

**BAMA GOLD CORP.**  
P.O. Box 10322, Pacific Centre  
Suite 1450 - 701 West Georgia Street  
Vancouver, BC V6C 2T4  
Phone: (604) 689-7422

## **INFORMATION CIRCULAR**

### **SOLICITATION OF PROXIES BY MANAGEMENT**

**This management information circular (the “Information Circular”) is furnished in connection with the solicitation of proxies by or on behalf of the management of Bama Gold Corp. (the “Company”) for use at the annual general meeting (the “Meeting”) of the shareholders of the Company (the “Shareholders”) to be held at Suite 1750 – 1185 West Georgia Street, Vancouver, British Columbia V6E 4E6 on Monday, December 21, 2015 at 10:15 a.m. (Vancouver time) and at any adjournments thereof for the purposes set out in the accompanying Notice of Meeting.** Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Company. Arrangements will also be made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of common shares of the Company (“**Common Shares**”) pursuant to the requirements of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*. The cost of any such solicitation will be borne by the Company.

The Company is not relying on the notice-and-access provisions of National Instrument 54-101 to send proxy related materials to registered shareholders or beneficial owners of shares in connection with the Meeting.

Unless otherwise stated, the information contained in this Information Circular is given as at November 16, 2015.

### **APPOINTMENT OF PROXYHOLDERS AND COMPLETION AND REVOCATION OF PROXIES**

The purpose of a proxy is to designate persons who will vote the proxy on a Shareholder’s behalf in accordance with the instructions given by the Shareholder in the proxy. The persons named in the enclosed proxy (the “**Management Designees**”) have been selected by the directors of the Company.

**A Shareholder has the right to designate a person (who need not be a Shareholder), other than the Management Designees to represent the Shareholder at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the proxy the name of the person to be designated, and by deleting from the proxy the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company.** Such Shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxyholder and attend the Meeting, and provide instructions on how the Shareholder’s shares are to be voted. The nominee should bring personal identification with them to the Meeting.

To be valid, the proxy must be dated and executed by the Shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy). The proxy must then be delivered to the Company’s registrar and transfer agent, Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or by fax within North America to 1-866-249-7775, and outside North America to (416) 263-9524, at least 48 hours,

excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Proxies received after that time may be accepted by the Chairman of the Meeting in the Chairman's discretion, but the Chairman is under no obligation to accept late proxies.

Any registered Shareholder who has returned a proxy may revoke it at any time before it has been exercised. A proxy may be revoked by a registered Shareholder personally attending at the Meeting and voting their shares. A Shareholder may also revoke their proxy in respect of any matter upon which a vote has not already been cast by depositing an instrument in writing, including a proxy bearing a later date executed by the registered Shareholder or by their authorized attorney in writing, or, if the Shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the office of the Company's registrar and transfer agent at the foregoing address or the head office of the Company, at P.O. Box 10322, Pacific Centre, Suite 1450 - 701 West Georgia Street, Vancouver, BC V6C 2T4, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used, or by depositing the instrument in writing with the Chairman of such Meeting, or any adjournment thereof. **Only registered Shareholders have the right to revoke a proxy. Non-registered Shareholders who wish to change their vote must, at least seven days before the Meeting, arrange for their respective nominees to revoke the proxy on their behalf.**

#### **VOTING OF PROXIES**

Voting at the Meeting will be by a show of hands, each registered Shareholder and each proxyholder (representing a registered or unregistered Shareholder) having one vote, unless a poll is required or requested, whereupon each such Shareholder and proxyholder is entitled to one vote for each Common Share held or represented, respectively. Each Shareholder may instruct their proxyholder how to vote their Common Shares by completing the blanks on the proxy. All Common Shares represented at the Meeting by properly executed proxies will be voted or withheld from voting when a poll is required or requested and, where a choice with respect to any matter to be acted upon has been specified in the form of proxy, the Common Shares represented by the proxy will be voted in accordance with such specification. **In the absence of any such specification as to voting on the proxy, the Management Designees, if named as proxyholder, will vote in favour of the matters set out therein.**

**The enclosed proxy confers discretionary authority upon the Management Designees, or other person named as proxyholder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters properly come before the Meeting, then the Management Designees intend to vote in a manner which in their judgment is in the best interests of the Company.**

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an "**ordinary resolution**"), unless the motion requires a "**special resolution**" in which case a majority of 66 2/3% of the votes cast will be required.

#### **BENEFICIAL HOLDERS**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" or "beneficial" shareholders because the shares they own are not registered in their names, but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "Beneficial Holder") but which are registered either: (a) in the name of an intermediary (an "Intermediary") that the Beneficial Holder deals with in respect

of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP's, RRIF's, RESP's and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited ("CDS")) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has distributed copies of the Notice of Meeting, this Information Circular and the Proxy (collectively, the "Meeting Materials") to the clearing agencies and Intermediaries for onward distribution to Beneficial Holders.

Intermediaries are required to forward the Meeting Materials to Beneficial Holders unless a Beneficial Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Beneficial Holders. Generally, Beneficial Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Beneficial Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Beneficial Holder when submitting the proxy. In this case, the Beneficial Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and **deposit it with the Company's transfer agent as provided above; or**
- (b) more typically, be given a voting instruction form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Beneficial Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for the form of proxy to validly constitute a proxy authorization form, the Beneficial Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and return it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company.

In either case, the purpose of this procedure is to permit Beneficial Holders to direct the voting of the shares which they beneficially own. Should a Beneficial Holder who receives one of the above forms wish to vote at the Meeting in person, the Beneficial Holder should strike out the names of the Management Proxyholders named in the form and insert the Beneficial Holder's name in the blank space provided. **In either case, Beneficial Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the proxy or proxy authorization form is to be delivered.**

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

Other than as set forth herein, management of the Company is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors, of any person or company who has been: (a) if the solicitation is made by or on behalf of management of the Company, a director or executive officer of the Company at any time since the beginning of the Company's last financial year; (b) if the solicitation is made other than by or on behalf of management of the Company, any person or company by whom or on whose behalf, directly or indirectly, the solicitation is made; (c) each proposed

nominee for election as a director of the Company; or (d) any associate or affiliate of any of the foregoing persons or companies.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

The Company is authorized to issue an unlimited number of common shares, without nominal or par value, of which as at the date hereof 11,945,221 common shares are issued and outstanding.

The holders of common shares of record at the close of business on the record date, set by the directors of the Company to be November 16, 2015, are entitled to vote such common shares at the Meeting on the basis of one vote for each common share held.

The Articles of the Company provide that a quorum for the transaction of business at the Meeting is two shareholders, or one or more proxyholder representing two members, or one member and a proxyholder representing another member.

To the knowledge of the directors and senior officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying more than 10% of the outstanding voting rights of the Company other than:

| <b>NAME OF SHAREHOLDER</b>         | <b>NUMBER OF SHARES</b> | <b>PERCENTAGE OF ISSUED AND OUTSTANDING</b> |
|------------------------------------|-------------------------|---|
| PACIFIC EQUITY<br>MANAGEMENT CORP. | 2,320,000               | 19.42%                                      |

The directors have determined that all shareholders of record as of the 16th day of November, 2015 will be entitled to receive notice of and to vote at the Meeting. Those shareholders so desiring may be represented by proxy at the Meeting. The instrument of proxy, and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, must be deposited either at the office of the Registrar and Transfer Agent of the Company, Proxy Dept., Computershare Investor Services Inc., Suite 300, 510 Burrard Street, Vancouver, B.C., V6C 3B9 (the number to fax proxies is (604) 661-9549), or at the Head Office of the Company at P.O. Box 10322, Pacific Centre, Suite 1450 - 701 West Georgia Street, Vancouver, BC V6C 2T4 not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the holding of the Meeting or any adjournment thereof.

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

TO THE KNOWLEDGE OF THE COMPANY'S DIRECTORS, THE ONLY MATTERS TO BE PLACED BEFORE THE MEETING ARE THOSE REFERRED TO IN THE NOTICE OF MEETING ACCOMPANYING THIS INFORMATION CIRCULAR. HOWEVER, SHOULD ANY OTHER MATTERS PROPERLY COME BEFORE THE MEETING, THE SHARES REPRESENTED BY THE PROXY SOLICITED HEREBY WILL BE VOTED ON SUCH MATTERS IN ACCORDANCE WITH THE BEST JUDGMENT OF THE PERSONS VOTING THE SHARES REPRESENTED BY THE PROXY.

Additional detail regarding each of the matters to be acted upon at the Meeting is set forth below.

## I. Financial Statements

The audited financial statements of the company for the financial year ended June 30, 2015 (the “Financial Statements”), together with the Auditors’ Report thereon, will be presented to the shareholders at the Meeting.

## II. Election of Directors

The board of directors of the Company (the “**Board**” or the “**Board of Directors**”) currently consists of four (4) directors, all of whom are elected annually. The term of office for each of the present directors of the Company expires at the Meeting. All of the current directors of the Company will be standing for re-election. It is proposed that the number of directors for the ensuing year be fixed at four (4) subject to such increases as may be permitted by the Articles of the Company. At the Meeting, the Shareholders will be asked to consider and, if thought fit, approve an ordinary resolution fixing the number of directors to be elected at the Meeting at four (4).

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next Annual General Meeting of the Company or until his successor is duly elected or appointed pursuant to the Articles of the Company unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (British Columbia) or the Company’s Articles.

**It is the intention of the management designees, if named as proxy, to vote for the election of the said persons to the Board of Directors, unless the Shareholder has specified in its proxy that its Common Shares are to be withheld from voting on the election of directors. Management does not contemplate that any of the nominees will be unable to serve as a director.**

The following information relating to the nominees for election to the Board of Directors is based on information received by the Company from said nominees.

| NAME, PRESENT OFFICE HELD AND PROVINCE OR STATE OF RESIDENCY                      | DIRECTOR SINCE | NUMBER OF SHARES BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY, OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED AT THE DATE OF THIS INFORMATION CIRCULAR | PRINCIPAL OCCUPATION AND IF NOT AT PRESENT AN ELECTED DIRECTOR, OCCUPATION DURING THE PAST FIVE (5) YEARS   |
|---|----------------|---|---|
| Martin Schultz<br>Director<br>British Columbia                                    | December 2014  | 300,000   | Independent businessman. Director of Zorro Capital Inc. and Jaguar Financial Corp.  |
| Douglas E. Ford <sup>(1)</sup><br>Director, CFO and Secretary<br>British Columbia | March 2008     | 99,730  | General Manager - Dockside Capital Group Inc.<br>Director and CFO - Rockridge Capital Corp. CFO Avanti Energy Inc. Director North American Nickel Inc.  |
| Edward D. Ford <sup>(1)</sup><br>Director<br>British Columbia                     | August 2008    | 227,333   | Chartered Accountant; President– Dockside Capital Group Inc. (1987 – present); Director, CEO and CFO – Zorro Capital Inc.; Director and Rockridge Capital Corp. and Director North American Nickel Inc. |

| NAME, PRESENT OFFICE HELD AND PROVINCE OR STATE OF RESIDENCY     | DIRECTOR SINCE | NUMBER OF SHARES BENEFICIALLY OWNED, DIRECTLY OR INDIRECTLY, OR OVER WHICH CONTROL OR DIRECTION IS EXERCISED AT THE DATE OF THIS INFORMATION CIRCULAR | PRINCIPAL OCCUPATION AND IF NOT AT PRESENT AN ELECTED DIRECTOR, OCCUPATION DURING THE PAST FIVE (5) YEARS          |
|--|----------------|---|--|
| Allen V. Ambrose <sup>(1)</sup><br>Director<br>Washington, U.S.A | August 2008    | 463,555   | Independent Mining Executive, President – Minera Andes Inc. (Nov/04-June/09); Director of several public companies |

<sup>(1)</sup> Member of the audit committee.

### ***Corporate Cease Trade Orders or Bankruptcies***

Other than as described below, to the knowledge of the Company, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

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

Edward D. Ford was a director of North American Nickel Inc., formerly Gemini International Technology Inc. ("North"), on June 22, 1992 when the Ontario Securities Commission issued a Cease Trade Order against North as a result of a failure to file annual financial statements for the year ended December 31, 1991 and interim financial statements for the financial period ended March 31, 1992. Subsequent to the issuance of the Cease Trade Order, North subsequently filed the required financial statements and the Cease Trade Order was revoked by the Ontario Securities Commission on July 22, 2010.

Douglas E. Ford was an officer of Casey Container Corp., formerly Sawadee Ventures, Inc. ("Casey") from September, 2006 to September 12, 2008, a director from September 2006 until January 19, 2009; and was a control person from September 2006 until July 2010. On January 20, 2009, the British Columbia Securities Commission issued a Cease Trade Order against Casey as a result of a failure to file interim financial statements and related management's discussion and analysis for the financial period ended September 30, 2008. Casey subsequently filed the required financial statements and related documents and the Cease Trade Order was revoked on June 10, 2010. In September 1992, Douglas E. Ford became a director of North while it was subject to a Cease Trade Order (see disclosure re: North above).

Allen V. Ambrose was a director of Century Mining Corporation ("Century"). On March 20, 2008 the British Columbia Securities Commission issued a cease trade order against the insiders of Century for not

filing in the correct form; a technical report under NI 43-101; interim financial statements for the financial period ended September 30, 2007 pursuant to NI 51-102; and management discussion and analysis for the period ended September 30, 2007. The cease order was rescinded on July 18, 2008 and is no longer in effect.

In addition Mr. Ambrose was director of Saxony Explorations Ltd. (now Century Mining Corporation ("Century")) which was halted from trading on the TSXV from April 2001 until March 2002 while the company was refinanced and acquired a property of merit in order to meet the TSXV's Tier 2 maintenance requirements and to move from "inactive" to "active" status. On March 20, 2008, the British Columbia Securities Commission issued a cease trade order against the insiders of Century for not filing in the correct form a technical report under National Instrument 43-101; interim financial statements for the financial period ended September 30, 2007; and a Management's Discussion and Analysis for the period ended September 30, 2007. The cease trade order was revoked on July 18, 2008.

Mr. Ambrose was also a former director of Mexivada Mining Corp. ("Mexivada"). On October 29, 2010, at the request of management, the British Columbia Securities Commission issued a cease trade order against the insiders of the Mexivada for not filing a comparative financial statement for its financial year ended June 30, 2010 and a Management's Discussion and Analysis for the period ended June 30, 2010. The cease trade order was rescinded on November 30, 2010 and is no longer in effect.

On October 31, 2011, at the request of management, the British Columbia Securities Commission issued a cease trade order against the insiders of the Mexivada for not filing a comparative financial statement for its financial year ended June 30, 2011 and a Management's Discussion and Analysis for the period ended June 30, 2011. The cease trade order was rescinded on November 24, 2011 and is no longer in effect.

In addition to the above, Mr. Ambrose was also a former director of Wolfeye Resource Corp. ("**Wolfeye**") which was issued a cease trade order on August 7, 2013 for not filing its comparative financial statements for the year ended March 31, 2013. On September 26, 2013, the cease trade order was rescinded.

### ***Individual Bankruptcies***

To the knowledge of the Company, no director or proposed director of the Company has, within the ten years prior to the date of this Circular, become bankrupt or made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 that individual.

### ***Penalties or Sanctions***

Other than as described below, no proposed director of the Company has been subject to 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 has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Edward D. Ford and Martin R. Schultz, were subject to a Cease Trade Order issued by the Alberta Securities Commission on July 25, 1990. At the relevant times preceding the date of issuance of the Cease Trade Order, Mr. Ford was a director and Mr. Schultz was a director and corporate secretary of Eleven Business Acquisitions Inc., an Alberta reporting issuer ("**Eleven**"). As a result of Eleven having failed to

comply with certain continuous disclosure obligations, the Alberta Securities Commission ordered that Mr. Ford and Mr. Schultz cease trading in all securities as defined in the *Securities Act* (Alberta) for a period of 30 days and 60 days, respectively, from the date of the Cease Trade Order.

### **III. Appointment of Auditors**

Management proposes the appointment of Charlton and Company, Chartered Accountants, as Auditors of the Company for the ensuing year and that the directors be authorized to fix their remuneration. Charlton and Company have been the Company's Auditors since 2008.

In the absence of instructions to the contrary the shares represented by proxy will be voted in favour of a resolution to appoint Charlton and Company, Chartered Accountants, as Auditors of the Company for the ensuing year, at a remuneration to be fixed by the Board of Directors, unless the Shareholder has specified in the Shareholder's proxy that the Shareholder's Common Shares are to be withheld from voting on the appointment of auditors.

### **IV. Approval of Incentive Stock Option Plan**

At last year's Annual General Meeting, the Shareholders approved a rolling stock option plan (the "Stock Option Plan"), authorizing the issuance of incentive stock options to eligible persons for up to an aggregate of 10% of the issued shares of the Company from time to time. There are currently 11,945,221 shares of the Company issued and outstanding, and therefore the current 10% threshold is 1,194,522 shares available for incentive stock option grants under the Stock Option Plan. Incentive stock options under the Stock Option Plan may be granted by the Board of Directors to eligible persons, who are directors, officers or consultants of the Company or its subsidiaries (if any), or who are employees of a company providing management services to the Company, or who are eligible charitable organizations. Stock options may be granted under the Stock Option Plan with a maximum exercise period of up to ten (10) years, as determined by the Board of Directors of the Company.

The Stock Option Plan will limit the number of stock options which may be granted to any one individual to not more than 5% of the total issued shares of the Company in any 12 month period (unless otherwise approved by the disinterested shareholders of the Company), and not more than 10% of the total issued shares to all insiders at any time or granted over any 12 month period. The number of options granted to any one consultant or person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued shares of the Company. Any stock options granted under the Stock Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board of Directors.

Options under the Plan may be granted at an exercise price which is at or above the current discounted market price (as defined under the policies of the Exchange) on the date of the grant. In the event of the death or permanent disability of an optionee, any option granted to such optionee will be exercisable upon the earlier of 365 days from the date of death or permanent disability, or the expiry date of the option. In the event of the resignation, or the termination or removal of an optionee without just cause, any option granted to such optionee will be exercisable for a period of 90 days thereafter. In the event of termination for cause, any option granted to such optionee will be cancelled as at the date of termination.

Shareholders are referred to the full text of the Stock Option Plan, a copy of which has been posted on SEDAR and is available for inspection under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com), for complete details.

The Company will be seeking Shareholders' ratification and approval of the Stock Option Plan at the Meeting.

There are no other matters to be acted upon at the Meeting.

**EXECUTIVE COMPENSATION**  
**(For the financial year ended June 30, 2015)**

For purposes of this Information Circular, "Named Executive Officer" or "NEO" of the Company means an individual who, at any time during the year, was:

- (a) the Company's chief executive officer ("CEO");
- (b) the Company's chief financial officer ("CFO");
- (c) each of the Company's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 for that financial year; and
- (d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year;

(each a "Named Executive Officer").

Based on the foregoing definition, during the last completed financial year of the Company, there were two Executive Officer(s), namely, its Chief Executive Officer, Karl Kottmeier, and its Chief Financial Officer, Douglas E. Ford.

**Compensation Discussion and Analysis**

In assessing the compensation of its executive officers, the Company does not have in place any formal objectives, criteria or analysis; instead, it relies mainly on Board discussion, with input from and upon the recommendations of, the Compensation Committee.

The Company's executive compensation program has three principal components: base salary, incentive bonus plan and stock options.

Base salaries for all employees of the Company are established for each position through comparative salary surveys of similar type and size companies. Both individual and corporate performances are also taken into account.

Incentive bonuses, in the form of cash payments, are designed to add a variable component of compensation based on corporate and individual performances for executive officers and employees. No bonuses were paid to executive officers and employees during the most recently completed financial year.

Other than pursuant to a Management Services Agreement dated August 1, 2008 between the Company and Pacific Equity Management Corporation ("PEMC") (see "Summary Compensation Table" below), the Company has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services

are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

### ***Option-Based Awards***

Stock options are granted to provide an incentive to the directors, officers, employees and consultants of the Company to achieve the longer-term objectives of the Company; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Company; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Company. The Company awards stock options to its executive officers based upon the recommendation of the Compensation Committee, which recommendation is based upon the Committee's review of a proposal from the Chief Executive Officer. Previous grants of incentive stock options are taken into account when considering new grants.

Implementation of a new incentive stock option plan and amendments to the existing stock option plan are the responsibility of the Company's Compensation Committee.

### **Summary Compensation Table**

The following table sets forth the total compensation paid to or earned by the Named Executive Officers for the Company's most recently completed financial year.

| NAME AND PRINCIPAL POSITION                                    | YEAR ENDED JUNE 30TH | SALARY (\$) | SHARE-BASED AWARDS (\$) | OPTION-BASED AWARDS <sup>(1)</sup> (\$) | NON-EQUITY INCENTIVE PLAN COMPENSATION (\$) |                           | PENSION VALUE (\$) | ALL OTHER COMPENSATION (\$) | TOTAL COMPENSATION |
|--|----------------------|-------------|-------------------------|---|---|---------------------------|--------------------|-----------------------------|--------------------|
|  |                      |             |                         |   | ANNUAL INCENTIVE PLANS                      | LONG-TERM INCENTIVE PLANS |                    |                             |                    |
| <b>Karl Kottmeier</b><br>President and Chief Executive Officer | 2015                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$Nil                       | \$Nil              |
|  | 2014                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$90,000 <sup>(2)</sup>     | \$90,000           |
|  | 2013                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$90,000 <sup>(2)</sup>     | \$90,000           |
| <b>Douglas E. Ford</b><br>Chief Financial Officer              | 2015                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$Nil                       | \$Nil              |
|  | 2014                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$90,000 <sup>(2)</sup>     | \$90,000           |
|  | 2013                 | \$Nil       | \$Nil                   | \$Nil                                   | \$Nil                                       | \$Nil                     | \$Nil              | \$90,000 <sup>(2)</sup>     | \$90,000           |

<sup>(1)</sup> The fair value of stock options granted during the last financial year is based on the difference between the exercise price of the stock options granted, and the last closing price of the Company's shares on the trading date immediately preceding the dates of grant of the stock options, as a reasonable estimate of the benefit conferred at the time of the grant.

<sup>(2)</sup> For the year ended June 30, 2015, the Company paid or accrued a total of \$360,000 (2014: \$360,000) to PEMC, a company controlled by officers of the Company for management services. Pursuant to a Management Services Agreement, the Company was required to pay \$30,000 per month, and the agreement can be terminated by either party with six months' notice. Pursuant to a settlement agreement dated June 29, 2015, the Company and PEMC agreed to: (i) settle all outstanding amounts for the payment of \$150,000 plus taxes and (ii) indefinitely reduce the ongoing retainer amount under the agreement to \$10,000 per month effective July 1, 2015. The result of this settlement required that the Company record other income of \$370,000 (2014: \$nil) to recognize the amount of management fee expense forgiven. The amounts disclosed in the table above under "All Other Compensation" represents the payments made by PEMC to the NEOs for the services rendered by the NEOs to the Company. PEMC is a management services company controlled by Karl Kottmeier and Douglas E. Ford,

each of whom is a director and officer of the Company, and Kirk Gamley an officer of the Company. The monthly management fee payable under the Agreement was \$30,000 plus taxes, prior to amendment as of July 1, 2015. The services provided by PEMC include the provision of the services of the following officers and employees: President, Chief Financial Officer; Vice President-Corporate Development; Vice President-Finance, Accountant, Administrator and Receptionist.

## Incentive Plan Awards

### *Outstanding Share-Based Awards and Option-Based Awards*

The following table sets forth the options granted to the Named Executive Officers to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year.

| NAME            | NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) | OPTION EXERCISE PRICE (\$) | OPTION EXPIRATION DATE | VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$) <sup>(1)</sup> |
|-----------------|---|----------------------------|------------------------|---|
| Karl Kottmeier  | 19,200  | \$1.20                     | January 17, 2016       | \$Nil   |
|                 | 29,500  | \$0.85                     | Sept. 27, 2016         | \$Nil   |
| Douglas E. Ford | 19,200  | \$1.20                     | January 17, 2016       | \$Nil   |
|                 | 29,500  | \$0.85                     | Sept. 27, 2016         | \$Nil   |

<sup>(1)</sup> Calculated based on the difference between the closing market price of the common shares on the last trading day of the most recently completed financial year (being \$0.055 on June 30 2015) and the exercise price of the options on that date.

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

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to Named Executive Officers during the most recently completed financial year. The aggregate value of the option based awards vested during the year is based on the difference between the Company share price on the vesting day of any options that vested during the financial year ended June 30, 2015 and the exercise price of the options.

| NAME            | OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$) | NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$) |
|-----------------|---|--|
| Karl Kottmeier  | Nil   | n/a  |
| Douglas E. Ford | Nil   | n/a  |

## Termination and Change of Control Benefits

The Agreement between the Company and PEMC (see “Summary Compensation Table” above) may be terminated by either party on six months’ notice. In the event there is a change of effective control of the Company, PEMC has the right to terminate the Agreement and in such event the Company shall pay PEMC a severance payment equal to twelve (12) months management fees. For purposes of the Agreement, “change of effective control” of the Company shall be deemed to have occurred when voting shares of the Company are acquired by any one person or group of persons acting in concert, through one transaction or a series of transactions, which when added to the number of voting shares previously owned by such person or group of persons acting in concert, would equal at least twenty percent (20%) of the total issued voting shares of the Company from time to time.

## Director Compensation

### Director Compensation Table

The following table sets forth the value of all compensation provided to directors, not including those directors who are also Named Executive Officers, for the Company's most recently completed financial year.

| NAME           | FEES EARNED | OPTION-BASED AWARDS <sup>(1)</sup> (\$) | ALL OTHER COMPENSATION (\$) | TOTAL (\$) |
|----------------|-------------|---|-----------------------------|------------|
| Edward Ford    | \$Nil       | \$Nil                                   | \$Nil                       | \$Nil      |
| Allen Ambrose  | \$Nil       | \$Nil                                   | \$Nil                       | \$Nil      |
| Martin Schultz | \$Nil       | \$Nil                                   | \$Nil                       | \$Nil      |

<sup>(1)</sup> The fair value of stock options granted during the last financial year is based on the difference between the exercise price of the stock options granted, and the last closing price of the Company's shares on the trading date immediately preceding the dates of grant of the stock options, as a reasonable estimate of the benefit conferred at the time of the grant.

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the options granted to the directors of the Company, not including those directors who are also Named Executive Officers, to purchase or acquire securities of the Company outstanding at the end of the most recently completed financial year.

| NAME           | OPTION-BASED AWARDS - NUMBER OF SECURITIES UNDERLYING UNEXERCISED OPTIONS (#) | OPTION EXERCISE PRICE (\$) | OPTION EXPIRATION DATE | VALUE OF UNEXERCISED IN-THE-MONEY OPTIONS (\$) <sup>(1)</sup> |
|----------------|---|----------------------------|------------------------|---|
| Edward Ford    | 19,200  | \$1.20                     | Jan. 17, 2016          | \$Nil   |
|                | 10,000  | \$0.85                     | Sept. 27, 2016         | \$Nil   |
| Allen Ambrose  | 19,200  | \$1.20                     | Jan. 17, 2016          | \$Nil   |
|                | 10,000  | \$0.85                     | Sept. 27, 2016         | \$Nil   |
| Martin Schultz | Nil   | Nil                        | Nil                    | \$Nil   |

<sup>(1)</sup> Calculated based on the difference between the closing market price of the common shares on the last trading day of the most recently completed financial year (being \$0.055 on June 30, 2015) and the exercise price of the options on that date.

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

The following table sets forth the value vested or earned during the year of option-based awards and non-equity incentive plan compensation paid to the directors of the Company, not including those directors who are also Named Executive Officers, during the financial year ended June 30, 2015. The aggregate value of the option based awards vested during the year is based on the difference between the Company share price on the vesting day of any options that vested during the financial year ended June 30, 2015 and the exercise price of the options.

| NAME        | OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$) | NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$) |
|-------------|---|--|
| Edward Ford | Nil   | n/a  |

| <b>NAME</b>    | <b>OPTION-BASED AWARDS – VALUE VESTED DURING THE YEAR (\$)</b> | <b>NON-EQUITY INCENTIVE PLAN COMPENSATION – VALUE EARNED DURING THE YEAR (\$)</b> |
|----------------|--|---|
| Allen Ambrose  | Nil  | n/a   |
| Martin Schultz | Nil  | n/a   |

### **EQUITY COMPENSATION PLAN INFORMATION**

The following table sets forth certain information pertaining to the Company’s equity compensation plan as at the end of the most recently completed financial year:

| <b>PLAN CATEGORY</b>                                      | <b>NUMBER OF SECURITIES TO BE ISSUED UPON EXERCISE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (A)</b> | <b>WEIGHTED-AVERAGE EXERCISE PRICE OF OUTSTANDING OPTIONS, WARRANTS AND RIGHTS (B)</b> | <b>NUMBER OF SECURITIES REMAINING AVAILABLE FOR FUTURE ISSUANCE UNDER EQUITY COMPENSATION PLANS (EXCLUDING SECURITIES REFLECTED IN COLUMN (A)) (C)</b> |
|---|--|--|--|
| Equity compensation plans approved by securityholders     | 234,800  | \$1.00   | 959,722  |
| Equity compensation plans not approved by securityholders | Nil  | Nil  | Nil  |
| <b>TOTAL</b>  | 234,800  | \$1.00   | 959,722  |

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

None of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, and no associates or affiliates of any of them, is or has been indebted to the Company or its subsidiaries at any time since the beginning of the Company's last completed financial year.

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

No Insider of the Company, no proposed nominee for election as a director of the Company and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company's last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

### **MANAGEMENT CONTRACTS**

Management functions of the Company and its subsidiaries are substantially performed by the Company’s directors and executive officers. Other than the contract listed in the Summary Compensation Table above the Company has not entered into any contracts, agreements or arrangements with parties other than its directors and executive officers for the provision of such management functions.

## CORPORATE GOVERNANCE

### General

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 - Corporate Governance Guidelines provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 - Disclosure of Corporate Governance Practices (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. This disclosure is presented below.

### Board of Directors

The Board facilitates its exercise of independent supervision over the Company's management through frequent meetings of the Board.

The Board will, assuming the election of management's nominees for appointment to the Board as described in this Information Circular, be comprised of four (4) directors, three of whom will be independent for the purposes of NI 58-101. Douglas E. Ford is not independent since he serves as Chief Financial Officer of the Company.

### Directorships

Certain of the directors and proposed directors are also directors of other reporting issuers, as follows:

| DIRECTOR                             | OTHER REPORTING ISSUERS  |
|--------------------------------------|--|
| Martin Schultz                       | Zorro Capital Inc. and Jaguar Financial Corp.  |
| Douglas E. Ford<br>CFO and Secretary | Rockridge Capital Corp., Avanti Energy Inc. and North American Nickel Inc.   |
| Edward D. Ford                       | Rockridge Capital Corp., Zorro Capital Inc. and North American Nickel Inc.   |
| Allen V. Ambrose                     | Director - Angel Gold Corporation, Codrington Resource Corporation, McEwen Mining Inc. (through the merger of Minera Andes Inc.), Pedro Resources Ltd. |

### Orientation and Continuing Education

New Board members receive an orientation package which includes reports on operations and results, and public disclosure filings by the Company. Board meetings are sometimes held at the Company's offices and, from time to time, are combined with presentations by the Company's management to give the directors additional insight into the Company's business. In addition, management of the Company makes itself available for discussion with all Board members.

### Ethical Business Conduct

The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest

have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

### **Nomination of Directors**

The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of view and experience.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole. However, if there is a change in the number of directors required by the Company, this policy will be reviewed.

### **Compensation Governance**

The Company does not have a separate Compensation Committee, so the entire Board of directors is responsible for, among other things, evaluating the performance of the Company's executive officers, determining or making recommendations to the Board with respect to the compensation of the Company's executive officers, making recommendations to the Board with respect to director compensation, incentive compensation plans and equity-based plans, making recommendations to the Board with respect to the compensation policy for the employees of the Company or its subsidiaries and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure.

The Board does not have a pre-determined compensation plan. The Company does not engage in benchmarking practices and the process for determining executive compensation is at the discretion of the Board.

The Board has not engaged the services of independent compensation consultants to assist it in making recommendations to the Board with respect to director and executive officer compensation. In performing its duties, the Board has considered the implications of risks associated with the Company's compensation policies and practices. At its present early stage of development and considering its present compensation policies, the Company currently has no compensation policies or practices that would encourage an executive officer or other individual to take inappropriate or excessive risks. An NEO or director is permitted for his or her own benefit and at his or her own risk, to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units or exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

### **Other Board Committees**

The Board has no other committees, other than the Audit Committee.

### **Assessments**

Due to the minimal size of the Company's Board of directors, no formal policy has been established to monitor the effectiveness of the directors, the Board and its committees.

## **AUDIT COMMITTEE**

Under National Instrument 52-110 – Audit Committees ("NI 52-110") reporting issuers are required to provide disclosure with respect to its Audit Committee including the text of the Audit Committee's Charter, composition of the Committee, and the fees paid to the external auditor. The Company provides the following disclosure with respect to its Audit Committee:

### **Audit Committee Charter**

#### **1. Purpose of the Committee**

1.1 The purpose of the Audit Committee is to assist the Board in its oversight of the integrity of the Company's financial statements and other relevant public disclosures, the Company's compliance with legal and regulatory requirements relating to financial reporting, the external auditors' qualifications and independence and the performance of the internal audit function and the external auditors.

#### **2. Members of the Audit Committee**

2.1 At least one member must be "financially literate" as defined under NI 52-110, having sufficient accounting or related financial management expertise to read and understand a set of financial statements, including the related notes, that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

2.2 The Audit Committee shall consist of no less than three Directors.

2.3 At least one member of the Audit Committee must be "independent" as defined under NI 52-110, while the Company is in the developmental stage of its business.

#### **3. Relationship with External Auditors**

3.1 The external auditors are the independent representatives of the shareholders, but the external auditors are also accountable to the Board of Directors and the Audit Committee.

3.2 The external auditors must be able to complete their audit procedures and reviews with professional independence, free from any undue interference from the management or directors.

3.3 The Audit Committee must direct and ensure that the management fully co-operates with the external auditors in the course of carrying out their professional duties.

3.4 The Audit Committee will have direct communications access at all times with the external auditors.

#### **4. Non-Audit Services**

4.1 The external auditors are prohibited from providing any non-audit services to the Company, without the express written consent of the Audit Committee. In determining whether the external auditors will be granted permission to provide non-audit services to the Company, the Audit Committee must consider that the benefits to the Company from the provision of such services,

outweighs the risk of any compromise to or loss of the independence of the external auditors in carrying out their auditing mandate.

4.2 Notwithstanding section 4.1, the external auditors are prohibited at all times from carrying out any of the following services, while they are appointed the external auditors of the Company:

- (i) acting as an agent of the Company for the sale of all or substantially all of the undertaking of the Company; and
- (ii) performing any non-audit consulting work for any director or senior officer of the Company in their personal capacity, but not as a director, officer or insider of any other entity not associated or related to the Company.

## **5. Appointment of Auditors**

5.1 The external auditors will be appointed each year by the shareholders of the Company at the annual general meeting of the shareholders.

5.2 The Audit Committee will nominate the external auditors for appointment, such nomination to be approved by the Board of Directors.

## **6. Evaluation of Auditors**

6.1 The Audit Committee will review the performance of the external auditors on at least an annual basis, and notify the Board and the external auditors in writing of any concerns in regards to the performance of the external auditors, or the accounting or auditing methods, procedures, standards, or principles applied by the external auditors, or any other accounting or auditing issues which come to the attention of the Audit Committee.

## **7. Remuneration of the Auditors**

7.1 The remuneration of the external auditors will be determined by the Board of Directors, upon the annual authorization of the shareholders at each general meeting of the shareholders.

7.2 The remuneration of the external auditors will be determined based on the time required to complete the audit and preparation of the audited financial statements, and the difficulty of the audit and performance of the standard auditing procedures under generally accepted auditing standards and generally accepted accounting principles of Canada.

## **8. Termination of the Auditors**

8.1 The Audit Committee has the power to terminate the services of the external auditors, with or without the approval of the Board of Directors, acting reasonably.

## **9. Funding of Auditing and Consulting Services**

9.1 Auditing expenses will be funded by the Company. The auditors must not perform any other consulting services for the Company, which could impair or interfere with their role as the independent auditors of the Company.

**10. Role and Responsibilities of the Internal Auditor**

10.1 At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for implementing internal controls and performing the role as the internal auditor to ensure that such controls are adequate.

**11. Oversight of Internal Controls**

11.1 The Audit Committee will have the oversight responsibility for ensuring that the internal controls are implemented and monitored, and that such internal controls are effective.

**12. Continuous Disclosure Requirements**

12.1 At this time, due to the Company's size and limited financial resources, the Company's Chief Executive Officer and Chief Financial Officer are responsible for ensuring that the Company's continuous reporting requirements are met and in compliance with applicable regulatory requirements.

**13. Other Auditing Matters**

13.1 The Audit Committee may meet with the Auditors independently of the management of the Company at any time, acting reasonably.

13.2 The Auditors are authorized and directed to respond to all enquiries from the Audit Committee in a thorough and timely fashion, without reporting these enquiries or actions to the Board of Directors or the management of the Company.

**14. Annual Review**

14.1 The Audit Committee Charter will be reviewed annually by the Board of Directors and the Audit Committee to assess the adequacy of this Charter.

**15. Independent Advisers**

15.1 The Audit Committee shall have the power to retain legal, accounting or other advisors to assist the Committee.

**Composition of Audit Committee**

Following the election of directors pursuant to this Information Circular, the following will be members of the Audit Committee:

|                  |                                |                                     |
|------------------|--------------------------------|-------------------------------------|
| Douglas E. Ford  | Not Independent <sup>(1)</sup> | Financially literate <sup>(2)</sup> |
| Allen V. Ambrose | Independent <sup>(1)</sup>     | Financially literate <sup>(2)</sup> |
| Edward D. Ford   | Independent <sup>(1)</sup>     | Financially literate <sup>(2)</sup> |

<sup>(1)</sup> A member of an audit committee is independent if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board of Directors, reasonably interfere with the exercise of a member's independent judgment.

<sup>(2)</sup> An individual is financially literate if he has the ability to read and understand a set of financial statements that present a breadth of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## Relevant Education and Experience

The relevant education and/or experience of each member of the Audit Committee is as follows:

Mr. Douglas E. Ford holds a BA in Political Science from the University of British Columbia in 1986. Mr. Ford is also directly responsible for the financial reporting of several public and private companies and has over 21 years' experience in financial reporting.

Mr. Ambrose holds a BSc in geology from Eastern Washington University and is a licensed Registered Professional Geologist, with 27 years of exploration and mining industry experience, throughout North and South America for gold, silver, and other commodities. He is Registered Geologist #763 with the State of Washington, a Member the Prospector's and Developer's Association, and a former trustee of the Northwest Mining Association. Mr. Ambrose also is a director of several public companies.

Mr. Edward D. Ford is a Canadian Chartered Accountant. He has held this professional qualification since 1961. During his career Mr. Ford has been an associate, manager and partner of several Canadian professional accounting firms that specialized in audit/assurance, taxation, insolvency and independent business consulting. Additionally he has served as a Chief Financial Officer of several public companies.

## Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

## Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of National Instrument 52-110.

## Pre-Approval Policies and Procedures

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

## External Auditor Service Fees

The fees billed by the Company's external auditors in each of the last two financial years for audit and non-audit related services provided to the Company or its subsidiaries (if any) are as follows:

| FINANCIAL YEAR<br>ENDING JUNE 30 | AUDIT FEES | AUDIT RELATED<br>FEES | TAX FEES | ALL OTHER FEES |
|----------------------------------|------------|-----------------------|----------|----------------|
| 2015                             | \$14,250   | Nil                   | Incl     | Nil            |

| <b>FINANCIAL YEAR<br/>ENDING JUNE 30</b> | <b>AUDIT FEES</b> | <b>AUDIT RELATED<br/>FEES</b> | <b>TAX FEES</b> | <b>ALL OTHER FEES</b> |
|--|-------------------|-------------------------------|-----------------|-----------------------|
| 2014                                     | \$15,300          | Nil                           | Incl            | Nil                   |

### **Exemption**

As a venture issuer, the Company is exempt from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110.

### **ADDITIONAL INFORMATION**

Financial information is provided in the Company's audited annual financial statements and accompanying management's discussion and analysis ("**MD&A**") for the year ended June 30, 2015.

Under National Instrument 51-102 – *Continuous Disclosure Obligations*, any person or company who wishes to receive interim financial statements from the Company may deliver a written request for such material to the Company or the Company's agent, together with a signed statement that the persons or company is the owner of securities of the Company. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Company's registrar and transfer agent, Computershare Investor Services Inc., Suite 300, 510 Burrard Street, Vancouver, B.C., V6C 3B9. The Company will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

Shareholders wishing to obtain copies of the Company's financial statements and related MD&A can do so by contacting the Company at Box 10322, Pacific Centre, Suite 1450 - 701 West Georgia Street, Vancouver, BC V6C 2T4 or by telephone at (604) 678-8941 to request copies of the Company's financial statements and related MD&A. Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **GENERAL**

Unless otherwise specified, all matters referred to herein for approval by the Shareholders require a simple majority of the Shareholders voting, in person or by proxy, at the Meeting.

Where information contained in this Information Circular, rests specifically within the knowledge of a person other than the Company, the Company has relied upon information furnished by such person.

The contents of this Information Circular have been approved and this mailing has been authorized by the Directors of the Company.

DATED at Vancouver, British Columbia as of the 16th day of November, 2015.

BY THE ORDER OF THE BOARD OF DIRECTORS OF BAMA GOLD CORP.

*s/ "Karl Kottmeier"*  
\_\_\_\_\_  
KARL KOTTMEIER  
President and Chief Executive Officer