a shareholder of K92. Please review the accompanying Information Circular before voting as it contains important information about the Meeting. It is important that you exercise your vote, either in person at the Meeting, by telephone, on the internet, by mail, or by completing and returning the enclosed proxy or voting instruction form.

Dated at Vancouver, British Columbia this 5th day of June, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS OF
K92 MINING INC.**

“John D. Lewins”

John D. Lewins
Chief Executive Officer



MANAGEMENT INFORMATION CIRCULAR

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

Table of Contents

	Page #
GENERAL INFORMATION RESPECTING THE MEETING	1
PERSONS OR COMPANIES MAKING THE SOLICITATION	1
VOTING INFORMATION AND PROXY INSTRUCTIONS	2
Voting by Proxy	2
Registered Shareholders - Appointment of Proxy	2
Registered Shareholder Voting Cut-off Time	3
Beneficial Shareholders	3
NOBOs	4
OBOs	4
Delivery of Meeting Materials to Registered and Beneficial Shareholders	5
REVOCAION OF PROXIES	5
PRINCIPAL HOLDERS OF VOTING SHARES	6
Voting Shares	6
Record Date	6
Principal Holders	6
QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS	6
PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING	7
Election of Directors	7
Number of Directors	7
Term of Office	7
Contractual Director Nomination Rights	7
Director Nominees	7
Summary of Board and Committee Meetings Held	12
Corporate Cease Trade Orders or Bankruptcies	12
Penalties or Sanctions	13
Personal Bankruptcies	13
Conflicts of Interest	13
Appointment of Auditor	13
Stock Option Plan	14
Receiving the Audited Consolidated Financial Statements	15
STATEMENT OF EXECUTIVE COMPENSATION	15
General	15
Definitions	15
Employment, Consulting and Management Agreements	17
Summary Director and NEO Compensation Table	18
Stock Options and Other Compensation Securities	20
Compensation of Directors	22

COMPENSATION DISCUSSION AND ANALYSIS	23
Compensation and Benefits Committee	24
Compensation Philosophy and Goals	24
Management of Risk	24
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS	25
Stock Option Plan and Other Compensation Securities	25
Securities Issued and Unissued under the Stock Option Plan	26
Equity Compensation Plan Information	26
INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES	27
INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS	27
CORPORATE GOVERNANCE PRACTICES	27
Director Independence	28
Other Directorships	28
Orientation and Continuing Education	29
Ethical Business Conduct	29
Board Mandate	30
Whistleblower Policy	30
Nomination of Directors	30
Diversity and Representation of Women on the Board and in Executive Officer Positions	31
Board Assessments	32
AUDIT COMMITTEE	32
Summary of Audit Committee Charter	32
Composition of the Audit Committee	32
Relevant Education and Experience of Members of the Audit Committee	33
Non-Audit Related Pre-Approval Policies and Procedures	33
Reliance on Certain Exemptions	34
External Auditor Service Fees	34
OTHER COMMITTEES	34
Nominating and Corporate Governance Committee	34
Compensation and Benefits Committee	34
Health and Safety Committee	35
ADDITIONAL INFORMATION	35
SCHEDULE "A" - AUDIT COMMITTEE CHARTER	36



MANAGEMENT INFORMATION CIRCULAR

AS AT AND DATED JUNE 5, 2019
FOR SHAREHOLDER MEETING TO BE HELD JULY 10, 2019

GENERAL INFORMATION

This management information circular (the "**Information Circular**") is furnished to the holders of Common Shares, as such term is defined below, and to the holders of Preferred Shares, as such term is defined below, (each a "**Shareholder**" collectively, the "**Shareholders**") of K92 Mining Inc. ("**K92**" or the "**Company**") by management of the Company in connection with the solicitation of proxies to be voted at the annual general and special meeting of the Shareholders (the "**Meeting**") to be held at **Suite 580 – 1090 West Georgia Street in Vancouver, British Columbia, Canada on July 10, 2019 at 10:00 am** (Vancouver Time), or at any adjournment or postponement thereof, for the purposes set forth in the Notice of Meeting that accompanies this Information Circular. Unless otherwise stated, this Information Circular contains information as at June 5, 2019.

All references to "\$" in this Information Circular mean Canadian dollars unless otherwise indicated.

As a shareholder of the Company, you have the right to vote your shares on all items that come before the Meeting. You can vote your shares either by proxy or in person at the Meeting. This Information Circular will provide you with information about these items and how to exercise your right to vote. It will also tell you about the director nominees, the proposed auditor, the compensation of directors and certain officers, our corporate governance practices, executive compensation philosophy and practices and particulars of other matters to be voted on.

As a shareholder, to help you make an informed decision, it is important that you read this material carefully and vote your shares, either by proxy or in person at the meeting.

PERSONS OR COMPANIES MAKING THE SOLICITATION

Management Solicitation

The form of proxy accompanying this Information Circular is being solicited by Management of the Company.

The solicitation of proxies by the Company will be conducted by mail and may be supplemented by telephone, electronic or other personal contact to be made without special compensation by the directors, officers and employees of the Company. The Company does not reimburse Shareholders, nominees or agents for costs incurred in obtaining from their principals authorization to execute forms of proxy, except that the Company has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Company will reimburse such brokers and nominees for their related out-of-pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. All costs of this solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company.

This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such a solicitation.

Please note that the Company is not utilizing the notice-and-access mechanism under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* and National Instrument 51-102 – *Continuous Disclosure Obligations*, for distribution of Meeting materials to registered and beneficial shareholders.

VOTING INFORMATION AND PROXY INSTRUCTIONS

Voting by Proxy

Your K92 Shares will be voted for or against, or withheld from voting on each item listed on the Proxy in accordance with your instructions on your Proxy. On a poll, the proxyholder, including the nominees named in the Proxy, will vote or withhold from voting the K92 Shares represented thereby in accordance with the instructions of the registered shareholder on any ballot that may be called for.

IF NO CHOICE IS SPECIFIED IN THE PROXY WITH RESPECT TO A MATTER TO BE ACTED UPON, THE PROXY GIVES DISCRETIONARY AUTHORITY WITH RESPECT TO THAT MATTER TO THE DESIGNATED PERSONS NAMED IN THE FORM OF PROXY. IT IS INTENDED THAT THE DESIGNATED PROXYHOLDER WILL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF EACH MATTER IDENTIFIED IN THE PROXY AND FOR THE DIRECTOR NOMINEES PUT FORWARD BY THE COMPANY'S BOARD OF DIRECTORS.

If you choose to appoint someone other than the directors or officers named in the Proxy to vote on your behalf at the Meeting, he or she will vote your K92 Shares in accordance with your instructions. On items for which you do not specify how you want to vote, your proxyholder will vote your K92 Shares as he or she sees fit.

The Proxy also gives discretionary authority to the proxyholder, whether a director or officer or a person named by you, to vote your K92 Shares as he or she sees fit on any other matter that may properly come before the Meeting.

In the case of abstentions from, or withholding of, the voting of the Common Shares and/or Preferred Shares on any matter, the Common Shares and/or Preferred Shares that are the subject of the abstention or withholding will be counted for determination of a quorum, but will not be counted as affirmative or negative on the matter to be voted upon.

Registered Shareholders - Appointment of Proxy

A Shareholder whose name appears on the certificate(s) representing K92 Common Shares and/or Preferred Shares (the “**Registered Shareholders**”), as the case may be, are entitled to notice of, and to vote, at the Meeting. A Shareholder is entitled to one vote for each Common Share and/or Preferred Share, as the case may be, that such Shareholder held on June 5, 2019 (the “**Record Date**”) on the resolutions to be voted upon at the Meeting, and any other matter to properly come before the Meeting.

ONLY REGISTERED SHAREHOLDERS OR DULY APPOINTED PROXYHOLDERS ARE PERMITTED TO VOTE AT THE MEETING. MOST SHAREHOLDERS OF THE COMPANY ARE BENEFICIAL OR “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.

If you don't know if you are a Registered Shareholder as of the Record Date, you may contact TSX Trust Company Investor Services at 1-866 393-4891 ext. 205 or TMXEInvestorServices@tmx.com.

Registered Shareholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

The individuals named in the accompanying form of proxy (the “**Proxy**”) are directors or officers of the Company. **If you are a K92 Shareholder entitled to vote at the Meeting, you have the right to appoint a person or company other than the persons designated in the Proxy, who need not be a K92 Shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Registered Shareholders who wish to submit a Proxy may do so by returning a completed, dated and signed Proxy to the Company's transfer agent TSX Trust Company (“**TSX Trust**”):

By hand, mail or courier -

TSX Trust Company
301 – 100 Adelaide Street West, Toronto, Ontario, Canada, M5H 4H1

By Fax - +1-416-595-9593

By Internet - www.voteproxyonline.com

Registered Shareholder Voting Cut-off Time

A Proxy will not be valid unless completed, dated and signed and received by TSX Trust no later than 10:00 a.m. (Pacific time) on July 8, 2019, or if the Meeting is adjourned or postponed, at least 48 business hours (where "business hours" means hours on days other than a Saturday, Sunday or any other holiday in British Columbia) before the time on the date to which the Meeting is adjourned or postponed. If not dated, the proxy will be deemed to have been dated the date it is mailed to Shareholders.

Beneficial Shareholders

The information set forth in this section is of significant importance to many K92 Shareholders, as a substantial number of K92 Shareholders are Beneficial Shareholders whose K92 Shares are not registered in their own names.

ONLY REGISTERED SHAREHOLDERS OR DULY APPOINTED PROXYHOLDERS ARE PERMITTED TO VOTE AT THE MEETING. MOST SHAREHOLDERS OF THE COMPANY ARE BENEFICIAL OR “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 the person (the “**Non-Registered Shareholder**”) but which are registered in the name of an intermediary (the “**Intermediary**”) that the Non-Registered Shareholder 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, RRIAs, RESPs and similar plans; or in the name of a clearing agency (such as The Canadian Depository of Securities Limited) of which the intermediary is a participant.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the Company are called **Objecting Beneficial Owners (“OBOs”)** and those who do not object to the Company knowing their names are called **Non-Objecting Beneficial Owners (“NOBOs”)**.

NOBOs

The Company takes advantage of certain provisions of National Instrument 54-101 – *Communications with Beneficial Owners of Securities of a Reporting Issue (“NI 54-101”)* which permit the Company to directly deliver proxy-related materials to NOBOs who have not waived the right to receive them. As a result, NOBOs can expect to receive a Voting Instruction Form (“**VIF**”), together with the Meeting materials, from the Company’s transfer agent. These VIFs are to be completed and returned to the transfer agent in accordance with the instructions. The transfer agent is required to follow the voting instructions properly received from NOBOs and it will tabulate the results of the VIFs received from NOBOs and will provide approval instructions at the Meeting with respect to the K92 Shares represented by the VIFs they receive.

Should a NOBO wish to attend and vote at the Meeting in person, the NOBO must insert their name (or such other person as the NOBO wishes to attend and vote on the NOBO’s behalf) in the blank space provided for that purpose on the VIF and return the completed VIF to TSX Trust or the NOBO must submit, to the Company or TSX Trust, any other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxy holder. In such circumstances with respect to proxies held by management in respect of securities owned by the NOBO so requesting, the Company must arrange, without expense to the NOBO, to appoint the NOBO or a nominee of the NOBO as a proxy holder in respect of those securities. Under NI 54-101, if the Company appoints a NOBO or a nominee of the NOBO as a proxy holder, the NOBO or nominee of the NOBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101, if the Company appoints a NOBO or its nominee as proxy holder, the Company must deposit the proxy within the timeframe specified above for the deposit of proxies if the Company obtains the instructions at least one (1) business day before the termination of that time. **If a NOBO or a nominee of the NOBO is approved as a proxy holder pursuant to such request, the proxy holder will need to attend the Meeting in person in order for their votes to be counted.**

NOBOs that wish to change their vote must contact TSX Trust to arrange to change their vote in sufficient time in advance of the Meeting.

OBOs

In accordance with the requirements of NI 54-101, **THE COMPANY HAS DISTRIBUTED COPIES OF THE MEETING MATERIALS TO THE INTERMEDIARIES FOR ONWARD DISTRIBUTION TO OBOs.** Intermediaries are required to forward the meeting materials to OBOs unless, in the case of certain proxy-related materials, the OBO has waived the right to receive them. Very often, intermediaries will use service companies to forward the meeting materials to OBOs. With those meeting materials, intermediaries or their service companies should provide OBOs with a “request for voting instruction form” which, when properly completed and signed by such OBO and returned to the intermediary or its service company, will

constitute voting instructions which the intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the K92 Shares that they beneficially own. **The Company does not intend to pay for delivery of the proxy-related materials to OBOs, and as a result OBOs will not receive the proxy-related materials unless their intermediary assumes the cost of delivery.**

Should an OBO wish to vote at the Meeting in person, the OBO must insert the OBO's name (or such other person as the OBO wishes to attend and vote on the OBO's behalf) in the blank space provided for that purpose on the request for voting instruction form and return the completed request for voting instruction form to the intermediary or its service provider or the OBO must submit, to their intermediary, any other document in writing that requests that the OBO or a nominee of the OBO be appointed as proxy holder. In such circumstances an intermediary who is the registered holder of, or holds a proxy in respect of, securities owned by an OBO is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or a nominee of the OBO as a proxy holder in respect of those securities. Under NI 54-101, if an intermediary appoints an OBO or the nominee of the OBO as a proxy holder as aforesaid, the OBO or nominee of the OBO, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of the intermediary, in respect of all matters that may come before the Meeting and any adjournment or continuance thereof, unless corporate law does not permit the giving of that authority. Pursuant to NI 54-101 an intermediary who appoints an OBO or its nominee as proxy holder as aforesaid is required under NI 54-101 to deposit the proxy within the timeframe specified above for the deposit of proxies if the intermediary obtains the instructions at least one (1) business day before the termination of that time. **If the OBO or a nominee of the OBO is appointed a proxy holder pursuant to such request, the appointed proxy holder will need to attend the Meeting in person in order for their votes to be counted.**

Delivery of Meeting Materials to Registered and Beneficial Shareholders

These Meeting materials are being sent to Registered Shareholders and Beneficial Non-Registered Shareholders. If you are a Beneficial Shareholder, and the Company or TSX Trust has sent these materials directly to you, your name and address and information about your holdings of K92 Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding your Shares. By choosing to send these materials to you directly, the Company (and not the Intermediary) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

REVOCATION OF PROXIES

Any Registered Shareholder who has returned a Proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered holder of K92 Shares or its attorney authorized in writing may revoke a Proxy by an instrument in writing, including a Proxy bearing a later date. The instrument revoking the Proxy must be deposited with TSX Trust, at 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1, by fax to +1-416-595-9593, or at the address of the registered office of K92 at 488 – 1090 West Georgia Street, Vancouver, British Columbia, V6E 3V7, at any time up to and including the last Business Day preceding the date of the Meeting or any adjournment thereof, or with the Secretary of the Company or Chairman of the Meeting on the day of the Meeting.

Only registered holders of K92 Shares have the right to revoke a Proxy. A Beneficial Shareholder who wishes to change their vote must provide instructions in advance of the cut-off date specified by its Intermediary, so that the Intermediary can change the voting instructions on behalf of the Beneficial Shareholder.

PRINCIPAL HOLDERS OF VOTING SHARES

Voting Shares

The Company has an authorized share capital consisting of an unlimited number of common shares without par value (the “**Common Shares**”), and unlimited number of Preferred shares (the “**Preferred Shares**” and together with the Common Shares, the “**K92 Shares**”) without par value. The holders of Common Shares and Preferred Shares are entitled to receive notice of, and to attend all meetings of shareholders and to have one vote for each Common Share and Preferred Share held, except to the extent specifically limited by the British Columbia *Business Corporations Act* (the “**BCBCA**”).

Record Date

The Company has set June 5, 2019 as the record date (the “**Record Date**”). Only Shareholders of record as of the Record Date are entitled to receive notice of and vote at the Meeting, subject to the provisions of the BCBCA. Failure to receive the notice does not revoke any Shareholder's right to vote at the Meeting.

As of the close of business on the Record Date, the Company had outstanding (i) **199,117,337** fully paid and non-assessable Common Shares without par value, and (ii) **Nil** Preferred shares.

A holder of record of one or more Common Shares on the securities register of the Company on the Record Date who either attends the Meeting personally or deposits a proxy form in the manner and subject to the provisions described above will be entitled to vote or to have such Common Shares voted at the Meeting, except to the extent that:

- (a) the Shareholder has transferred the ownership of any Common Shares after the Record Date; and
- (b) the transferee produces a properly endorsed share certificate for, or otherwise establishes ownership of, any of the transferred Common Shares and makes a request to TSX Trust no later than ten (10) days before the Meeting that the transferee's name be included in the list of Shareholders in respect thereof.

Principal Holders

To the knowledge of the directors and executive officers of the Company, as at the Record Date, no persons nor companies beneficially own, control or direct, directly or indirectly, voting securities carrying 10% or more of the outstanding voting rights attached to all Shares of the Company.

QUORUM AND VOTES NECESSARY TO PASS RESOLUTIONS

Pursuant to the articles of the Company (the “**Articles**”), a quorum for the transaction of business at any meeting of Shareholders is one person present or represented by proxy. Under the BCBCA and pursuant to the Articles, a majority of not less than two-thirds (2/3) of the votes cast at the Meeting is required to pass all special resolutions. There are no special resolutions currently proposed at the Meeting.

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass ordinary resolutions to: (i) elect six (6) directors to the Board; (ii) appoint an auditor and to authorize the directors to fix the auditor's remuneration; and (iii) approve the Company's 10% rolling Stock Option Plan (as defined below).

PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING

1. ELECTION OF DIRECTORS

Number of Directors

The Company's Articles require that the board of directors (the "**Board**") of K92 consist of the greater of three directors or the number set by ordinary resolution. At the Meeting, the six (6) persons named in "Director Nominees" below will be proposed for election as directors of the Company. The Company is asking shareholders to set, by ordinary resolution, the number of directors of the Company at six (6).

Unless directed otherwise in the form of proxy, the persons named in the form of proxy intend to vote FOR setting the number of directors at six (6) persons.

Term of Office

The term of office of each of the current Directors will end at the conclusion of the Meeting. Unless a Director's office is earlier vacated in accordance with the provisions of the BCBCA, each director elected at the Meeting will hold office until the conclusion of the next annual meeting of the Company or, if no director is then elected, until a successor is elected.

Contractual Director Nomination Rights

Pursuant to the Company's Articles, CRH Funding II Pte. Ltd. ("**CRH**") is entitled to appoint one designee to the Company's Board of Directors. Commencing as of the date upon which CRH first acquired the Company's Preferred Shares pursuant to an Equity Subscription Agreement dated February 4, 2016, until both of the following conditions are met:

- i. the Gold Prepayment Agreement dated February 4, 2016, as amended, is terminated; and
- ii. either:
 - a. CRH and its affiliates hold K92 Preferred Shares and K92 Common Shares, which collectively represent less than 5.0% of the total issued share of K92; or
 - b. CRH and its affiliates hold no K92 Preferred Shares,

CRH shall have the right to appoint to the Company's Board of Directors, one designee, and for each 10% of the total issued shares of the Company held by CRH and its affiliates in excess of 10% of the total issued shares of the Company, an additional designee, subject to certain conditions. Currently, based on the number of total shares owned by CRH, CRH has the right appoint one designee and the designee is Graham Wheelock.

Director Nominees

The following tables set out the names of the six individuals, five of whom are the Board's nominees and one of whom is CRH's nominees, for election as directors, all major offices and positions held within the Company and any of its significant affiliates each nominee now holds, each nominee's principal occupation, business or employment, the period of time during which each has been a Director, and the number of Common Shares beneficially owned directly or indirectly by each, or over which each exercised control or direction, as at June 5, 2019.

The Nominating and Corporate Governance Committee has reviewed the list of nominees for directors for the upcoming year and recommended that the Board of the Company approve the nominees. The Board approved the nominees. Management does not contemplate that any nominee will be unable or unwilling to serve as a director, but if that should occur for any reason prior to the Meeting, the persons designated in the enclosed form of proxy have the authority to vote for another nominee at their discretion.

The Board recommends the shareholders vote in favour of the nominees described in the following tables.

Unless authority to do so is withheld, the persons named in the form of proxy intend to vote FOR the election of each of the nominees.

<p>R. STUART ANGUS British Columbia, Canada</p> <p>Director Since: May 2016</p> <p>Director Status: Independent Chairman ⁽⁴⁾</p>	<p>Mr. R. Stuart “Tookie” Angus is an independent business advisor to the mining industry and is presently Chair of K92, Chair of Kenadyr Mining (Holdings) Corp., and Co-Chair of San Marco Resources Inc. He is the former Head of the Global Mining Group for Fasken Martineau. For the past 40 years, Mr. Angus has focused on structuring and financing significant international exploration, development and mining ventures. He served as Chairman of Nevsun Resources Ltd. until its acquisition of Reservoir Minerals in September 2017. He is the former managing Director of Mergers and Acquisitions for Endeavour Financial. Previously he served as Chairman of the Board of BC Sugar Refinery Limited, and a Director of First Quantum Minerals Ltd., Canico Resources Company until its takeover by CVRD, Director of Bema Gold Company until its takeover by Kinross Gold Company, Director of Ventana Gold Corp. until its takeover by AUX Canada Acquisition Inc. and a Director of Plutonic Power Company until its merger with Magma Energy Corp. (now Alterra Power Corp.).</p> <p>Mr. Angus holds a Bachelor of Law degree from the University of British Columbia and is a retired member of the Law Society of British Columbia.</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Chair of the Company since May 2016; Chair of Kenadyr Mining (Holdings) Corp.; Chair of San Marco Resources Inc.; Independent business advisor to the mining industry.				
Board/Committee Membership ⁽⁵⁾	2018 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors (Chair)	5 of 6	83%	San Marco Resources Inc. (TSX-V); Co-Chair	September 2009
Audit Committee	2 of 3	67%	Kenadyr Mining (Holdings) Corp. (TSX-V); Chair	March 2017
Compensation and Benefits Committee (Chair)	3 of 3	100%		
	10 of 12	83%		
Common Shares Beneficially Owned, Controlled or Directed ⁽²⁾:			2,365,972 – 1.19% of outstanding shares	

<p>JOHN D. LEWINS Western Australia, Australia</p> <p>Director Since: May 2016</p> <p>Director Status: Non-Independent Director ⁽³⁾</p>	<p>Mr. John D. Lewins is a Mineral Engineer with over 35 years' experience in the mining industry, who has worked in Africa, Australia, Asia, North America and the former Soviet Union. He is currently the Chief Executive Officer of the Company and served as Chief Operating Officer from May 2016 to August 2017. Mr. Lewins has successfully managed the development of a number of open pit and underground gold, precious and base metal mines from feasibility study through to profitable operations.</p> <p>Mr. Lewins has operated extensively at the corporate level in various roles from Executive General Manager to Director and Chief Executive Officer with a number of other mining companies, including MIM Holdings, First Dynasty Mines, Platinum Australia and African Thunder Platinum.</p> <p>Mr. Lewins received his National Diploma for Technicians (Extractive Metallurgy) from Technikon Witwatersrand, South Africa, a Bachelor of Science degree (Honours) in Mineral Engineering from University of Leeds, England and a Graduate Diploma in Management from University of Queensland.</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Chief Executive Officer of the Company since August 2017; Chief Operating Officer of the Company from May 2016 to August 2017; Executive Director of African Thunder Platinum SA from October 2014 to February 2016; Principal at Mining, Processing and Project Consulting Pty Ltd. since July 2013; Managing Director of Platinum Australia from October 2000 to June 2012.				
Board/Committee Membership ⁽⁸⁾	2018 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors	6 of 6	100%	n/a	n/a
Health and Safety Committee (Chair)	1 of 1	100%		
	7 of 7	100%		
Common Shares Beneficially Owned, Controlled or Directed ⁽²⁾:			1,044,000 - 0.52% of outstanding shares	

<p>MARK EATON Ontario, Canada</p> <p>Director Since: May 2016</p> <p>Director Status: Independent Director ⁽⁴⁾</p>	<p>Mr. Mark Eaton is an independent business consultant who has worked as an investment professional in equity capital markets specializing in the resource sector for over 20 years. He is currently the Executive Chairman and is the former Chief Executive Officer of Belo Sun Mining Corp. Prior to becoming an independent business consultant, Mr. Eaton held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton is also a former Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer. In addition to his leadership in institutional mine finance and investment banking, Mr. Eaton has served in management and on the Boards of several public mining companies.</p> <p>Mr. Eaton graduated from Hull University, England with Bachelor of Arts degree (Honours).</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Executive Chairman of Belo Sun Mining Corp. since February 2010; CEO and President of Belo Sun Mining Corp. from March 2010 to August 2014; Independent Business Consultant since March 2008.				
Board/Committee Membership ⁽⁶⁾	2018 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors	6 of 6	100%	Belo Sun Mining Corp. (TSX); Chairman UEX Corporation (TSX); Chairman	February 2010 March 2008
Nominating and Corporate Governance Committee (Chair)	1 of 1	100%		
Audit Committee	3 of 3	100%		
Compensation and Benefits Committee	3 of 3	100%		
	13 of 13	100%		
Common Shares Beneficially Owned, Controlled or Directed ⁽²⁾:			50,000 - 0.03% of outstanding shares	

<p>SAURABH HANDA British Columbia, Canada</p> <p>Director Since: May 2016</p> <p>Director Status: Independent Director ⁽⁴⁾</p>	<p>Mr. Saurabh Handa is a mining professional with diverse senior experience that includes finance, mergers and acquisitions and multi-jurisdictional public company disclosures. He is currently the Principal of Handa Financial Consulting Inc. Previously, he held the position of Chief Financial Officer of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., Chief Financial Officer of Meryllion Resources Corp., Chief Financial Officer of Yellowhead Mining Inc. and Controller for SouthGobi Resources Ltd. Mr. Handa also served as a Director and Chair of the Audit Committee for Banks Island Gold Ltd. from June 2011 to July 2015.</p> <p>Mr. Handa is a Chartered Professional Accountant and graduated with Honours from the University of British Columbia with a diploma in Accounting. Prior to joining the accounting profession, Mr. Handa obtained a Bachelor of Science degree in Genetics from the University of British Columbia and a diploma in Computer Systems from the British Columbia Institute of Technology.</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Consulting Chartered Professional Accountant. Currently the principal of Handa Financial Consulting Inc. in consulting roles since March 2017. Partner of Invictus Accounting Group LLP from February 2018 to February 2019; Chief Financial Officer of Titan Mining Corp. from March 2017 to January 2018; Vice President, Finance of Imperial Metals Corp. from February 2016 to March 2017; Senior Corporate Controller of Imperial Metals Corp. from August 2015 to February 2016; CFO of Meryllion Resources Corp. from January 2014 to February 2015; CFO of Yellowhead Mining Inc. from January 2012 to January 2014				
Board/Committee Membership ⁽⁷⁾	2018 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors	6 of 6	100%	n/a	n/a
Audit Committee (Chair)	3 of 3	100%		
Nominating and Corporate Governance Committee	1 of 1	100%		
	10 of 10	100%		
Common Shares Beneficially Owned, Controlled or Directed ^{(2):}			170,000 - 0.09% of outstanding shares	

<p>JOHN (IAN) STALKER La Massena, Andorra</p> <p>Director Since: May 2016</p> <p>Director Status: Non-Independent Director ⁽³⁾</p>	<p>Mr. John (Ian) Stalker is a mining executive with over 45 years' experience in mine development and operations in Europe, Africa, Oceania and Australia. He is currently Managing Director of Helium One Ltd., a privately-held helium development company. He was previously Chief Executive Officer of LSC Lithium Corporation. and Chairman of Plateau Energy Metals Inc. Mr. Stalker served as CEO of the Company from May 2016 to August 2017 and was CEO of K92 Holdings International Limited from 2014 until 2016. He was Chair of Azincourt Energy Corp. from May 2013 until June 2018. Mr. Stalker has extensive public company experience and has acted in the capacity of CEO for Brazilian Gold Corp., Berkeley Resources Ltd., Niger Uranium Ltd. and UraMin Inc. He was a Vice President of Gold Fields Ltd. from April 2001 to October 2005, where he was involved with its international operations.</p> <p>Mr. Stalker holds a Bachelor of Science degree (Honours) in Chemical Engineering, from Strathclyde University, Glasgow, Scotland.</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Managing Director of Helium One Ltd. since April 2019; CEO of LSC Lithium Corporation from September 2017 to March 2019; CEO of the Company from May 2016 to August 2017; Chief Executive Officer of K92 Holdings International Limited from 2014 to 2016; Chair of Azincourt Energy Corp. from May 2013 until June 2018; Chair of Plateau Energy Metals Inc. from April 2013 to March 2019.				
Board/Committee Membership ⁽⁹⁾	2017 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors	6 of 6	100%	Nexus Gold Corp. (TSX-V); Chairman	April 2018
Health and Safety Committee	1 of 1	100%		
Compensation and Benefits Committee	3 of 3	100%		
	10 of 10	100%		
Common Shares Beneficially Owned, Controlled or Directed ^{(2):}			768,750 - 0.39% of outstanding shares	

<p>GRAHAM WHELOCK ⁽¹⁰⁾ Auckland, New Zealand</p> <p>Director Since: May 2016</p> <p>Director Status: Independent Director ⁽⁴⁾⁽¹¹⁾</p>	<p>Mr. Wheelock is a geologist and mining professional with over 30 years of experience working for international mining companies. In 2005, Mr. Wheelock co-founded Gem Diamonds Limited (“<i>Gem Diamonds</i>”), which grew quickly under his leadership. Mr. Wheelock helped manage Gem Diamonds’ initial public offering in 2007, when the company was listed with a market capitalization of £600 million. After leaving Gem Diamonds, Mr. Wheelock was previously Project Manager and is currently the Managing Director of Polynatura Corp., that is developing the Ochoa Fertilizer project in New Mexico, USA. From 1981 to 1999, Mr. Wheelock worked with Anglo American plc and De Beers as a gold and diamonds geologist and a manager. From 2000 to 2003 he was Acting General Manager for De Beers Namaqualand Mines in South Africa, with 2,300 employees and responsibility for the production of 4.5 million tons per year.</p> <p>Mr. Wheelock obtained a Master of Science degree in Geology from the University of Cincinnati, Ohio and a Bachelor of Science degree (Honours) in Geology from the University of Natal, South Africa.</p>			
Principal Occupation, Business or Employment ⁽¹⁾				
Managing Director of PolyNatura Corp. since January 2018; Mining Consultant for Belgravia Capital International Inc. (formerly IC Potash Corp.) from January 2015 to December 2017; Group Executive New Business Development for Gem Diamonds Limited from July 2005 to July 2013.				
Board/Committee Membership ⁽¹¹⁾	2017 Meeting Attendance		Other Public Company Board Memberships	
			Company Name	Director Since
Board of Directors	6 of 6	100%	n/a	n/a
Nominating and Corporate Governance Committee	1 of 1	100%		
	7 of 7	100%		
Common Shares Beneficially Owned, Controlled or Directed ⁽²⁾ :			Nil	

DIRECTOR NOMINEE NOTES:

- (1) The information as to principal occupation, business or employment and Common Shares beneficially owned, controlled or directed by a nominee is not within the knowledge of the management of the Company and has been furnished by the nominee.
- (2) Does not include unissued Common Shares issuable upon the exercise of incentive stock options (see “Statement on Executive Compensation” for details on stock options held).
- (3) See the section entitled “Corporate Governance” for a description of the reasons why the Company does not consider this nominee to be independent.
- (4) “Independent” refers to the standards of independence established under Canadian Securities Administrators’ National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).
- (5) Mr. Angus was appointed Chair of the Compensation and Benefits Committee on May 20, 2016. He was appointed to the Audit Committee on April 24, 2018.
- (6) Mr. Eaton was appointed to the Nominating and Corporate Governance Committee (Chair), Audit Committee and Compensation and Benefits Committee on May 20, 2016.
- (7) Mr. Handa was appointed Chair of the Audit Committee and was appointed a member of the Nominating and Corporate Governance Committee on May 20, 2016.
- (8) Mr. Lewins was appointed Chair of the Health and Safety Committee on May 20, 2016.
- (9) Mr. Stalker was appointed to the Health and Safety Committee and Compensation and Benefits Committee on May 20, 2016.
- (10) Mr. Wheelock is CRH’s nominee director pursuant to its director nomination rights (as defined and more particularly described under the headings “Contractual Director Nomination Rights” in this Information Circular).
- (11) Mr. Wheelock was appointed to the Nominating and Corporate Governance Committee on May 20, 2016.

Summary of Board and Committee Meetings Held

The Board meets a minimum of four times per year and as otherwise required. Typically, each committee of the Board meets at least once each year, or more frequently as deemed necessary by the applicable committee. The frequency of the meetings and the nature of each meeting agenda depend on the business and affairs that the Company faces from time to time.

The following table summarizes Board and Board committee meetings held during the year ended December 31, 2018:

	Number of Meetings
Board of Directors	6
Audit Committee	3
Compensation and Benefits Committee	3
Nominating and Corporate Governance Committee	1
Health and Safety Committee	1

During 2018, six meetings of the Board were held via teleconference. Three meetings of the Audit Committee were held in-person and one meeting of the Health and Safety Committee was held by teleconference. One meeting of the Nominating and Governance Committee and three meeting of the Compensation and Benefits Committee were held via teleconference.

In addition, written consent resolutions were passed by the Board and the committees. Resolutions in writing must be executed by all the Directors entitled to vote on a matter in order to be effective.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of the Company, as at the date of this Information Circular and within the preceding 10 years, none of the proposed directors is, or has been a director, chief executive officer or chief financial officer of any company (including K92) that,

- (a) was subject to a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an “**Order**”) while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (c) while that person was acting in that capacity of director, chief executive officer or chief financial officer, 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.

Penalties or Sanctions

To the knowledge of the Company, no proposed director, officer, promoter or control person 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 Shareholder in deciding whether to vote for a proposed director.

Personal Bankruptcies

To the knowledge of the Company, as at the date of this Information Circular and within the preceding 10 years, none of the proposed directors has 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 the proposed director.

Conflicts of Interest

Conflicts of interest may arise as a result of the directors and officers of the Company holding positions as director or officers of other companies. Some of the directors and officers have been and will continue to be engaged in the identification and evaluation of assets and businesses, with a view to potential acquisition of interests in businesses and companies on their own behalf and on behalf of other companies, and situations may arise where the directors and officers will be in direct competition with the Company. Conflicts, if any, will be subject to the procedures and remedies under the BCBCA.

Additional Information Regarding the Board

For additional information regarding the Company's Board of Directors (the "**Board**"), including compensation and corporate governance practices, see "*Statement of Executive Compensation*", "*Corporate Governance Practices*" and "*Audit Committee*".

2. APPOINTMENT OF AUDITOR

The auditor for the Company is presently PricewaterhouseCoopers LLP ("**PwC**") of 700 - 250 Howe Street, Vancouver, British Columbia, V6C 3S7. PwC was first appointed auditor in August 2014.

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, pass an ordinary resolution to appoint PwC as auditor of the Company to hold office until the next annual meeting of shareholders and to authorize the directors to fix the remuneration of the auditor. Management and the Board recommend that PwC be appointed as auditor of the Company until the close of the next annual meeting of shareholders.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP as auditor of K92 until the close of the next annual meeting of shareholders of K92 and to authorize the directors to fix the remuneration of the auditor.

3. STOCK OPTION PLAN

The Company presently has in place a “rolling” stock option (the “**Stock Option Plan**”) plan whereby the Company is authorized to grant stock options equal to up to 10% of the number of issued and outstanding shares of the Company, from time to time. K92 Shareholders last ratified and approved the Stock Option Plan at the Company’s annual general meeting held May 24, 2017, and there have been no changes to the Stock Option Plan since that date.

The policies of the TSX Venture Exchange (the “**Exchange**”) require that shareholders approve and ratify all such “rolling” stock option plans on an annual basis and that the stock option plans be accepted for filing by the Exchange.

The purpose of the Option Plan is to provide the directors, officers and key employees, and certain consultants who provide services to the Company and its subsidiaries, with an opportunity to purchase shares of the Company and benefit from any appreciation in the value of the Company’s shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Company’s shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The material terms of the Stock Option Plan are provided under the heading “*Statement of Executive Compensation – Stock Option Plans and Other Compensation Securities*”. A full copy of the Stock Option Plan will be available for inspection at the Meeting and will be provided by request to the Company until the business day immediately preceding the date of the Meeting.

At the meeting, Shareholders will be asked to consider, and if thought fit to approve an ordinary resolution ratifying and approving the Stock Option Plan (the “**Option Resolution**”).

Management has recommended and the Board has determined that approving the Stock Option Plan is in the best interests of K92 and recommends that shareholders vote in favour of the Option Resolution.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the approval of renewal of the Stock Option Plan.

Accordingly, at the Meeting, the Company’s shareholders will be asked to consider, and if thought appropriate, to pass, with or without amendment, the following ordinary resolution:

“RESOLVED that:

- (a) the renewal of the Company’s stock option plan (the “**Stock Option Plan**”) as more particularly described in the Information Circular dated June 5, 2019, be and is hereby authorized, approved, ratified and confirmed;
- (b) the Company be authorized to grant stock options pursuant and subject to the terms and conditions of the Stock Option Plan, entitling the option holders to purchase up to that number of common shares that is equal to 10% of the issued and outstanding common shares of the Company as at the time of the grant; and
- (c) the directors and officers of the Company be authorized and directed to perform all such acts and deeds and things and execute, under the seal of the Company or otherwise, all such documents, agreements and other writings as may be required to give effect to the true intent of these resolutions.”

4. RECEIVING THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS

K92's consolidated financial statements, including the auditor's report thereon, for the year ended December 31, 2018 will be placed before the Meeting. The audited consolidated financial statements are available on the Company's website at www.k92mining.com, and under the Company's profile on SEDAR at www.sedar.com or by request to the Company. Printed copies will be mailed to Shareholders who have requested them.

5. OTHER BUSINESS

Management is not aware of any matter to come before the Meeting other than those referred to in the Information Circular. If any other matter properly comes before the Meeting, it is the intention of the Management appointees named in the form of proxy accompanying this Information Circular to vote in accordance with their best judgement of such matter.

STATEMENT OF EXECUTIVE COMPENSATION
--

In accordance with the requirements of applicable securities legislation in Canada, the following executive compensation disclosure is provided in respect of (a) each person who served as the Company's Chief Executive Officer (the "**CEO**") or Chief Financial Officer (the "**CFO**") during the 2018 fiscal year, (b) the most highly compensated executive officer of the Company (other than the CEO and CFO) and its subsidiaries whose annual aggregate compensation for the 2018 fiscal year exceeded \$150,000; and (c) each individual who would be included under (b) above but for the fact such individual was not an executive officer of the company or its subsidiaries at the end of the financial year (collectively, the "**NEOs**").

General

The Company's executive compensation practices, principles and objectives are summarized below.

For the purpose of this Information Circular, below are definitions used in compensation disclosure:

"Change in Control" means

- (a) if any individual, partnership, company, corporation, society, or other legal entity (a "**Person**"), alone or together with any other Persons with whom it is acting jointly or in concert, becomes the beneficial owner of, or acquires the power to exercise control or direction over, directly or indirectly, such securities (or securities convertible into, or exchangeable for, securities) entitled to 50% or more of the votes exercisable by holders of the then outstanding securities generally entitled to vote for the election of directors ("Voting Stock") of the Company or if any Persons that previously were not acting jointly or in concert commence acting jointly or in concert and together beneficially own, or have the power to exercise control or direction over, securities entitled to more than 50% of the votes, exercisable by Holders of Voting Stock of the Company, and such Persons did not at the date hereof own or otherwise exercise control over 50% or more of the votes exercisable by holders of voting stock, nor have rights of conversion which, if exercised, would permit such Persons to own or control such a percentage of votes;
- (b) the Company is merged, amalgamated or consolidated into or with another Person and, as a result of such business combination, securities entitled to more than 50% of the votes, exercisable by holders of the Voting Stock of the Company or of such Person into which the Voting Stock of the Company is converted in or immediately after such transaction are held by a Person alone or together

with any other persons with whom it is acting jointly or in concert and such Person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Stock of the Company immediately prior to such transaction;

- (c) the capital of the Company is reorganized and, as a result of such reorganization, securities entitled to more than 50% of the votes exercisable by the holders of the Voting Stock of the Company upon or immediately after such reorganization are held by a Person alone or together with any other Persons with whom it is acting jointly or in concert and such Person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by the holders of the Voting Stock of the Company immediately prior to such reorganization; or
- (d) the Company sells or otherwise transfers all or substantially all of its assets to another Person and immediately following such sale or transfer securities entitled to more than 50% of the votes exercisable by the holders of the Voting Stock of the acquiring Person are held by a Person that alone or together with any other Person or Persons with whom it is acting jointly or in concert, and such person, together with those with whom it is acting jointly or in concert, held securities representing less than 50% of the votes exercisable by holders of the Voting Stock of the Company immediately prior to such transaction.

“**compensation securities**” includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Company or one of its subsidiaries for services provided or to be provided, directly or indirectly, to the Company or any of its subsidiaries;

“**executive officer**” means an individual who is a chair, vice-chair, or president of the Company, a vice-president in charge of a principal business unit, division or function including sales, finance or production of the Company and an individual who performs a policy-making function in respect of the Company and who has the capacity to influence the direction of the Company.

“**NEO**” or “**Named Executive Officer**” means each of the following individuals:

- (i) each individual who served as chief executive officer (“**CEO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (ii) each individual who served as chief financial officer (“**CFO**”) of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;
- (iii) the most highly compensated executive officer of the Company, including any of its subsidiaries, or the most highly compensated individual 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, more than \$150,000 for that financial year; and
- (iv) each individual who would be an NEO under (iii) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

“**plan**” includes any plan, contract, authorization, or arrangement, whether or not set out in any formal document, where cash, compensation securities or any other property may be received, whether for one or more persons;

“**underlying securities**” means any securities such as Shares issuable on conversion, exchange or exercise of compensation securities.

The objective of this disclosure is to communicate the compensation the Company paid, made payable, awarded, granted, gave or otherwise provided to each NEO and director for the financial year, and the decision-making process relating to compensation. This disclosure will provide insight into executive compensation as a key aspect of the overall stewardship and governance of the Company and will help investors understand how decisions about executive compensation are made.

Employment, Consulting and Management Agreements

The compensation agreed to pursuant to certain agreements entered into between the Company and its NEOs is set out below. The agreements described set out the amount of time that each respective individual is to devote to the Company, provide that certain expenses will be reimbursed and describe the duties of the respective NEO. As at December 31, 2018 there were no compensatory plans, contracts or arrangements in place with any NEO with respect to change of control, severance, termination or constructive dismissal.

John Lewins (CEO) – From September 1, 2017 until February 28, 2018, pursuant to a consulting agreement, Mr. Lewins received US \$24,000 per month plus US \$1,900 superannuation. Pursuant to a consulting agreement dated March 1, 2018 (the “**CEO Consulting Agreement**”), Mr. Lewins received monthly fees of US \$32,000 (the “**Monthly Fee**”). The Monthly Fee increased to US \$35,840 effective January 1, 2019.

Mr. Lewins is entitled to a bi-annual bonus equal to up to 50% of the Monthly Fees paid, based on certain key performance indicators (“**KPIs**”) of the Company if the Compensation Committee, in its sole discretion determines that the applicable business performance objectives, established by the Board or the Compensation Committee, have been met. The KPIs include the Company’s performance in the areas of safety, throughput, capital, production, operating costs, capital and share price.

Indicator		Weight	Performance Against Budget						Comments
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discount	25% Discount	No Discount	No Discount	No Discount	10% Premium	Measured against industry
Throughput	Tonnes	20%	Nil	20%	40%	60%	80%	100%	Mill Tonnes
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Lewins is entitled to receive a lump sum payment of (a) US \$430,080; (b) an amount equal to the bi-annual bonus payment that would have been payable for achieving KPIs, had he worked to the end of the applicable six-month period prior to termination; and (c) other sums owed for arrears of Base Salary and expenses properly incurred.

In the event of a termination after a Change in Control (as defined above), where the CEO Consulting Agreement is terminated other than for cause in the twelve-month period following the Change in Control, Mr. Lewins would be entitled to receive a lump sum payment of US \$860,160, equal to twenty-four times the Monthly Fee, plus other sums owed for arrears of compensation. In addition, all unexercised incentive stock options held by Mr. Lewins at the time of such termination, would immediately vest and become exercisable upon the termination of the CEO Consulting Agreement.

Justin Blanchet (CFO) - From July 1, 2017 to December 31, 2018, Mr. Blanchet received a monthly fee of US \$9,000 (the “**CFO Fee**”) pursuant to a consulting agreement (the “**CFO Consulting Agreement**”). Effective April 1, 2019, the CFO fee was increased to US \$15,000 in recognition of the increased amount of time devoted by Mr. Blanchet to the Company from 60% to 90% as well as consideration of increased responsibility, among other factors.

Mr. Blanchet is entitled to a bi-annual bonus equal to up to 30% of the CFO Fees paid, based on certain key performance indicators (“**KPIs**”) of the Company if the Compensation Committee, in its sole discretion determines that the applicable business performance objectives, established by the Board or the Compensation and Benefits Committee, have been met. The KPIs include the Company’s performance in the areas of safety, statutory compliance, production, operating costs, capital and share price.

Indicator		Weight	Performance Against Budget						Comments
Factor	Measure		-10%	-10 to -5%	-5% to 0	0 to +5%	+5 to 10%	+10%	
Safety	LTI	Modifier	50% Discoun	25% Discount	No Discount	No Discount	No Discount	10% Premiu	Measured against industry
Compliance		20%	Nil	20%	40%	60%	80%	100%	Statutory Submissions
Production	Oz	20%	Nil	20%	40%	60%	80%	100%	Gold Oz Produced
Costs	\$/oz	20%	100%	80%	60%	40%	20%	Nil	Total Operating Cost
Capital	\$	20%	100%	80%	60%	40%	20%	Nil	Against Budget
Corporate	Share Price	20%	Nil	20%	40%	60%	80%	100%	Share Price Against Peers

In the event of a termination without cause, Mr. Blanchet is entitled to receive a lump sum payment of (a) US \$180,000; (b) an amount equal to the bi-annual bonus payment that would have been payable for achieving KPIs, had he worked to the end of the applicable six-month period prior to termination; and (c) other sums owed for arrears of the CFO Fee and expenses properly incurred.

In the event of a termination after a Change in Control (as defined above), where the CFO Consulting Agreement is terminated other than for cause in the twelve-month period following the Change in Control, Mr. Blanchet would be entitled to receive a lump sum payment of US \$360,000, equal to twenty-four times the Monthly Fee, plus other sums owed for arrears of compensation; and (b) an amount equal to 100% of the bi-annual bonus which would be payable if all conditions of the KPIs were fully met during the twenty-four months, at the time of termination. In addition, all unexercised incentive stock options held by Mr. Blanchet at the time of such termination, would immediately vest and become fully exercisable upon the termination of the CFO Consulting Agreement.

The table below sets forth maximum payments that would be due under the NEO agreements in the event of termination without cause or Change in Control (shown in US dollars).

Name of NEO	Payable on Termination Without Cause			Payable on Change in Control		
	Fee Entitlement	Bonus Entitlement	Total Payment	Fee Entitlement	Bonus Entitlement	Total Payment
John Lewins	12 x monthly fee - \$430,080	50% of bonus - \$107,520	\$537,600	24 x monthly fee - \$860,160	Nil	\$860,160
Justin Blanchet	12 x monthly fee - \$180,000	Nil	\$180,000	24 x monthly fee - \$360,000	100% of bonus - \$54,000	\$414,000

Summary Director and NEO Compensation Table

The following table sets forth the total compensation paid to, or earned by, the NEOs for the Company's two most recently completed financial periods.

Table 1
Table of Compensation Excluding Compensation Securities
(Reported in US Dollars)

Name and position	Year ⁽¹⁰⁾	Salary, consulting fee, directors' fee, retainer, commission (\$) ⁽¹⁾	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
John D. Lewins ⁽²⁾ Chief Executive Officer, Director	Dec. 31, 2018	371,800	84,480	Nil	Nil	Nil	456,280
	Dec. 31, 2017	356,139	Nil	Nil	Nil	Nil	356,139
John (Ian) Stalker ⁽³⁾ Former Chief Executive Officer, Director	Dec. 31, 2018	80,318	Nil	Nil	Nil	Nil	80,318
	Dec. 31, 2017	243,920	Nil	Nil	Nil	Nil	243,920
Christopher Muller ⁽⁴⁾ Vice President, Exploration	Dec. 31, 2018	222,000	Nil	Nil	Nil	Nil	222,000
	Dec. 31, 2017	NA	NA	NA	NA	NA	N/A
Bryan Slusarchuk ⁽⁵⁾ Former President, Former Director	Dec. 31, 2018	54,000	Nil	Nil	Nil	Nil	54,000
	Dec. 31, 2017	216,000	Nil	Nil	Nil	Nil	216,000
Justin Blanchet Chief Financial Officer	Dec. 31, 2018	106,800	14,256	Nil	Nil	Nil	121,056
	Dec. 31, 2017	100,800	Nil	Nil	Nil	Nil	100,800
R. Stuart Angus ⁽⁶⁾ Chairman and Director	Dec. 31, 2018	75,000	Nil	Nil	Nil	Nil	75,000
	Dec. 31, 2017	75,000	Nil	Nil	Nil	Nil	75,000
Mark Eaton ⁽⁷⁾ Director	Dec. 31, 2018	12,000	Nil	Nil	Nil	Nil	12,000
	Dec. 31, 2017	12,000	Nil	Nil	Nil	Nil	12,000
Saurabh Handa ⁽⁸⁾ Director	Dec. 31, 2018	12,000	Nil	Nil	Nil	Nil	12,000
	Dec. 31, 2017	12,000	Nil	Nil	Nil	Nil	12,000
Graham Wheelock ⁽⁹⁾ Director	Dec. 31, 2018	12,000	Nil	Nil	Nil	Nil	12,000
	Dec. 31, 2017	12,000	Nil	Nil	Nil	Nil	12,000

NOTES TO TABLE 1:

- (1) The salaries for the NEOs are paid in CAD and U.S. dollars. For the purpose of reporting the salaries in the Summary Compensation Table are in U.S. currency, the salaries paid to the NEOs are converted using the Bank of Canada exchange rate on the date an amount was paid.
- (2) Mr. Lewins was appointed Chief Operating Officer on May 20, 2016 and appointed CEO on August 10, 2017.
- (3) Mr. Stalker was appointed CEO on May 20, 2016 and resigned on August 10, 2017. Compensation comprises \$12,000 in fees for services as a director and \$68,318 in consulting fees. The consulting fees as disclosed are the US dollar equivalent of GBP 5,000 per month.
- (4) Mr. Muller was appointed Vice President Exploration on October 6, 2017.
- (5) Mr. Slusarchuk was appointed President of the Company on May 20, 2016 and resigned as President and Director on March 31, 2018.
- (6) Compensation comprises fees received for service as Chair.
- (7) Compensation comprises fees received for service as a director.
- (8) Compensation comprises fees received for service as a director.
- (9) Compensation comprises fees received for service as a director.

Stock options and other compensation securities

The following table discloses all compensation securities granted or issued to each director and NEO by the Company in the most recently completed fiscal period ended December 31, 2018 for services provided or to be provided, directly or indirectly, to the Company.

Table 2
Compensation Securities Granted

Name and position	Type of security	Number of compensation securities, number of underlying securities, and percentage of class ⁽⁵⁾ ⁽⁶⁾	Date of issue or grant ⁽⁴⁾	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
John D. Lewins ⁽¹⁾ Chief Executive Officer, Director	stock options	500,000 (0.28%) 500,000 (0.28%)	April 30, 2018 Nov 19, 2018	0.85 0.74	0.82 0.74	0.84 0.84	April 30, 2023 Nov 19, 2023
John (Ian) Stalker ⁽²⁾ Director, Former Chief Executive Officer	stock options	100,000 (0.06%)	April 30, 2018	0.85	0.82	0.84	April 30, 2023
Bryan Slusarchuk ⁽³⁾ Former President, Former Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Christopher Muller ⁽⁴⁾ Vice President, Exploration	stock options	100,000 (0.06%) 50,000 (0.03%)	April 30, 2018 Nov 19, 2018	0.85 0.74	0.82 0.74	0.84 0.84	April 30, 2023 Nov 19, 2023
Justin Blanchet Chief Financial Officer	stock options	100,000 (0.06%) 100,000 (0.06%)	April 30, 2018 Nov 19, 2018	0.85 0.74	0.82 0.74	0.84 0.84	April 30, 2023 Nov 19, 2023
R. Stuart Angus Chairman and Director	stock options	400,000 (0.22%)	April 30, 2018	0.85	0.82	0.84	April 30, 2023
Mark Eaton Director	stock options	100,000 (0.06%)	April 30, 2018	0.85	0.82	0.84	April 30, 2023
Saurabh Handa Director	stock options	100,000 (0.06%)	April 30, 2018	0.85	0.82	0.84	April 30, 2023
Graham Wheelock Director	stock options	100,000 (0.06%)	April 30, 2018	0.85	0.82	0.84	April 30, 2023

NOTES TO TABLE 2:

- (1) Mr. Lewins was appointed COO and director May 20, 2016 and was appointed CEO on August 10, 2017.
- (2) Mr. Stalker was appointed CEO and director on May 20, 2016 and resigned as CEO on August 10, 2017.
- (3) Mr. Slusarchuk was appointed President and director on May 20, 2016 and resigned as an officer and director on March 31, 2018.
- (4) All stock options granted in 2018 are subject to vesting such that 1/3 of the number of options vest and were exercisable on the date of grant, 1/3 vest six months from the date of grant, and 1/3 vest twelve months from the date of grant.
- (5) The number of securities underlying each stock option is one Common Share.
- (6) Percentages represent the percentage of 181,451,219 common shares outstanding as at December 31, 2018.

The following table discloses all compensation securities granted or issued to each director and NEO by the Company in the most recently completed fiscal period ended December 31, 2018 for services provided or to be provided, directly or indirectly, to the Company.

Table 3
Compensation Securities Held

Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class ⁽⁵⁾	Date of issue or grant ⁽⁴⁾	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at Dec 31, 2018 (\$)	Expiry date
John D. Lewins ⁽¹⁾ Chief Executive Officer, Director	stock options	800,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		500,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		1,000,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		500,000	April 30, 2018	0.85	0.82		April 30, 2023
		500,000	Nov 19, 2018	0.74	0.74		Nov 19, 2023
John (Ian) Stalker ⁽²⁾ Director, Former Chief Executive Officer	stock options	1,150,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		450,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023
Bryan Slusarchuk ⁽³⁾ Former President, Former Director	stock options	1,150,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		370,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
Christopher Muller Vice President Exploration	stock options	100,000	Dec 5, 2016	1.00	1.00	0.84	Dec 5, 2021
		100,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023
		50,000	Nov 19, 2018	0.74	0.74		Nov 19, 2023
Justin Blanchet Chief Financial Officer	stock options	350,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		120,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		250,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023
		100,000	Nov 19, 2018	0.74	0.74		Nov 19, 2023
R. Stuart Angus Chairman and Director	stock options	825,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		260,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		400,000	April 30, 2018	0.85	0.82		April 30, 2023
Mark Eaton Director	stock options	200,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		100,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023
Saurabh Handa Director	stock options	100,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		100,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023
Graham Wheelock Director	stock options	100,000	May 20, 2016	0.45	N/A	0.84	May 20, 2021
		100,000	Dec 5, 2016	1.00	1.00		Dec 5, 2021
		150,000	Oct 23, 2017	0.65	0.57		Oct 23, 2022
		100,000	April 30, 2018	0.85	0.82		April 30, 2023

NOTES TO TABLE 3:

- (1) Mr. Lewins was appointed COO and director May 20, 2016 and was appointed CEO on August 10, 2017.
- (2) Mr. Stalker was appointed CEO and director on May 20, 2016 and resigned as CEO on August 10, 2017.
- (3) Mr. Slusarchuk was appointed President and director on May 20, 2016 and resigned on March 31, 2018.
- (4) All stock options granted in 2018 are subject to vesting such that 1/3 of the number of options vest and were exercisable on the date of grant, 1/3 vest six months from the date of grant, and 1/3 vest twelve months from the date of grant.
- (5) The number of securities underlying each stock option is one Common Share.

The following table discloses all exercises of compensation securities by directors or NEOs in the most recently completed fiscal year ended December 31, 2018. There were no expiries, cancellations or amendments of compensation securities between their grant date and December 31, 2018.

Table 4
Exercise of Compensation Securities by NEOs

Name and position	Type of compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
John D. Lewins Chief Executive Officer, Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
John (Ian) Stalker Former Chief Executive Officer, Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Bryan Slusarchuk Former President and Former Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Christopher Muller Vice President Exploration	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Justin Blanchet Chief Financial Officer	stock options	Nil	N/A	N/A	N/A	N/A	N/A
R. Stuart Angus Chairman and Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Mark Eaton Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Saurabh Handa Director	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Graham Wheelock Director	stock options	100,000 100,000	0.45 0.65	July 13, 2018 July 13, 2018	0.97 0.97	0.52 0.32	52,000 32,000

Compensation of Directors

The Board's practice is to remunerate non-executive directors for their commitment of time, duties and responsibilities at market rates for similar companies in comparable industries. The Board reviews on an annual basis the remuneration to non-executive directors and make determinations of appropriate remuneration based on market practice, workload and accountability. Independent external advice is sought when required.

In the financial year ended December 31, 2018, the non-executive directors, Mark Eaton, Saurabh Handa and Graham Wheelock received an annual retainer of US \$12,000 per annum for providing services as directors. Mr. Angus received US \$6,250 per month for serving as Chairman of the Board and Chair of the Compensation and Benefits Committee. The Company also reimburses each non-executive director for out-of-pocket expenses incurred on behalf the Company. In addition to monthly fees, the directors receive grants of stock options from time to time, as recommended by the Compensation and Benefits Committee.

COMPENSATION DISCUSSION AND ANALYSIS

Compensation and Benefits Committee

The Company has a Compensation and Benefits Committee (the “**Compensation Committee**”). The purpose of the Company’s compensation program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the interests of shareholders of the Company and to provide for transparent and defensible compensation.

- The Board, through the Compensation Committee (of which the majority are independent directors), is committed to the transparent presentation of its compensation program.
- The three principal elements that make up the compensation program are: base salary, long term incentives in the form of stock options, and cash bonuses.
- In the normal course, total executive compensation for NEOs (base salary, stock options and cash bonuses) is targeted at between the median quartile of market. A peer group is not considered.
- Stock options are awarded from time to time at the discretion of the Compensation Committee. Grants are based on, among other things, each recipient’s level of responsibility, length of tenure with the Company, and the degree to which the individual’s long-term contribution to the Company will be crucial to its overall long-term success, retention considerations, and performance motivation.

The Compensation Committee oversees the implementation of the Company’s executive compensation policies and philosophy, reviews the adequacy and form of compensation and/or benefits for directors and executives, assesses the individual performance of the Company’s executives, and makes recommendations to the Board. The Compensation Committee also assesses corporate and individual performance, recruiting and retention needs, and makes recommendations to the Board in respect of them. Based on these recommendations, the Board makes decisions concerning the nature and scope of the remuneration for directors and executive officers as well as other employees and consultants.

The Compensation Committee administers and makes recommendations to the Board with respect to the Stock Option Plan. The Company may also grant incentive stock options from time to time in accordance with the terms of its Stock Option Plan. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the employees, directors and consultants of the Company and to closely align the personal interests of such persons to those of the shareholders.

The Compensation Committee may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation. The Committee has not yet engaged such external advice.

The majority of the members of the Compensation Committee are independent. The Compensation Committee is made up of the following members, all of whom have experience in dealing with compensation matters:

R. Stuart Angus, Chair – Mr. Angus serves as Chair of the Compensation Committee. Mr. Angus is a retired lawyer who has served on the board and compensation committees of numerous publicly traded companies. He was previously Chair of the compensation committees of Bema Gold Corp., SouthGobi Resources Ltd. and First Quantum Minerals Ltd.

Mark Eaton – Mr. Eaton is an experienced investment professional with over 25 years of experience in equity capital markets specializing in the resource sector. He is currently the Chair and is the former CEO of Belo Sun Mining Corp. Mr. Eaton was a Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, from January 2007 until March 2008. He previously held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton has served in the capacity of CEO, President and director of several TSX and Exchange listed companies and in these roles has been involved in executive compensation proposals and decisions. Mr. Eaton is a member of the Compensation and Benefits Committee of UEX Corporation.

John (Ian) Stalker – Mr. Stalker is a senior mining executive with over 40 years' experience in mine development and operations. In his role as the Company's former CEO, among other duties, Mr. Stalker has been involved in matters relating to human resources and corporate executive compensation, planning and execution. Mr. Stalker has served on the boards and compensation committees of numerous publicly traded companies including Premier African Minerals, Plateau Energy Metals Inc., Aura Minerals Inc. and Brazilian Gold Inc.

Compensation Philosophy and Goals

The Board has the overall responsibility for the Company's compensation program. The Board has delegated certain research and oversight responsibilities to the Compensation Committee but retains final authority over the compensation program and process, including approval of material amendments to or the adoption of new equity-based compensation plans and the review and approval of Compensation Committee recommendations.

The Compensation Committee assesses the individual performance of the Company's executive officers and makes recommendations relating to compensation to the Board. Based on these recommendations, the Board makes decisions concerning the nature and scope of the compensation to be paid to the Company's executive officers. The Compensation Committee bases its recommendations to the Board on its compensation philosophy and the Compensation Committee's assessment of corporate and individual performance, recruiting and retention needs.

The Company has not yet developed a formal executive compensation program; however, in implementing its compensation philosophy the Compensation Committee and the Board are mindful that:

- compensation should be guided by a pay for performance philosophy;
- compensation should be market-competitive to attract and retain the leadership talent required to drive business results;
- compensation should be linked to corporate objectives, and individual performance in achieving those corporate objectives, while not encouraging excessive or inappropriate risk taking in order to maximize shareholder return; and
- compensation should motivate high performers to achieve exceptional levels of performance through rewards tied to performance.

Management of Risk

In designing and implementing the Company's compensation policies and philosophy, the Compensation Committee and the Board regularly assess the risks associated with the Company's policies and practices. The Compensation Committee maintains sufficient discretion and flexibility in implementing compensation decisions such that unintended consequences in remuneration can be minimized, while still allowing the Compensation Committee to be responsive to market forces in a competitive environment.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Stock Option Plan and Other Compensation Securities

The Company currently has in place a 10% “rolling” stock option plan (the “**Stock Option Plan**”) which meets the requirements of the Exchange and which was last approved by the Shareholders at the Company’s annual general and special meeting held on June 14, 2018. The underlying purpose of the Stock Option Plan is to attract and motivate the directors, officers, employees and consultants of the Company and to advance the interests of the Company by affording such persons with the opportunity to acquire an equity interest in the Company through rights granted under the Stock Option Plan.

The material terms of the Stock Option Plan are as follows:

1. The maximum aggregate number of Shares which may be issuable pursuant to options granted under the Stock Option Plan is 10% of the issued and outstanding Shares of the Company at the time of grant.
2. The term of any options granted are fixed by the Board at the time such options are granted, provided that options are not permitted to exceed a term of ten years.
3. The aggregate number of options granted to any one optionee in any 12-month period may not exceed 5% of the number of issued Shares, calculated on the date of option grant, without obtaining disinterested Shareholder approval.
4. The aggregate number of Shares reserved for issuance pursuant to options granted to Insiders (as a group) at any time may not exceed 10% of the number of issued Common Shares, calculated on the date of option grant, without obtaining disinterested Shareholder approval.
5. The aggregate number of options granted to any one consultant in a 12-month period may not exceed 2% of the number of issued Shares, calculated at the date an option is granted to the consultant.
6. The aggregate number of options granted to all persons or companies retained to provide investor relations activities (except employees & directors) may not exceed 2% of the number of issued Shares in any 12-month period, calculated at the date an option is granted.
7. Options granted to persons or companies providing investor relations activities must vest in stages over a 12-month period, with no more than $\frac{1}{4}$ of the options vesting in any 3-month period.
8. The number of Shares reserved for issuance to eligible charitable organizations shall not exceed 1% of the issued and outstanding Shares, calculated at the date such options are granted.
9. The exercise price of any options granted are determined by the Board, but cannot be less than the Discounted Market Price (as such term is defined by the Exchange), provided that (i) if the Company has just been recalled for trading following a suspension or halt, the Company must wait until a satisfactory market has been established before setting the exercise price for and granting options; (ii) a minimum price cannot be established unless the options are allocated to particular optionees; and (ii) if Options are granted within 90 days of a distribution of securities by way of a prospectus, the minimum exercise price of those Options will be the greater of the Discounted Market Price and the prospectus offering price (the 90 day period to be calculated from the date a final receipt is issued for the prospectus).
10. The Board of Directors may specify a vesting schedule in its discretion.
11. All options are non-assignable and non-transferable.

12. Any amendments to the Option Plan which may result in a reduction in the exercise price of stock options or the extension of the expiry date of stock options are subject to disinterested shareholder approval.
13. Options will be reclassified in the event of any consolidation, subdivision, conversion or exchange of the Shares.
14. Any options granted pursuant to the Stock Option Plan will terminate generally within 90 days of the option holder ceasing to act as a director, officer, employee or consultant of the Company, to the extent that such options have vested, unless such cessation is on account of death. If such cessation is on account of death, the options shall continue to vest and be exercisable for a period to be determined by the Board, which shall not be less than three months and not more than one year from the date of such cessation. Stock options held by employees or consultants who are terminated for cause or breach of contract, or by order of a securities commission or a stock exchange terminate immediately. Stock options held by persons or companies retained to provide investor relations activities must terminate within 30 days following such person or company ceasing to provide services.
15. If a Change in Control (as defined above) of the Company occurs, all Shares subject to option shall immediately vest and may thereupon become exercisable in whole or in part by the option holder.
16. The Stock Option Plan contains a black-out provision whereby the Company's directors, officers, employees, insiders or persons in a special relationship must refrain from trading in the Company's securities until the restriction has been lifted by the Board.
17. The Stock Option Plan must be approved by shareholders at each annual general meeting.

The Company has no other plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Securities Issued and Unissued under the Stock Option Plan

As at June 5, 2019, there are 14,603,000 options outstanding under the Stock Option Plan, at a weighted average exercise price of \$0.85. Based on the Company having 199,117,337 shares outstanding on June 5, 2019, a total of 5,308,734 options are available for issuance under the Stock Option Plan.

Equity Compensation Plan Information

The following table shows the equity securities authorized for issuance from treasury under the Stock Option Plan as at December 31, 2018, as approved by shareholders. The Company has no other plan providing for the grant of stock appreciation rights, deferred share units or restricted stock units or any other incentive plan or portion of a plan under which awards are granted.

Table 4
Equity Compensation Plan

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by the securityholders	16,384,100	\$0.67	1,761,022
Equity compensation plans not approved by the securityholders	N/A	N/A	N/A
Total	16,384,100	\$0.67	1,761,022

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND EMPLOYEES

None of the directors or senior officers of the Company or any associates or affiliates of the Company are or have been indebted to the Company at any time since the beginning of the last completed fiscal year of the Company.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no informed person or nominee for election as a director of the Company, or any associate or affiliate of an informed person or proposed director, has or had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed fiscal year or in any proposed transaction which has materially affected or will materially affect the Company or any of its subsidiaries other than as set out herein. The term "informed person" as defined in National Instrument 51-102 - *Continuous Disclosure Obligations* means a director or executive officer of the Company, or 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 carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution.

CORPORATE GOVERNANCE PRACTICES

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (the "**Disclosure Instrument**") requires the Company to annually disclose its corporate governance practices in accordance with Form 58-101F2.

The following is a discussion of each of the Company's corporate governance practices for which disclosure is required by the Disclosure Instrument. Unless otherwise indicated, the Board believes that its corporate governance practices are consistent with the guidance of National Policy 58-201 – *Corporate Governance Guidelines*.

Director Independence

A director is independent if he or she would be “independent” as defined by National Instrument 52-110 *Audit Committees*. Generally, directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director’s independent judgement.

The Company’s Board is comprised of a majority of independent directors.

Independent Directors. The Board is currently comprised of six (6) directors, four (4) of whom are independent. The Board has determined that R. Stuart Angus, Saurabh Handa, Mark Eaton and Graham Wheelock are independent directors.

Non-Independent Directors. The Board has determined that John Lewins is not independent as he is the Company’s current Chief Executive Officer. The Board has determined that John (Ian) Stalker is not independent as he was the Company’s Chief Executive Officer within the last three years.

The fact that the majority of Board members are independent facilitates the Board’s exercise of independent supervision over management. The Board will, in appropriate circumstances, meet separately from non-independent directors and the independent directors will have open and candid discussions among themselves.

Other Directorships

Certain of the Company’s directors are directors of other reporting issuers (or the equivalent in foreign jurisdictions), as set out in the following table:

Name of Director	Name of Reporting Issuer	Director and Committee Position
R. Stuart Angus	Kenadyr Mining (Holdings) Corp.	- Chair - Compensation Committee Member - Corporate Governance Committee Member
	San Marco Resources Inc.	- Co-Chair - Audit Committee Member - Compensation Committee Chair - Corporate Governance Committee Chair
Mark Eaton	Belo Sun Mining Corp.	- Chair
	UEX Corporation	- Compensation Committee Chair - Corporate Governance and Nominations Committee Member
Saurabh Handa	-	-
John Lewins	-	-
John (Ian) Stalker	Nexus Gold Corp.	- Chair
Graham Wheelock	-	-

Copies of the Board’s mandate, committee charters and any policies may be obtained upon request to the Company’s Corporate Secretary or through its website at www.K92Mining.com.

Orientation and Continuing Education

The Board is responsible for ensuring that all new directors receive a comprehensive orientation, that they fully understand the role of the Board and its committees, and that they understand the nature and operation of the Company’s business. In addition, the Board is responsible for providing continuing education opportunities designed to maintain or enhance the skills and abilities of the directors and to ensure that their knowledge and understanding of the business remains current.

Management provides each new director with an orientation handbook containing up-to-date information regarding the Company including, but not limited to, the Board mandate and committee charters, Company policies, guidelines and governance practices, Company organizational documents, information on the Company’s share capital and security based compensation arrangements, approved budget(s) and the annual Board and committee meeting calendar. Directors, including new Board members, regularly are provided an opportunity to interact with management to discuss key operational, financial and industry matters regarding the Company’s business.

Management informs and educates the Board on a continuing basis as necessary to keep the directors up-to-date with the Company, its business and the environment in which it operates. In addition, directors may take courses relevant to the Company and its business, particularly with respect to corporate governance and the mining industry, at the Company’s expense.

Ethical Business Conduct

The directors encourage and promote a culture of ethical business conduct through communication and supervision as part of their overall stewardship responsibility. The Company has adopted a Code of Business Conduct and Ethics (the “*Code*”) which addresses the Company’s continuing commitment to integrity and ethical behaviour. The Code is applicable to all employees, consultants, officers and directors regardless of their position in the organization, at all times and everywhere the Company does business. The Code provides that the Company’s employees, consultants, officers and directors will uphold its commitment to a culture of honesty, integrity, accountability and respect for the communities in which the Company operates. The Company requires the highest standards of professional and ethical conduct from its employees, consultants, officers and directors.

Certain members of the Board are directors or officers of, or have shareholdings in, other mineral resource companies and, to the extent that such other companies may participate in ventures in which the Company may participate, the directors of the Company may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation. Where such a conflict involves a particular Board member (i.e. where a Board member has an interest in a material contract or material transaction involving the Company), such Board member will be required to disclose his or her interest to the Board and refrain from voting at the Board meeting of the Company considering such contract or transaction in accordance with applicable law. It is not always easy to determine whether a conflict of interest exists, so any potential conflicts of interest are encouraged to be reported immediately to a member of senior management who is independent of the potential conflict and who will assess the issue with the advice of legal counsel. If deemed appropriate, the Company may establish a special committee of independent directors to review a matter in which several directors, or management, may have a conflict.

Board Mandate

The Board has assumed responsibility for the stewardship of the Company and has adopted a formal mandate setting out its stewardship responsibilities

Whistleblower Policy

The Board has adopted a whistleblower policy (the “**Whistleblower Policy**”). The Whistleblower Policy provides a procedure, mandate and responsibilities around handling anonymous complaints by directors, officers, employees and contractors who feel that a violation of the Code has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, whereby such violations can be reported to the Chair of the Audit Committee, whether through the whistle-blowing process or reported otherwise, and will be documented and approved.

Nomination of Directors

The Board has a Nominating and Corporate Governance Committee that is currently composed of the following independent Directors: Mark Eaton (Chair), Saurabh Handa and Graham Wheelock. The Nominating and Corporate Governance Committee was established to assist the Board with the nomination of directors and to develop, monitor and implement the Company’s approach to corporate governance.

The Board of Directors is committed to maintaining high standards of corporate governance in all aspects of the Company’s business and affairs and recognizes the benefits of fostering greater diversity in the boardroom. A fundamental belief of the Board of Directors is that a diversity of perspectives maximizes the effectiveness of the Board of Directors and decision-making in the best interests of the Company. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, is an important component in the Nominating and Corporate Governance Committee’s search for and selection of candidates. The Company seeks to increase diversity at the Board level through the recruitment efforts of the Nominating and Corporate Governance Committee and the Board aspire to increasing the representation of women on the Board, as director turnover occurs.

The role of the Nominating and Corporate Governance Committee is intended to, amongst other things: (i) identify individuals qualified to become members of the Board and Board committees; and recommend that the Board select such persons as nominees for appointment or election to the Board; (ii) develop and recommend to the Board corporate governance guidelines for the Company and make recommendations to the Board with respect to corporate governance practices; and (iii) recommend the establishment of such permanent or ad hoc committees of the Board as it deems necessary for the purposes of assisting in the corporate governance of the Company. All members shall have a working familiarity with corporate governance practices.

In fulfilling its responsibilities to identify individuals qualified to become members of the Board, the committee will consider: (i) the independence of each nominee; (ii) the experience and background of each nominee; (iii) the skill set of each nominee relative to the balance of skills required by the Board and its committees to meet their respective mandates; (iv) the overall diversity of the Board, including gender diversity; (v) the past performance of directors being considered for re-election; (vi) applicable regulatory requirements; and (vii) such other criteria as may be established by the Board or the Nominating and Corporate Governance Committee from time to time.

Director nominees must have a track record in general business management, expertise in an area of strategic interest to the Company, and the ability to devote the time required and a willingness to serve. The Nominating and Corporate Governance Committee also considers the size of the Board from time to time, and currently considers the size of the Board to be appropriate.

Having received management's nominees and utilizing their extensive knowledge of the industry and personal contacts to identify additional nominees, the Nominating and Corporate Governance Committee recommended to the Board the nomination of the proposed directors for election at the Meeting following a review of the experience, qualifications and background of each proposed director.

Diversity and Representation of Women on the Board and in Executive Officer Positions

The Company believes that a Board made up of highly qualified individuals from diverse backgrounds promotes better corporate governance, superior performance and effective decision-making. Diversity includes, but is not limited to: skills, competencies, gender, age, nationality, cultural background, education, geographic representation, business and other experience, particular areas of expertise, character and merit, and other characteristics in the environment in which the Company operates.

The Board recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, is an important component in the search for and selection of candidates.

The Company is also aware of the benefits of diversity at the executive level, and therefore female representation is a factor taken into consideration during the search process to fill leadership roles within the Company. When the Board selects candidates for executive officer positions, it considers not only the qualifications, personal qualities, gender, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Company's management to perform efficiently and act in the best interest of the Company and its stakeholders.

In that regard, the Company is in the process of developing a written diversity policy to communicate the importance that the Company places on the diversity of its Board and management team. The policy will include, among other objectives, the process for identification and nomination of women directors and the diversity in the workforce.

While the Company does not have any female directors at this time, it benefits from the service of women, including at the management level. Ms. Daisy Taylor is a Director of the Company's subsidiary, K92 Mining Ltd. and Ms. Nancy La Couvée holds the office of Corporate Secretary of the Company. Ms. Julie Beu is the Company's Gender Officer in Papua New Guinea (PNG).

The Company has not adopted any targets for the number of women in executive officer positions, but the diversity policy will provide guidance as to various diversity considerations in the future appointment of executive officers and directors. The Company is committed to advancing women, and other individuals representing a diversity of backgrounds, into leadership roles in the Company through mentoring, continuing educational development and succession planning processes. In particular, the Company has established the "Women in Mining" program in PNG, which supports women's groups in the communities and is supporting initiatives to increase the representation of females in its workforce and leadership team.

Board Assessments

The Nominating and Corporate Governance Committee established a formal process for assessing the effectiveness of the Board as a whole, its committees and individual directors. As part of this process, directors complete a detailed questionnaire which provides for quantitative and qualitative ratings of their individual performance in key areas and seeks subjective comment in each of those areas. The Nominating and Corporate Governance Committee also reviews the results of the self-assessment process for the Board and its committees and identifies areas requiring follow-up.

The Chairman of the Nominating and Corporate Governance Committee reviews individual responses on a confidential basis and provides a summary report to the Board consolidating such responses and the results of the assessment process. Action plans to follow up on any specific issues identified in the assessment process are monitored by the Nominating and Corporate Governance Committee. The evaluation process includes individual director self-assessments and committee performance reviews.

AUDIT COMMITTEE

National Instrument 52-110 *Audit Committees (“NI 52-110”)* of the Canadian Securities Administrators requires the Company, as a venture issuer, to disclose annually in its Information Circular certain information concerning the constitution of the Company’s audit committee (the “**Audit Committee**”) and its relationship with its independent auditor.

The Audit Committee Charter

The Company’s Audit Committee is governed by an audit committee charter. A copy of the Company’s Audit Committee Charter is attached hereto as Schedule “A”. The Audit Committee Charter may also be obtained upon request to the Company’s Corporate Secretary or through its website at www.K92Mining.com.

The Audit Committee is responsible for the review of both interim and annual financial statements for the Company. Board approval of interim financial statements is delegated to the Audit Committee. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries and to discuss with management and the external auditor of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditor.

Composition of the Audit Committee

The Company’s Audit Committee is comprised of three independent directors: Saurabh Handa (Chair), Mark Eaton and R. Stuart Angus. As a venture issuer, the Company is not required to have an audit committee that is comprised entirely of independent directors but is required that a majority of its members not be officers or employees of the Company.

All of the Audit Committee members are “financially literate”, as defined in NI 52-110, as all have the industry experience and expertise necessary to read, understand and analyze financial statements of the Company, as well as understand the complexity of issues, accounting principles, internal controls and procedures necessary for the Company’s financial reporting.

Relevant Education and Experience of Members of the Audit Committee

Each of the Audit Committee members have education and experience that is relevant to the performance of their responsibilities as audit committee members, as disclosed below.

Saurabh Handa - Mr. Handa is a mining professional with diverse senior experience that includes finance, mergers and acquisitions and multi-jurisdictional public company disclosures. He serves as the Chair of the Audit Committee. Mr. Handa was a Partner of Invictus Accounting Group LLP. from 2017 until 2019. Previously he held the position of CFO of Titan Mining Corp., Vice President, Finance of Imperial Metals Corp., CFO of Meryllion Resources Corp., CFO of Yellowhead Mining Inc. and Controller for SouthGobi Resources Ltd. Mr. Handa also served as a director and Chair of the Audit Committee for Banks Island Gold Ltd.

Mr. Handa is a Chartered Accountant and graduated with Honours from the University of British Columbia with a diploma in Accounting. Prior to joining the accounting profession, Mr. Handa obtained a Bachelor of Science degree in Genetics from the University of British Columbia and a diploma in Computer Systems from the British Columbia Institute of Technology.

Mark Eaton – Mr. Eaton is an experienced investment professional with over 25 years of experience in equity capital markets specializing in the resource sector. He is currently Executive Chairman, and is the former President and CEO of Belo Sun Mining Corp. Mr. Eaton was a Partner and Director of Loewen Ondaatje McCutcheon Ltd., a Toronto-based investment dealer, from January 2007 until March 2008. From 1998 to 2007, he held the position of Managing Director of Global Mining Sales, a division of CIBC World Markets of Toronto and Manager of US Equity Sales for CIBC World Markets. Mr. Eaton has also served in the capacity of CEO, President and director of several other TSX and Exchange listed companies. Mr. Eaton is a graduate from Hull University, England.

R. Stuart Angus - Mr. Angus has 40 years of experience focused on structuring and financing significant international exploration, development and mining ventures. He is now an independent business advisor to the mining industry and is presently Chair of the Company, and Co-Chair of San Marco Resources Inc. and Kenadyr Mining (Holdings) Corp. Mr. Angus served as Chair of Nevsun Resources Ltd. until its acquisition of Reservoir Minerals in 2017. He was previously managing Director of Mergers and Acquisitions for Endeavour Financial and formerly Head of the Global Mining Group for Fasken Martineau. Mr. Angus is a former Solicitor to, and director of, numerous publicly traded mineral companies during the course of which he has reviewed and analyzed numerous financial statements. He was Chairman of the Board of BC Sugar Refinery Limited, a Director of First Quantum Minerals, a Director of Canico Resources Corporation until its takeover by Brazil's CVRD, a Director of Bema Gold Corp. until its takeover by Kinross Gold Corporation, a Director of Ventana Gold Corp. until its takeover by AUX Canada Acquisition Inc. and a Director of Plutonic Power Corporation (now Alterra Power Corp.). He graduated from University of British Columbia in 1973.

Non-Audit Related Pre-Approval Policies and Procedures

All non-audit related services to be performed by the Company's independent auditor must be approved in advance by the Audit Committee and such approval is subject to ratification by the Board at its next meeting. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of the Audit Committee if it first adopts specific policies and procedures in respect of this delegation and provided such decisions are presented to the full Audit Committee for approval at its subsequent meeting.

Reliance on Certain Exemptions

The Company is relying on the exemptions provided by Parts 3 and 5 of NI 52-110, which exempts Venture Issuers, such as the Company, from the composition requirements of NI 52-110 and from certain reporting obligations of NI 52-110.

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 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 aggregate fees billed by the Company’s external auditor in the last two financial years, by category, are as follows:

Financial Year Ended	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
December 31, 2018	\$165,000	\$900	\$51,500	\$35,700
December 31, 2017	\$136,250	\$1,000	\$61,850	\$31,500

NOTES:

- (1) Represents the aggregate fees billed by the Company’s external auditor in each of the last two financial years for audit services.
- (2) Represents CPAB fees related to the annual audit.
- (3) Represents fees for preparation of income tax returns and stock options tax withholding analyses.
- (4) Represents the aggregate fees billed in each of the last two financial years by the Company’s external auditor for products and services not included under the headings “Audit Fees”, “Audit Related Fees” and “Tax Fees”. These other fees relate to reviews of interim financial statements.

OTHER COMMITTEES

Nominating and Corporate Governance Committee

The Board has a Nominating and Corporate Governance Committee that is comprised of the following independent Directors: Mark Eaton (Chair), Saurabh Handa and Graham Wheelock. The Nominating and Corporate Governance Committee was established to assist the Board with the nomination of directors and to develop, monitor and implement the Company’s approach to corporate governance.

For information on the Nominating and Corporate Governance Committee, please refer to the section titled “Nomination of Directors” in this Management Information Circular.

A copy of the Nominating and Corporate Governance Committee Charter may be obtained through the Company’s website at www.K92Mining.com or upon request to the Company’s Corporate Secretary.

Compensation and Benefits Committee

The Company has a Compensation and Benefits Committee (the “**Compensation Committee**”). The purpose of the Company’s Compensation Committee and program is to provide incentives to attract, motivate and retain qualified and experienced executives, to ensure their interests are aligned with the

interests of shareholders of the Company and to provide for transparent and defensible compensation. The committee is comprised of three directors: R. Stuart Angus (Chair) (Independent), Mark Eaton (Independent) and John (Ian) Stalker (not Independent). For information on the Compensation Committee’s policies and decisions, please refer to the section titled “Compensation Discussion and Analysis” in this management Information Circular.

A copy of the Compensation and Benefits Committee Charter may be obtained through the Company’s website at www.K92Mining.com or upon request to the Company’s Corporate Secretary at its head office

Health and Safety Committee

The Board maintains a Health and Safety Committee composed of executive Directors and a member of the Company’s management team. The committee members are directors John Lewins (Chair) and J. (Ian) Stalker, and the Company’s General Manager of the Kainantu Gold Mine, Peter du Plessis. The primary objective of the Health and Safety Committee is to review and oversee the Company’s established safety, health and environmental policies and procedures at the Company’s project sites. The Health and Safety Committee also reviews any incidents that occur and provides guidance on how to prevent recurrences.

A copy of the Health and Safety Committee Charter may be obtained through the Company’s website at www.K92Mining.com or upon request to the Company’s Corporate Secretary at its head office.

ADDITIONAL INFORMATION

Additional information regarding the Company and its business activities is available free of charge through the Company’s website at www.K92Mining.com or through the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com. This includes financial information, which is provided in the Company’s comparative financial statements and management’s discussion and analysis for its most recently completed quarter and financial year, and which may be viewed on the SEDAR website. Shareholders may contact the Company directly to receive copies of information relating to it, including its financial statements and management’s discussion and analysis, without charge, upon request to Company’s Corporate Secretary at 488 – 1090 West Georgia Street, Vancouver, B.C. Canada, V6E 3V7 (telephone +1-604-687-7130).

The contents of this Information Circular and its distribution to shareholders of the Company have been approved by the Board of Directors.

Dated at Vancouver, British Columbia this 5th day of June, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

“John D. Lewins”

John D. Lewins
Chief Executive Officer and Director

SCHEDULE "A"

K92 MINING INC.

AUDIT COMMITTEE CHARTER

1. GENERAL

The Audit Committee is a committee of the board of directors of the Company (the "Board"). Its primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing the financial information to be provided to the shareholders and others, the systems of internal controls and management information systems that management has established under supervision of the Audit Committee, the Company's internal and external audit process and monitoring compliance with the Company's legal and regulatory requirements with respect to its financial statements.

The Audit Committee is accountable to the Board. In the course of fulfilling its specific responsibilities hereunder, the Audit Committee is expected to attempt to maintain an open communication between the Company's external auditors and the Board.

The responsibilities of a member of the Audit Committee are in addition to such member's duties as a member of the Board.

The Audit Committee does not plan or perform audits or warrant the accuracy or completeness of the Company's financial statements or financial disclosure or compliance with generally accepted accounting procedures as these are the responsibility of management and the external auditors.

2. MEMBERSHIP

The Audit Committee consists of at least three directors who shall serve on behalf of the Board. The members are appointed annually by the Board and shall meet the independence, financial literacy and experience requirements of applicable securities laws and of the stock exchange(s) on which the securities of the Company are listed.

3. PROCEDURAL MATTERS

The Audit Committee shall be governed by this Committee Charter adopted by the Board, as modified from time to time, under the following procedural requirements and powers.

The Audit Committee:

Shall meet at least four times per year, either by telephone conference or in person.

- (a) May invite the Company's external auditors, the Chief Financial Officer, and such other persons are deemed appropriate by the Audit Committee to attend meetings of the Audit Committee.
- (b) Shall report material decisions and actions of the Audit Committee to the Board, together with such recommendations as the Committee may deem appropriate, at the next Board meeting.

- (c) Shall review the performance of the Audit Committee on an annual basis and report to the Board.
- (d) Shall review and assess the Charter for the Audit Committee at least annually and submit any proposed revisions to the Board for approval.
- (e) Has the power to conduct or authorize investigations into any matter within the scope of its responsibilities. It has the right to engage independent counsel and other advisors as it determines necessary to carry out its duties and the right to set the compensation for any advisors employed by the Audit Committee.
- (f) Has the right to communicate directly with the Chief Financial Officer (“CFO”) and other members of management who have responsibility for the audit process (“**internal audit management**”), if applicable, and external auditors.
- (g) Shall have access to any and all books and records of the Company necessary for the execution of the Committee’s obligations and shall discuss with the Chief Executive Officer (“CEO”) or CFO such records and other matters considered appropriate.
- (h) Shall have the authority to engage independent counsel and other advisors as the Audit Committee may deem appropriate in its sole discretion and to set and pay the compensation for any advisors employed by the Audit Committee. The Audit Committee shall not be required to obtain the approval of the Board in order to retain or compensate such consultants or advisors.

Meetings

No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Committee is present or by resolution in writing signed by all the members of the Committee. A majority of the members of the Committee shall constitute a quorum, provided that if the number of members of the Committee is an even number, one-half of the number of members plus one shall constitute a quorum.

4. RESPONSIBILITIES

The Audit Committee has primary responsibility for the selection, appointment, dismissal, compensation and oversight of the external auditors, subject to the overall approval of the Board. For this purpose, the audit Committee may consult with management.

I. External Auditors

The responsibilities of the Audit Committee are to:

- (a) Recommend to the Board:
 - (i) whether the current external auditor should be reappointed for the ensuing year;
 - (ii) if the current external auditor is not to be reappointed, select and recommend a suitable alternative; and
 - (iii) the amount of compensation to be paid to the external auditors.

- (b) Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Company.
- (c) Resolve disagreements, if any, between management and the external auditors regarding financial reporting. It accomplishes this by querying management and the external auditors. The Audit Committee provides the Board with such recommendations and reports with respect to the financial statements of the Company as it deems advisable.
- (d) Take reasonable steps to confirm the independence of the external auditors, including but not limited to pre-approving any non audit related services provided by the external auditors to the Company or the Company's subsidiaries, if any, with a view to ensuring independence of the auditors, and in accordance with any applicable regulatory requirements, including the requirements of any applicable stock exchange with respect to approval of non audit related services performed by the external auditors.
- (e) Pre-approve non-audit services (subject to ratification by the Board at its next meeting) to be performed by the external auditors. The Audit Committee may delegate certain pre-approval functions for non-audit services to one or more independent members of its Committee if it first adopts specific policies and procedures respecting same and provided such decisions are presented to the full Audit Committee for approval at its next meeting.
- (f) Obtain from the external auditors confirmation that the external auditors are a 'participating audit' firm for the purpose of National Instrument 52-108 (Auditor Oversight) and are in compliance with governing regulations.
- (g) Review and evaluate the performance of the external auditors including the external auditors' internal quality-control procedures.
- (h) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Company's external auditors.

II. Internal Auditors

The Audit Committee is responsible for assisting with Board oversight of the performance of the Company's internal audit function, if any. In connection with the Corporation's internal audit function, if any, the Audit Committee shall:

- (a) review the terms of reference of the internal auditor, if any, and meet with the internal auditor as the Audit Committee may consider appropriate to discuss any concerns or issues;
- (b) in consultation with the external auditor and the internal audit group, review the adequacy of the Company's internal control structure and procedures designed to ensure compliance with laws and regulations and any special audit steps adopted in light of material deficiencies and controls;
- (c) review the internal control report prepared by management, including management's assessment of the effectiveness of the Company's internal control structure and procedures for financial reporting; and

- (d) periodically review with the internal auditor, if any, any significant difficulties, disagreements with management or scope restrictions encountered in the course of the work of the internal auditor.

III. Audit and Review Process and Results

The Audit Committee has a duty to receive, review and make any inquiry regarding the completeness, accuracy and presentation of the Company's financial statements, MD& and annual and interim profit or loss press releases to ensure that the financial statements fairly present the financial position and risks of the organization and that they are prepared in accordance with generally accepted accounting principles. To accomplish this, the Audit Committee is required to:

- (a) Review annually the Company's internal system of audit and financial controls, internal audit procedures and results of such audits.
- (b) Prior to the annual audit by external auditors, consider the scope and general extent of the external auditors' review, including their engagement letter.
- (c) Ensure the external auditors have full, unrestricted access to required information and have the cooperation of management.
- (d) Review with the external auditors, in advance of the audit, the audit process and standards, as well as regulatory or Company-initiated changes in accounting practices and policies and the financial impact thereof, and selection or application of appropriate accounting principles.
- (e) Review with the external auditors and, if necessary, legal counsel, any litigation, claim or contingency, including tax assessments, that could have a material effect upon the financial position of the Company and the manner in which these matters are being disclosed in the financial statements. Review the appropriateness and disclosure of any off-balance sheet matters. Review disclosure of related-party transactions.
- (f) Receive and review with the external auditors, the external auditors' audit report and the audited financial statements. Make recommendations to the Board respecting approval of the audited financial statements.
- (g) Meet with the external auditors separately from management to review the integrity of the Company's financial reporting, including the clarity of financial disclosure and the degree of conservatism or aggressiveness of the accounting policies and estimates, performance of internal audit management, any significant disagreements or difficulties in obtaining information, adequacy of internal controls over financial reporting and the degree of compliance of the Company with prior recommendations of the external auditors. The Audit Committee shall direct management to implement such changes as the Audit Committee considers appropriate, subject to any required approvals of the Board arising out of the review.
- (h) Meet at least annually with the external auditors, independent of management, and report to the Board on such meetings.

IV. Interim Financial Statements and MD&A

The Board has delegated to the Audit Committee the power to approve the Company's interim financial statements and management's discussion and analysis. The Audit Committee shall:

- (a) Review on an annual basis the Company's practice with respect to review of interim financial statements by the external auditors.
- (b) Conduct all such reviews and discussions with the external auditors and management as it deems appropriate.
- (c) Review and, if appropriate approve the interim financial statements and management's discussion and analysis.
- (d) Review the interim financial statements with the external auditors if the external auditors conduct a review of the interim financial statements.

V. Involvement with Management

The Audit Committee has primary responsibility for overseeing the actions of management in all aspects of financial management and reporting. The Audit Committee:

- (a) Shall review all public disclosure of financial information extracted from the Company's financial statements prior to such information being made public by the Company and for such purpose, the CEO assumes responsibility for providing the information to the Audit Committee for their review.
- (b) Review material financial risks with management, the plan that management has implemented to monitor and deal with such risks and the success of management in following the plan.
- (c) Consult annually and otherwise as required with the Company's CEO and CFO respecting the adequacy of the internal controls and review any breaches or deficiencies.
- (d) Obtain such certifications by the CEO and CFO attesting to internal controls, disclosure and procedures as deemed advisable.
- (e) Review management's response to significant written reports and recommendations issued by the external auditors and the extent to which such recommendations have been implemented by management.
- (f) Review as required with management annual financial statements, quarterly financial statements, management's discussion & analysis, Annual Information Forms, future-oriented financial information or pro-forma information, press releases and other financial disclosure in continuous disclosure documents, prior to public disclosure of this information.
- (g) Review with management the Company's compliance with applicable laws and regulations respecting financial matters.

- (h) Review with management proposed regulatory changes and their impact on the Company.
- (i) Review with management and approve public disclosure of the Audit Committee Charter in the Company's Annual Information Form, Information Circular and on the Company's website.

5. COMPLAINTS

Complaints regarding accounting, internal accounting controls, or auditing matters may be submitted to the Audit Committee to the attention of the Chair. Complaints may be made anonymously and, if not made anonymously, the identity of the person submitting the complaint will be kept confidential. Upon receipt of a complaint, the Chair will conduct or designate a member of the Audit Committee to conduct an initial investigation. If the results of that initial investigation indicate there may be any merit to the complaint, the matter will be brought before the Audit Committee for a determination of further investigation and action. Records of complaints made and the resulting action or determination with respect to the complaint shall be documented and kept in the records of the Audit Committee for a period of three years.

6. REPORTING

The Audit Committee shall report to the Board of Directors at its regularly scheduled meetings.

7. EFFECTIVE DATE

This Charter was implemented by the Board on May 20, 2016 and modified on December 7, 2018.