

DALRADIAN RESOURCES

Notice of Meeting and Management Information Circular

For the Annual Meeting of Shareholders of
Dalradian Resources Inc.
To be held on June 23, 2017

Dated May 12, 2017

Management Information Circular Summary

This summary highlights information contained elsewhere in this Management Information Circular. It does not contain all of the information that you should consider.

Please read the entire Management Information Circular carefully before voting.

Voting Recommendations

Proposal	Board Recommendation
Appoint KPMG LLP, Chartered Accountants, as auditors and authorize the directors to fix their remuneration	FOR
Elect the 8 director nominees	FOR

Record Date

You are entitled to vote at the meeting if you were a holder of common shares at the close of business on May 10, 2017.

Proxy Submission Deadline

To ensure that your vote is counted, proxies must be received by 5:00 pm (Toronto time) on June 21, 2017.

Attending the Annual Meeting

If you plan to attend the Annual Meeting, please follow the instructions on page 1 of this Management Information Circular.

Governance Highlights

- ✓ 87.5% independent Board
- ✓ Diverse Board
- ✓ Annual election of all directors
- ✓ Independent committees
- ✓ Majority voting policy
- ✓ Individual director elections
- ✓ Separate Chair & CEO stock ownership requirements for directors
- ✓ Independent executive compensation consultant
- ✓ In-camera sessions at Board and committee meetings
- ✓ Annual Board, committee and director evaluations
- ✓ Orientation package for new directors

Meeting Information

Date: Friday June 23, 2017

Time: 10:00 a.m.
(Toronto Time)

Place: Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario

How You Can Access the Meeting Materials Online

Dalradian has again decided to deliver the Meeting Materials by posting them online at dalradian.com/investor-centre/Shareholder-Meetings.

The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use.

The Meeting Materials will be available on the Company's website as of May 17, 2017, and will remain on the website for one full year thereafter.

Your vote is very important! Please call the Company collect at 416-583-5620 if you have any questions or require a copy of the Meeting Materials to be mailed to you at no cost.

Director Nominees

Name	Age	Independent	Director since	% Votes at 2016 meeting	2016 Committees*	2016 Board attendance	No. of other public boards
James E. Rutherford Corporate Director	57	✓	2015	99.42	Board Chair, CSR (Chair), AC	100%	1
Dr. Nicole Adshead-Bell Corporate Director	43	✓	2015	99.43	AC, SHEA, CSR	100%	3
Patrick F. N. Anderson President and Chief Executive Officer	49		2009	93.00		100%	2
Patrick G. Downey Acting Executive Chairman of Orezone Gold Corporation	57	✓	2015	99.48	SHEA (Chair), GNC, CSR	100%	2
Ronald P. Gagel Executive Vice President and CFO of TMAC Resources Inc.	61	✓	2010	99.42	AC (Chair)	100%	1
Thomas Obradovich Corporate Director	56	✓	2011	99.40	GNC	100%	1
Sean E.O. Roosen Chairman and Chief Executive Officer of Osisko Mining Corporation	53	✓	2009	93.25	SHEA	92%	5
Jonathan Rubenstein Corporate Director	68	✓	2013	99.38	GNC (Chair), AC	100%	4

* AC – Audit Committee | CSR – Corporate Social Responsibility Committee

GNC – Governance, Nominating and Compensation Committee | SHEA – Safety, Health and Environmental Affairs Committee

Director Nominee Qualifications and Experience

Dalradian's Board is comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. The skills and backgrounds collectively represented on the Board reflects the diverse nature of the business environment in which Dalradian operates.

	Board Experience	Executive Experience	Industry Knowledge	Northern Ireland	Exploration, Development, Mining	Corporate Social Responsibility	Legal / Litigation	Financial Expertise / Literacy	Capital Markets	Corporate Governance
James E. Rutherford	•		•	•			•	•	•	
Dr. Nicole Adshead-Bell	•		•		•		•	•		
Patrick F. N. Anderson	•	•	•	•				•		
Patrick G. Downey	•	•	•	•	•			•		
Ronald P. Gagel	•	•	•				•	•		
Thomas Obradovich	•	•	•		•			•	•	
Sean E.O. Roosen	•	•	•	•	•		•	•	•	
Jonathan Rubenstein	•	•	•				•	•	•	•
Total	8	6	8	3	5	4	2	5	8	4

**DALRADIAN RESOURCES INC.
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the annual meeting of shareholders (the “**Meeting**”) of Dalradian Resources Inc. (the “**Company**”) will be held at 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada, M5H 3C2, on Friday, June 23, 2017 at 10:00 am (Toronto time), for the following purposes:

- (a) to receive and consider the consolidated financial statements of the Company for the year ended December 31, 2016 and the report of the auditors thereon;
- (b) to appoint KPMG LLP, Chartered Accountants, as the auditors of the Company for the ensuing year and to authorize the directors to fix their remuneration;
- (c) to elect the directors of the Company for the ensuing year; and
- (d) to transact such other business as may properly come before the Meeting or any adjournments or postponements thereof.

This notice is accompanied by a management information circular, a form of proxy (or voting instruction form, as applicable), and in the case of all registered shareholders and those beneficial shareholders who have so requested through the election procedures on the form of proxy provided by the Company in its last annual mailing, a copy of the Company’s consolidated financial statements and management’s discussion and analysis for the year ended December 31, 2016 (collectively, the “**Meeting Materials**”). A copy of the consolidated financial statements and management’s discussion and analysis are also available upon request from the Company and can be found on SEDAR at www.sedar.com or on the Company’s website at www.dalradian.com.

This year, as described in the notice-and-access notification mailed to shareholders of the Company, the Company has again decided to deliver the Meeting Materials by posting them to the website found at www.dalradian.com/investor-centre/Shareholder-Meetings. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Company’s printing and mailing costs. The Meeting Materials will be available on the Company’s website as of May 17, 2017, and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at www.sedar.com.

Shareholders may request copies of the Meeting Materials from the Company at no cost by calling collect at (416) 583-5620.

If you would like more information about the “notice-and-access” rules, please contact the Company by calling collect at (416) 583-5620.

Shareholders who are unable to attend the Meeting are requested to complete, date, sign and return the enclosed form of proxy so that as large a representation as possible may be had at the Meeting.

The Board has by resolution fixed the close of business on May 10, 2017 as the record date, being the date for the determination of the registered holders of common shares of the Company entitled to notice of and to vote at the Meeting and any adjournments or postponements thereof.

The Board has by resolution fixed 5:00 p.m. (Toronto time) on the second business day (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof, as the time by which proxies to be used or acted upon at the Meeting or any adjournments or postponements thereof shall be deposited with the Company’s transfer agent, Computershare Investor Services Inc., in accordance with the instructions set forth in the

accompanying management information circular and form of proxy. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

DATED at Toronto, Ontario this 12th day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Patrick F.N. Anderson"

Patrick F. N. Anderson
Chief Executive Officer, President and Director

**DALRADIAN RESOURCES INC.
MANAGEMENT INFORMATION CIRCULAR**

Solicitation of Proxies

This management information circular is furnished in connection with the solicitation of proxies by management and the directors of Dalradian Resources Inc. (the “Company”) for use at the annual meeting of shareholders (the “Meeting”) of the Company to be held at the time and place and for the purposes set forth in the accompanying notice of meeting. References in this management information circular to the Meeting include any adjournments or postponements thereof. It is expected that the solicitation will be primarily by mail, using notice-and-access; however, proxies may also be solicited personally by the directors and by regular employees of the Company. The Company may also use the services of an outside proxy solicitation agency to solicit proxies. The cost of solicitation will be borne by the Company.

The board of directors (the “Board”) of the Company has fixed the close of business on May 10, 2017 as the record date, being the date for the determination of the registered holders of common shares of the Company (the “Common Shares”) entitled to receive notice of and to vote at the Meeting. Duly completed and executed proxies must be received by the Company’s transfer agent, Computershare Investor Services Inc., at the address indicated on the enclosed envelope no later than 5:00 p.m. (Toronto time) on the second business day (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

Unless otherwise stated, the information contained in this management information circular is as of May 12, 2017. **In this management information circular, all dollar amounts referenced, unless otherwise indicated, are expressed in Canadian dollars.**

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Company. **A shareholder desiring to appoint some other person, who need not be a shareholder, to represent him at the Meeting, may do so by inserting such person’s name in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy at the office of the Company’s transfer agent, Computershare Investor Services Inc., indicated on the enclosed envelope no later than 5:00 p.m. (Toronto time) on the second business day (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof.**

A shareholder forwarding the enclosed proxy may indicate the manner in which the appointee is to vote with respect to any specific item by checking the appropriate space. If the shareholder giving the proxy wishes to confer discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the proxy submitted by a shareholder will be voted in accordance with the directions, if any, given in the proxy.

A proxy given pursuant to this solicitation may be revoked by an instrument in writing executed by a shareholder or by a shareholder’s attorney authorized in writing (or, if the shareholder is a corporation, by a duly authorized officer or attorney) and deposited either at the head office of the Company (Dalradian Resources Inc., Queen’s Quay Terminal, 207 Queens Quay West, Suite 416, Toronto, Ontario M5J 1A7, Attention: Marla Gale, Corporate Secretary) at any time up to and including the last business day preceding the day of the Meeting or with the Chairman of the Meeting on the day of the Meeting or in any other manner permitted by law.

Exercise of Discretion by Proxies

The persons named in the enclosed form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of all the resolutions described below. The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting.** As at the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.

Voting by Non-Registered Shareholders

Only registered shareholders of the Company or the persons they appoint as their proxies are permitted to vote at the Meeting. You are a non-registered or beneficial shareholder ("**Non-Registered Shareholder**") if your securities broker, financial institution, trustee or custodian (each, an "**Intermediary**") or clearing agency holds the shares for you in a nominee account.

Your Intermediary, its agent or its nominee can only vote your shares of the Company if they have received proper voting instructions from you. If you are a Non-Registered Shareholder, your package includes a notice-and-access notification and a voting instruction form (collectively, the "**Mailed Materials**"). Complete the form and follow the return instructions on the form.

The voting instruction form is similar to a proxy form, however it can only instruct the registered shareholder how to vote your shares. You cannot use the voting instruction form to vote your shares directly.

Your Intermediary is required by law to receive voting instructions from you before voting your shares. Every Intermediary has their own mailing procedures and instructions for returning the completed voting instruction form, so be sure to follow the instructions provided on the form.

Most Intermediaries delegate responsibility for obtaining instructions from their clients to Broadridge Investor Communications Corporation ("**Broadridge**"). Broadridge mails the Mailed Materials to Non-Registered Shareholders, at our expense, unless a Non-Registered Shareholder has waived the right to receive them. See also "Notice-and-Access", below, for further information.

A Non-Registered Shareholder may revoke a voting instruction form or a waiver of the right to receive Mailed Materials and to vote which has been given to an Intermediary at any time by written notice to the Intermediary provided that an Intermediary is not required to act on a revocation of a voting instruction form or of a waiver of the right to receive Mailed Materials and to vote which is not received by the Intermediary at least seven days prior to the Meeting.

Notice-and-Access

As a result of regulatory amendments to securities laws governing the delivery of proxy-related materials, public companies are now permitted to advise their shareholders of the availability of the management information circular on an easily-accessible website, rather than mailing physical copies. The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and the Company's carbon footprint, and it will also reduce the Company's printing and mailing costs. The Company has therefore decided to deliver this management information circular, the notice of meeting, the form of proxy and the Company's consolidated financial statements and management's discussion and analysis for the year ended December 31, 2016 (together with the Mailed Materials, the "**Meeting Materials**") to shareholders by posting such documents on the website found at www.dalradian.com/investor-centre/Shareholder-Meetings. The Meeting Materials will be available on the Company's website as of May 17, 2017 and will remain on the website for one full year thereafter. The Meeting Materials will also be

available on SEDAR at www.sedar.com. All shareholders will also receive a notice-and-access notification which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company at no cost by calling collect to (416) 583-5620.

Requests for paper copies must be received by June 13, 2017 or at least ten days in advance of any date the Meeting is adjourned to, in order to receive the Meeting Materials in advance of the proxy deposit deadline (being 5:00 p.m. (Toronto time) on the second business day (excluding Saturdays, Sundays and statutory holidays in the City of Toronto, Ontario) prior to the time set for the Meeting or any adjournments or postponements thereof). The Meeting Materials will be sent to such shareholders within three business days of their request, if such requests are made within the foregoing timeframe.

If you would like more information about the “notice-and-access” rules, please contact the Company by calling collect at (416) 583-5620.

Voting Securities and Principal Holders Thereof

As of May 10, 2017, 250,789,372 Common Shares were issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting. The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting has been fixed at May 10, 2017. All such holders of record of Common Shares are entitled either to attend and vote thereat in person the Common Shares held by them or, provided a completed and executed proxy shall have been delivered to the Company’s transfer agent within the time specified in the attached notice of meeting, to attend and vote thereat by proxy the Common Shares held by them.

To the knowledge of the directors and executive officers of the Company, as of the date hereof, there were no persons or companies who beneficially owned, or exercised control or direction over, directly or indirectly, voting securities of the Company carrying more than 10% of the voting rights attached to any class of voting securities of the Company, other than:

<u>Name</u>	<u>Number of Common Shares Held⁽¹⁾</u>	<u>Percentage of Common Shares Issued and Outstanding</u>
Vanguard Precious Metals and Mining Fund	45,625,000 ⁽²⁾	18.2%

(1) The information as to Common Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, not being within the knowledge of the Company, is based on filings made by the shareholder pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*.

(2) Vanguard Precious Metals and Mining Fund has beneficial ownership and M&G Investment Management Limited exercises control or direction over the Common Shares.

Interest of Certain Persons in Matters to be Acted Upon

No (a) director or executive officer of the Company who has held such position at any time since January 1, 2016; (b) proposed nominee for election as a director of the Company; or (c) associate or affiliate of a person in (a) or (b) has 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.

Appointment of Auditors

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote for the appointment of KPMG LLP, Chartered Accountants, as auditors of the Company until the close of the next annual meeting of shareholders and to authorize the Board to fix the remuneration of the auditors. KPMG LLP was first appointed as the Company’s auditors effective as of June 21, 2011.

Election of Directors

The Board presently consists of eight directors and it is intended to elect eight directors for the ensuing year. **Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote for the election of the eight nominees whose names are set forth below.** Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, it is intended that discretionary authority shall be exercised by the persons named in the accompanying proxy to vote the proxy for the election of any other person or persons in place of any nominee or nominees unable to serve. Each director elected will hold office until the next annual meeting of shareholders of the Company unless his or her office is earlier vacated.

The following table sets forth the name, municipality of residence, the period or periods during which each has served as a director of the Company, principal occupation and number of Common Shares beneficially owned or controlled by each nominee for election as a director of the Company. The number of Common Shares, stock options, restricted share units (“RSUs”) and deferred share units (“DSUs”) beneficially owned, directly or indirectly, or over which control or direction is exercised by the nominees for election as directors hereinafter named is in each instance based upon information furnished by the person concerned and is provided as of the date hereof.

The Company’s By-Laws include an advance notice requirement for nominations of directors by shareholders in certain circumstances. As at the date hereof, the Company has not received notice of any director nominations in connection with the Meeting within the time periods prescribed by such By-Laws.

Name, Municipality of Residence and Position with the Company	Director Since	Principal Occupation for Past Five Years	Number of Common Shares Beneficially Owned, or Over Which Control or Direction is Exercised, Directly or Indirectly
James E. Rutherford ⁽¹⁾⁽⁴⁾ Chairman <i>London, United Kingdom</i>	June 23, 2015 June 27, 2016 (Chairman)	Director of Anglo American plc (2013 – Present); Senior Vice President of Capital International Investors (1997-2013)	62,500 ⁽⁵⁾
Dr. Nicole Adshead- Bell ⁽¹⁾⁽³⁾⁽⁴⁾ Director <i>Vancouver, British Columbia</i>	December 3, 2015	Director of Beadell Resources Limited (2016 – Present) President of Cupel Advisory Corp. (2011 and 2015 – Present) Director of Pretium Resources Inc. (2015 – Present) Director of Lithium Americas Corp. (2016 – Present) Director of Mining Research at Sun Valley Gold LLC (2012-2015)	Nil ⁽⁶⁾

Name, Municipality of Residence and Position with the Company	Director Since	Principal Occupation for Past Five Years	Number of Common Shares Beneficially Owned, or Over Which Control or Direction is Exercised, Directly or Indirectly
Patrick F. N. Anderson Director, President and Chief Executive Officer <i>Toronto, Ontario</i>	Oct 30, 2009 May 14, 2015 to June 27, 2016 (Chairman)	Chief Executive Officer of the Company; Chairman of the Board of Directors (2015-2016)	4,216,361 ⁽⁷⁾
Patrick G. Downey ⁽²⁾⁽³⁾⁽⁴⁾ Director <i>Vancouver, British Columbia</i>	June 23, 2015	Acting Executive Chairman of Orezone Gold Corporation (2011 – Present); President and Chief Executive Officer of Elgin Mining Inc. (2011 – 2014)	211,250 ⁽⁸⁾
Ronald P. Gagel ⁽¹⁾ Director <i>Mississauga, Ontario</i>	June 9, 2010	Executive Vice President and Chief Financial Officer of TMAC Resources Inc. (2013 – Present); Director of Stonegate Agricom; (2010 – Present)	175,000 ⁽⁹⁾
Thomas Obradovich ⁽²⁾ Director <i>Shanty Bay, Ontario</i>	May 13, 2011 – May 14, 2015 (Chairman) May 14, 2015 – June 27, 2016 (Lead Director)	Director of Barkerville Gold Mines Ltd. (2015 – Present); President and Chief Executive Officer of Canadian Continental Exploration Corp (2007 – Present); Self-employed executive and prospector	221,500 ⁽¹⁰⁾
Sean E.O. Roosen ⁽³⁾ Director <i>Toronto, Ontario</i>	October 30, 2009	Chairman and Chief Executive Officer of Osisko Gold Royalties Ltd. (2014 – Present); President, Chief Executive Officer and Director of Osisko Mining Corporation (2006 – 2014)	1,803,083 ⁽¹¹⁾

Name, Municipality of Residence and Position with the Company	Director Since	Principal Occupation for Past Five Years	Number of Common Shares Beneficially Owned, or Over Which Control or Direction is Exercised, Directly or Indirectly
Jonathan Rubenstein ⁽¹⁾⁽²⁾ Director <i>Vancouver, British Columbia</i>	June 27, 2013	Professional Director (2005 – Present); Director of Eldorado Gold Corporation (2009 – Present); Director of Detour Gold Corporation (2009 – Present); Director of Roxgold Inc. (2012 – Present); Director and Chairman of MAG Silver Corp. (2007 – Present)	79,600 ⁽¹²⁾

- (1) Member of the Audit Committee. Mr. Gagel is the Chairman.
- (2) Member of the Governance, Nominating and Compensation Committee. Mr. Rubenstein is the Chairman.
- (3) Member of the Safety, Health and Environmental Affairs Committee. Mr. Downey is the Chairman.
- (4) Member of the Corporate Social Responsibility Committee. Mr. Rutherford is the Chairman.
- (5) Mr. Rutherford also holds 600,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share, 62,500 warrants exercisable at \$1.04 per Common Share and 42,000 DSUs.
- (6) Dr. Adshead-Bell holds 450,000 options exercisable at prices of \$0.67 and \$1.19 per Common Share and 42,000 DSUs.
- (7) Mr. Anderson also holds 1,150,000 options exercisable at prices of \$0.67 and \$0.98 per Common Share, 180,556 warrants exercisable at prices of \$1.04 and \$1.50 per Common Share and 481,000 RSUs.
- (8) Mr. Downey also holds 600,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share, 111,250 warrants exercisable at \$1.04 per Common Share and 42,000 DSUs.
- (9) Mr. Gagel also holds 650,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share and 42,000 DSUs.
- (10) Mr. Obradovich also holds 750,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share and 42,000 DSUs.
- (11) Mr. Roosen also holds 650,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share, 229,166 warrants exercisable at prices of \$1.04 and \$1.50 per Common Share and 42,000 DSUs.
- (12) Mr. Rubenstein also holds 750,000 options exercisable at prices ranging from \$0.67 to \$1.19 per Common Share and 42,000 DSUs.

Biographical Information

Jim Rutherford

Chairman of the Board
Corporate Social Responsibility Committee, Chair
Audit Committee
Independent

Mr. Rutherford has more than 25 years of experience in investment banking and investment management, both as an institutional investor and analyst and, since November 2013, has served as a director of Anglo American plc, one of the largest UK-listed diversified mining companies. Between 1997 and 2013, he was a senior vice president of Capital International Investors (a division of Capital Group, one of the world's largest and longest established investment management companies), with responsibility for investments in the mining and metals industry. Prior to joining Capital Group, Mr. Rutherford was an investment analyst with HSBC James Capel's global mining team, based in New York. He also held analyst roles with Credit Lyonnais and CRU International. He received his Bachelor of Science in Economics and Computer Science from Queen's University, Belfast (UK) and gained his Master of Arts in Development Economics from the University of Sussex (UK).

Dr. Nicole Adshead-Bell

Audit Committee
Safety, Health and Environmental Affairs Committee
Corporate Social Responsibility Committee
Independent

Dr. Adshead-Bell has over 20 years of experience in the mining sector and capital markets, most recently as Director of Mining Research at Sun Valley Gold LLC, a US-based SEC registered investment advisor focused on the precious metals sector. She also sits on the board of directors of Pretium Resources Inc., Beadell Resources Limited and Lithium Americas Corp., and is the President of Cupel Advisory Corp. Previously, she was a Managing Director at Haywood Securities Inc., where she focused on building the company's M&A and financing business in the mining sector. Earlier in Dr. Adshead-Bell's career, she was a sell-side analyst at Dundee Securities Corp. and acted as a geological consultant for a range of mining companies. She was also previously a director of Vista Gold Corp. and Silver Bull Resources Inc. Dr. Adshead-Bell holds a Bachelor of Science Degree, a First Class Honours Degree in Geology, and a Ph.D. in Geology from James Cook University in North Queensland, Australia.

Patrick F. N. Anderson

Director, President and Chief Executive Officer

Mr. Anderson is an exploration geologist, entrepreneur and business executive with over 20 years of experience working in the resource sector. After graduating with a geology degree from the University of Toronto, he moved to Venezuela to work as the resident project geologist on a successful kimberlite exploration program. Since then, he has been a consulting geologist on gold, base metals and diamond projects for junior explorers, major producers and mineral industry consulting firms in South America, North America and Europe. Mr. Anderson was a director, President, Chief Executive Officer and co-founder of Aurelian Resources Inc. ("**Aurelian**") which discovered a 13.7 million ounce gold deposit in 2006 and was acquired by Kinross Gold in 2008. Mr. Anderson sits on the board of Osisko Mining Inc. and Strongbow Exploration Inc. He was named Mining Man of the Year by The Northern Miner in 2009 and received the Prospectors and Developers Association of Canada's ("**PDAC**") Thayer Lindsley award for an international mineral discovery in 2008.

Patrick G. Downey

Safety, Health and Environmental Affairs Committee, Chair
Governance, Nominating and Compensation Committee
Corporate Social Responsibility Committee
Independent

Mr. Downey has over 30 years of international experience in the resource industry. Most recently, Mr. Downey was the President and Chief Executive Officer of Elgin Mining Inc. ("**Elgin Mining**"), which was acquired by Mandalay Resources Inc. in June of 2014. Prior to joining Elgin Mining, Mr. Downey held the position of President, Chief Executive Officer and Director of Aura Minerals Inc. Mr. Downey was also President, Chief Executive Officer and a Director of Viceroy Exploration Ltd. before its acquisition by Yamana Gold Inc. in 2006. He also served as President of Oliver Gold Corporation and completed the merger of that company to form Canico Resource Corp., which was subsequently purchased by Vale Corporation for over \$800 million. He has held numerous senior engineering positions at several large-scale gold mining operations and has also held operating positions at several mining projects for Anglo American Corporation in South Africa. Mr. Downey is currently the Acting Executive Chairman of Orezone Gold Corporation and is on the board of directors of Victoria Gold Corporation, Pan Global Resources Inc. and GFG Resources Inc. Mr. Downey holds a Bachelor of Science (Hon.) degree in Engineering from Queen's University in Belfast, Ireland.

Ronald P. Gagel

Audit Committee, Chair
Independent

Mr. Gagel is a chartered professional accountant with more than 35 years of professional experience, predominantly in the mining sector. In January 2013, Mr. Gagel became the Executive Vice President and Chief Financial Officer of TMAC Resources Inc., a publicly traded Canadian emerging gold producer. Mr.

Gagel is currently a director of Stonegate Agricom Ltd., and has also been a director of other public companies including HudBay Minerals Inc., Central Sun Mining Inc. (now part of B2Gold Corp.) Adriana Resources Inc. (now Sprott Resource Holdings Inc.) and FNX Mining company Inc (“**FNX**”). Mr. Gagel had joined FNX in 2005 as Vice President and Chief Financial Officer and became Senior Vice President and Chief Financial Officer in 2006, a position he held until May 2010 upon the acquisition of FNX by Quadra Mining Ltd. (subsequently acquired by KGHM International Inc.). From 1988 to 2004, Mr. Gagel was at Aur Resources Inc. holding roles of increasing responsibility including Vice President and Chief Financial Officer from 1999 to 2004. Mr. Gagel was a director of the PDAC from 1997 to 2015 and was the 2013 recipient of the PDAC Distinguished Service Award. He has been the Chairman of a CPA Canada PDAC IFRS committee that produces “Viewpoints on IFRS accounting issues for the mining industry” since its inception in 2011. Mr. Gagel received his C.A. designation in 1981 with Coopers & Lybrand LLP (now PricewaterhouseCoopers LLP) and holds a Bachelor of Commerce, Honours Business Administration from the University of Windsor and a Bachelor of Science, Honours Zoology from the University of Western Ontario.

Thomas J. Obradovich

Governance, Nominating and Compensation Committee
Independent

Mr. Obradovich has more than 30 years of experience in mining exploration, development and financing. He sits on the board of directors of Barkerville Gold Mines Ltd. and is the President and Chief Executive Officer of Canadian Continental Exploration Corp. He was one of the key individuals behind Aurelian, which discovered the Fruta Del Norte gold deposit in Ecuador. He was also the co-founder of Canadian Royalties Inc., which discovered and developed the Raglan south nickel belt. Mr. Obradovich acquired most of the Matachewan gold camp and through a reverse takeover of Young-Davidson Mines Ltd., upgraded and doubled the resource which was subsequently acquired by Northgate Minerals in 2005. Mr. Obradovich is a graduate of the Haileybury School of Mines in mining technology and advanced field geophysics.

Sean E. O. Roosen

Safety, Health and Environmental Affairs Committee
Independent

Mr. Roosen has been the Chairman and Chief Executive Officer of Osisko Gold Royalties Ltd. since June 2014. Prior to this, Mr. Roosen was the President and Chief Executive Officer of Osisko Mining Corporation (“**Osisko Mining**”), which he co-founded. He led the transition of Osisko Mining from a junior exploration company to a leading intermediate gold producer. He was responsible for leading the strategic development of Osisko Mining and was instrumental in securing the necessary financing to fund the development of the \$1 billion Canadian Malartic Mine, the corporation’s flagship asset. Mr. Roosen is a founding member and supervisory board member of EurAsia Resource Holdings A.G., a European based venture capital fund. He is also a director of EurAsia Resource Value S.E. Mr. Roosen is Chairman (or Co-Chairman) of the following publicly listed companies: Barkerville Gold Mines Ltd., Condor Petroleum Inc., Osisko Mining Inc. and Falco Resources Ltd. Mr. Roosen is a graduate of the Haileybury School of Mines and has had various progressive positions in the mining industry both domestically and internationally.

Jonathan Rubenstein

Governance, Nominating and Compensation Committee, Chair
Audit Committee
Independent

Mr. Rubenstein practiced law from 1976 until 1994 and has been a mining executive and corporate director since that time. In 2001, Mr. Rubenstein was one of the founders of Canico Resources Corp., where he served as a director and as Vice President & Corporate Secretary. Mr. Rubenstein was instrumental in the negotiations for the 2005 acquisition of Canico Resources Corp. by Companhia Vale do Rio Doce. Mr. Rubenstein was also a director of Cumberland Resources Ltd. from 1983 to 2007 and was on the Special Committee for the Agnico-Eagle Mines Ltd. takeover in 2007. From 2006 to 2008, Mr. Rubenstein was a director for Aurelian Resources Inc. and on the Special Committee for the takeover bid by Kinross Gold Corp. In 2008, as the Vice President, Corporate Affairs for Sutton Resources Ltd., he also played a key role in the takeover of that company by Barrick Gold Corporation in 1999. He is currently the Chairman and a director of MAG Silver Corp., and a director of Detour Gold Corporation, Eldorado Gold Corporation and Roxgold Inc. Mr. Rubenstein obtained his Bachelor of Arts from Oakland University and an LL.B from the University of British Columbia.

Majority Voting for Directors

The Board has adopted a majority voting policy (the “**Majority Voting Policy**”) stipulating that each director nominee must be elected by a majority of the votes cast by shareholders with respect to his or her election. If a director nominee is not elected by at least a majority of the votes cast, the nominee will submit his or her resignation promptly after the shareholders’ meeting to the Chairman of the Board, which will become effective only upon acceptance by the Board. The Board will refer the resignation for consideration to the Governance, Nominating and Compensation Committee (formerly the Corporate Governance and Compensation Committee). The Governance, Nominating and Compensation Committee will consider such resignation after considering all relevant factors, including without limitation the composition of the Board and/or the voting results, and make a recommendation to the Board on whether or not the resignation should be accepted. The Board will consider such recommendation and within 90 days of the shareholders’ meeting will accept the resignation unless the Board determines that there are exceptional circumstances that should delay the acceptance of the resignation or justify rejecting it. A director who tenders a resignation pursuant to the Majority Voting Policy is not permitted to participate in any meetings of the Board or committee of the Board at which his or her resignation is being considered. Once the Board has decided whether to accept a resignation pursuant to the Majority Voting Policy, the Company will promptly issue a news release with the Board’s decision and provide a copy to the Toronto Stock Exchange (the “**TSX**”). In the event the Board does not accept a resignation, it will include full reasons for its decision in the news release. The Majority Voting Policy does not apply in circumstances involving contested director elections.

Corporate Cease Trade Orders

Other than as set forth below, to the Company’s knowledge, no proposed director of the Company is, as of the date hereof, or has been within ten years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- (a) was subject to a cease trade order, an order similar to a cease trade 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 and that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to a cease trade order, an order similar to a cease trade 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 and 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.

Patrick G. Downey was a director of Sutcliffe Resources Inc. (now Zoloto Resources Ltd. (“**Zoloto**”)) from April 2007 to November 2008. On May 11, 2007, Zoloto was issued a cease trade order by the British Columbia Securities Commission (the “**BCSC**”) for failure to file financial statements and a management’s discussion and analysis for the financial year ended December 31, 2006. That cease trade order was revoked on July 9, 2007. Thereafter, a management cease trade order in respect of insiders of Zoloto was issued by the BCSC on May 14, 2008 for failure to file financial statements and a management’s discussion and analysis for the financial year ended December 31, 2007. That cease trade order was revoked on July 8, 2008.

Bankruptcies and Other Proceedings

Other than as set forth below, to the Company's knowledge, no proposed director of the Company:

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

Ronald P. Gagel was a director of Strategic Resource Acquisition Corporation (as the appointee of FNX) from March 2008 to August 2008, which sought bankruptcy protection under the CCAA on January 16, 2009, and emerged from CCAA protection on August 17, 2009.

Penalties or Sanctions

To the Company's knowledge, no proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Statement of Executive Compensation

Compensation Discussion and Analysis

Objectives

The overall objectives of the Company's compensation program include: (a) attracting, retaining and incentivizing talented executive officers who can assist with the Company's exploration and development strategy; (b) aligning the interests of those executive officers with the interests of the Company; and (c) linking individual executive officer compensation to the performance of the Company. The Company's compensation program is designed to compensate executive officers for performance of their duties and to reward them for performance of the Company.

When used in this section, "**Named Executive Officers**" means the Chief Executive Officer, the Chief Financial Officer and each of the three most highly compensated executive officers (other than the Chief Executive Officer and Chief Financial Officer) of the Company at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000 for that financial year; and each individual who would be a Named Executive Officer but for the fact that the individual was neither an executive officer of the Company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

Elements of Compensation

The elements of compensation earned by the Named Executive Officers are: (a) base salary and bonus; (b) option-based awards and RSU awards; (c) perquisites and personal benefits; and (d) termination and change of control benefits.

Base salary is a fixed element of compensation that is payable to each Named Executive Officer for performing the specific duties of his or her position. The amount of base salary for a Named Executive Officer is initially determined through negotiation of employment terms with each Named Executive Officer and is determined on an individual basis by the need to attract, retain and incentivize talented individuals. During the compensation review process, an assessment is made with respect to general performance and consideration is given, on an informal basis, to the market for similar jobs in Canada and internationally.

Prior to release of the feasibility study in December 2016, no specific performance goals were set with respect to compensation, given the stage of the Company and limited competitive information on mining projects in Northern Ireland. Notwithstanding the lack of specific performance goals, the Company did benchmark executive compensation against a peer group of other mining companies to stay competitive and as a tool for determining recruitment or retention requirements. In 2015, the Governance, Nominating and Compensation Committee engaged Lane Caputo Compensation, an independent executive compensation consulting firm to develop a peer group for compensation benchmarking and to review the Company's compensation practices relative to such peer group. The 2015 peer group was developed based on companies primarily with gold operations in international jurisdictions, at a comparable stage of development and of relevant size (approximately half to double) to the Company based on market capitalization. Based on these criteria, the 14 companies that were included in the 2015 comparator group were: Asanko Gold Inc., Aureus Mining Corp., Continental Gold Ltd., Gabriel Resources Ltd., Guyana Goldfields Inc., MAG Silver Corp., Orezone Gold Corp., Pilot Gold Inc., Platinum Group Metals Ltd., Romarco Minerals Inc., Roxgold Inc., Rubicon Minerals Corp., Sabina Gold & Silver Corp. and True Gold Mining Inc.

While base salary is intended to fit into the Company's overall compensation objectives by serving to attract and retain talented executive officers, the size of the Company and the nature and stage of its business also impacts the level of base salary. Bonuses are short-term performance-based financial incentives that are determined on a discretionary basis through the compensation review process.

Option-based awards and RSU awards are variable elements of compensation that are used to reward each Named Executive Officer for individual performance and/or overall performance of the Company. Option-based awards and RSU awards are intended to fit into the Company's overall compensation objectives by aligning the interests of the Named Executive Officers with those of the Company, and linking individual Named Executive Officer compensation to the performance of the Company. Options were granted in 2016 to certain Named Executive Officers. See “– Summary Compensation Table” and “– Incentive Plan Awards for Named Executive Officers” below. The Governance, Nominating and Compensation Committee is responsible for setting and amending any equity incentive plan under which an option-based award is granted. The Company has in place a stock option plan (the “**Stock Option Plan**”) for the benefit of eligible directors, officers, employees and consultants of the Company and its designated affiliates, including the Named Executive Officers. The Board typically grants options to officers, employees and consultants that vest in tranches of 1/3, with 1/3 of the options vesting on the date of grant, 1/3 of the options vesting on the first anniversary of the date of grant, and 1/3 of the options vesting on the second anniversary of the date of grant. Options are granted for a term of five years. Grants are typically made to eligible participants under the Stock Option Plan when eligible participants join the Company. An annual option grant program may be considered as the Company grows and develops its projects. See “Stock Option Plan” below. The Company also has in place a restricted share units plan (the “**RSU Plan**”) for the benefit of eligible directors, officers, employees and consultants of the Company pursuant to which RSUs may be granted as a discretionary payment. The number of RSUs awarded are credited to the participant's account effective on the grant date of the RSUs. An RSU represents a right to receive one Common Share issued from treasury on the later of: (i) the date which is the first day after a restricted period (a “**Restricted Period**”) as determined by the Board or a committee of the Board which administers the RSU Plan; and (ii)

a date determined by an eligible participant that is after the Restricted Period but is no later than the participant's retirement date or termination date (a "**Deferred Payment Date**"). The Committee may also make the vesting of RSUs subject to performance conditions to be achieved by the Company, the participant or a class of participants. See "RSU Plan" below. The Company does and will continue to take into consideration previous grants of options and RSUs in considering new grants to eligible participants.

The Company also provides basic perquisites and personal benefits to certain of its Named Executive Officers. These perquisites and personal benefits are determined through negotiation of an executive employment agreement with each Named Executive Officer. While perquisites and personal benefits are intended to fit into the Company's overall compensation objectives by serving to attract and retain talented executive officers, the size of the Company and the nature and stage of its business also impacts the level of perquisites and benefits. Currently, a benefit program with life insurance is offered to all officers and employees of the Company and annual medical assessments are also offered to the Chief Executive Officer and Chief Financial Officer of the Company.

The Company also provides for termination and, in certain instances, change of control benefits under the provisions of the executive employment agreements with the Named Executive Officers. See "Termination and Change of Control Benefits" below.

Share Ownership Guidelines

In May 2013, the Company implemented share ownership guidelines pursuant to which certain executive officers and directors of the Company are encouraged to own a significant number of Common Shares in order to further align their interests with those of the Company's shareholders. Compliance with the guidelines is required five years from joining the Company.

Pursuant to the share ownership guidelines, each of the Chief Executive Officer and the Chief Financial Officer of the Company must hold Common Shares having a value of at least three times the annual base salary paid (2016: \$1,200,000 each).

Pursuant to the share ownership guidelines, each director of the Company must hold Common Shares having a value of at least two times the annual fee paid.

Directors and executive officers will be deemed to have satisfied the applicable share ownership guidelines following the date on which either: (i) the aggregate price paid by the director or executive officer for Common Shares held equals or exceeds the relevant multiple of his or her current annual base salary or annual base cash retainer, as applicable (the "**Relevant Threshold**"); or (ii) the fair market value of the Common Shares (at the highest price at which the Common Shares have traded on the TSX subsequent to the later of the date the individual first became a director or executive officer, and August 10, 2010 (being the date the Company completed its initial public offering)) held by the director or executive officer equals or exceeds the Relevant Threshold.

Unvested RSUs and DSUs are treated as Common Shares owned by a director or an executive officer in connection with these guidelines, with the fair market value of the Common Shares being the highest price at which the Common Shares have traded on the TSX **subsequent** to the date of grant of such RSUs and DSUs. Stock options held by the directors or executive officers do not count towards the share ownership requirements under the guidelines.

The Governance, Nominating and Compensation Committee reviews the share ownership guidelines on an annual basis and recommends any changes to the Board for approval.

Directors' Compensation

Non-executive directors are compensated based on an annual fee of \$50,000, with additional fees for the Chairman of the Board of \$75,000 and for the Chair of any committee of the Board of \$10,000. Mr. Obradovich, the former Lead Director of the Board, was previously paid an annual fee of \$100,000 during the time he served in such capacity. Mr. Obradovich ceased acting as the Lead Director of the Board on June 27, 2016, and began receiving an annual fee of \$50,000 at such time. Pursuant to the DSU Plan (as

defined below), non-executive directors of the Company may elect to receive payment for a portion or all of their quarterly compensation in the form of DSUs. Directors are also granted options upon joining the Company and are reimbursed for all reasonable travel and other expenses incurred by them in the performance of their duties. Additional grants of options may be made to directors from time to time as the Board continues to develop its corporate governance practices. As disclosed above, directors are also eligible to receive RSUs.

Compensation Review Process

The Governance, Nominating and Compensation Committee, among other things, is responsible for reviewing, approving and recommending to the Board, base salary, bonus and other benefits, direct or indirect, of the Named Executive Officers and other executive officers of the Company in addition to reviewing the Company's director compensation practices. See "Corporate Governance Practices" below.

Each member of the Governance, Nominating and Compensation Committee is an independent director and has experience relevant to his responsibilities in executive compensation.

Mr. Rubenstein is currently a member of the Human Resources and Compensation Committee of Detour Gold and is the Chair of the Compensation Committee of Eldorado Gold.

Mr. Obradovich is currently a Director of Barkerville and has previously served in the capacity as a member and Chairman of the Compensation Committees of TSXV-listed and TSX-listed companies.

Mr. Downey is currently a member of the Compensation Committee of Pan Global Resources Inc.

Risks Associated with Compensation

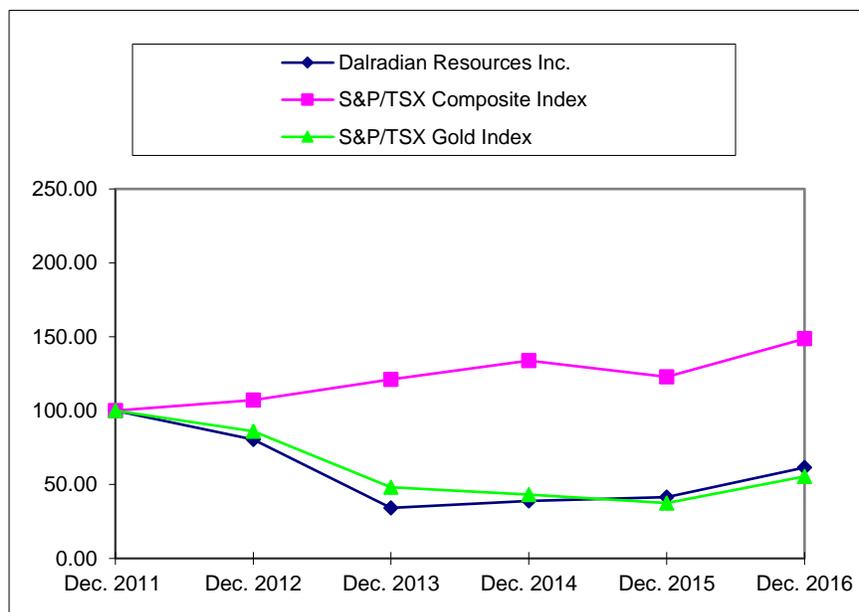
In light of the Company's size, the Company's general outlook on compensation, the balance between long-term objectives and short-term financial goals with respect to the Company's executive compensation program, and the Company's share ownership guidelines which align the interests of directors and executive officers with those of shareholders, the Board believes that the Company's compensation policies and programs are balanced and do not motivate unnecessary or excessive risk taking.

Financial Instruments

The Company's Corporate Disclosure and Insider Trading Policy provides that insiders may not "speculate" in the securities of the Company. For the purpose of the policy, "speculate" means the purchase or sale of securities with the intention of reselling or buying back in a relatively short period of time in the expectation of a rise or fall in the market price of such securities. Speculating in such securities for a short-term profit is distinguished from purchasing and selling securities as part of a long-term investment program. In addition, insiders may not sell securities of the Company short, buy a put option or sell a call option in respect of securities of the Company or any of its affiliates.

Performance Graph

The following graph compares (i) the Company's cumulative total shareholder return to (ii) the cumulative total return of the S&P/TSX Composite Index, and (iii) the cumulative total return of the S&P/TSX Gold Index, over the five most recently completed financial years, in each case based on \$100 invested on December 31, 2011 and assuming the reinvestment of all dividends.



	Dec. 2011	Dec. 2012	Dec. 2013	Dec. 2014	Dec. 2015	Dec. 2016
Dalradian Resources Inc.	100.00	80.53	34.21	38.95	41.58	61.58
S&P/TSX Composite Index	100.00	107.19	121.11	133.90	122.76	148.64
S&P/TSX Gold Index	100.00	86.12	48.25	43.11	37.49	55.40

Compensation for the Company's Named Executive Officers is comprised of different elements. These include elements relating to factors that do not directly correlate to the market price of the Common Shares, such as base salary, as well as elements that more closely correlate to the Company's achievements and changes in the market price of its Common Shares, such as cash incentive awards and awards of stock options and RSUs. The base salary of a Named Executive Officer is based on the Named Executive Officer's experience, responsibilities, position, performance, and benchmarking against peer groups. Base salaries over the measurement period were set based on market requirements at the relevant time and these factors did not fluctuate with changes in the market value of the Common Shares.

Summary Compensation Table

The following table provides information regarding compensation earned by the Named Executive Officers for the financial years ended December 31, 2016, 2015 and 2014.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Patrick F. N. Anderson ⁽⁸⁾ President and Chief Executive Officer	2016	400,000	399,840	Nil	200,000	N/A	N/A	Nil	999,840
	2015	400,000	Nil	214,339	Nil	N/A	N/A	Nil	614,339
	2014	400,000	100,050	207,896	300,000	N/A	N/A	Nil	1,007,946
Keith D. McKay Chief Financial Officer	2016	400,000	149,940	Nil	100,000	N/A	N/A	Nil	649,940
	2015	400,000	Nil	Nil	Nil	N/A	N/A	Nil	400,000
	2014	400,000	48,000	155,922	150,000	N/A	N/A	Nil	753,922
Eric Tremblay Chief Operating Officer	2016	350,000	349,860	Nil	200,000	N/A	N/A	81,773 ⁽⁹⁾	981,633
	2015	291,667	Nil	293,142	Nil	N/A	N/A	300,000 ⁽⁴⁾	884,809
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Greg Hope Exploration and Geology Manager	2016	245,084 ⁽⁵⁾	249,900	84,886	51,763	N/A	N/A	Nil	631,632
	2015	138,000 ⁽⁶⁾	Nil	39,543 ⁽⁷⁾	N/A	N/A	N/A	N/A	177,543
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marla Gale Vice President Communications and Corporate Secretary	2016	225,000	224,910	Nil	150,000	N/A	N/A	Nil	599,910
	2015	209,968	Nil	50,012	Nil	N/A	N/A	Nil	259,980
	2014	200,000	24,000	135,100	75,000	N/A	N/A	Nil	434,100

- (1) Calculated based on the grant date fair value of the RSUs, the fair value having been determined based on the closing price of the Common Shares on the TSX on the date prior to the grant date.
- (2) Calculated using the Black-Scholes method, based on the grant date fair value of the options. The Black-Scholes method was selected as it is a widely used financial method to determine the fair price of options. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (3) Represents discretionary cash bonuses paid to each Named Executive Officer. Named Executive Officers are eligible to receive discretionary cash bonus awards pursuant to the terms of each individual's respective employment agreement. The Company has not implemented a formal non-equity incentive plan.
- (4) Represents a recruitment payment upon joining the Company.
- (5) Amount includes \$123,750 of total compensation paid to Mr. Hope in his capacity as a consultant prior to becoming an employee of the Company on May 10, 2016.
- (6) Amount paid to Mr. Hope in his capacity as a consultant prior to becoming an employee of the Company.
- (7) Options granted to Mr. Hope in his capacity as a consultant prior to becoming an employee of the Company.
- (8) No compensation was paid to Mr. Anderson in his capacity as a director of the Company.
- (9) Represents reimbursement payments for rental accommodations payable pursuant to Mr. Tremblay's employment agreement.

Incentive Plan Awards for Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table provides information regarding all incentive plan awards for each Named Executive Officer outstanding as of December 31, 2016.

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽¹⁾	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$) ⁽²⁾	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$)
Patrick F. N. Anderson	400,000	0.98	June 25, 2019	76,000	145,000	169,650	N/A
	750,000	0.67	December 18, 2020	375,000	336,000	393,120	
Keith D. McKay	300,000	0.98	June 25, 2019	57,000	50,000 126,000	58,500 147,420	N/A
Eric Tremblay	750,000	0.78	March 2, 2020	292,500	294,000	343,980	N/A
Greg Hope	100,000	0.91	August 21, 2020	26,000	210,000	245,700	N/A
	175,000	1.14	May 13, 2021	5,250			
Marla Gale	300,000	0.85	February 14, 2019	96,000	25,000	29,250	N/A
	175,000	0.67	December 18, 2020	87,500	189,000	221,130	

(1) Calculated based on the difference in value between the exercise price of the options and the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

(2) Calculated based on the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17.

Value Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each Named Executive Officer for the financial year ended December 31, 2016.

Name	Option Awards – Value Vested During the Year (\$) ⁽¹⁾	Share Awards – Value Vested During the Year (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation – Value Earned During the Year (\$)
Patrick F. N. Anderson	143,167	337,470	N/A
Keith D. McKay	8,000	337,470	N/A
Eric Tremblay	32,500	N/A	N/A
Greg Hope	Nil	N/A	N/A
Marla Gale	32,916	N/A	N/A

(1) Based on the number of options that vested during the year and calculated based on the difference between the market price of the Common Shares on the TSX on the vesting date and the exercise price of the options. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

(2) Based on the 300,000 RSUs held by Mr. Anderson and the 300,000 RSUs held by Mr. McKay which vested in 2015 but were deferred to and realized during the 2016 financial year, and calculated based on multiplying the number of RSUs vested by the 5-day volume weighted average price of the Common Shares on the TSX on the date prior to the vesting date of \$1.1249.

Pension Plan Benefits

The Company does not have a pension plan and does not provide any pension benefits.

Termination and Change of Control Benefits

The following is a summary of the relevant terms contained in the employment agreements that are in place with each of the Named Executive Officers, which provide for payments to each of them in connection with certain events of termination, resignation due to a “triggering event” (as defined below), or “change of control” (as defined below) of the Company.

Each of the employment agreements provide that an executive’s employment may be terminated by the Company at any time for just cause without notice and without any payment in lieu of notice, or payment for severance, benefits, damages or any other sums.

Unless otherwise noted below, if the Company terminates an executive’s employment without cause, or if the executive terminates his or her employment as a result of a triggering event, then he or she is entitled to two years of base salary (other than for Ms. Gale, who is entitled to 12 months of base salary), plus accrued but unused vacation to the date of termination. The executive’s stock options will vest on the date notice of termination is given, and will be exercisable until the earlier of the option termination date, or two years from such date of termination (other than for Ms. Gale, whose options will be exercisable until the earlier of the option termination date or 12 months from such date of termination). Upon such termination, the executive (other than Ms. Gale) is entitled to receive a bonus for the year of termination with reference to the average annual bonus (as defined in the respective employment agreements), and the executive is entitled to participate in the Company’s benefits plan until the earlier of the second anniversary of the termination date (other than Ms. Gale, in which case it is 12 months from the termination date), or the date when alternate benefits coverage is obtained. If such participation is not permitted under the terms of any such plan, the Company must provide the executive with an amount sufficient for him or her to obtain equivalent coverage.

Unless otherwise noted below, if within the 12 month period after any change of control during the term of an executive’s employment, (a) the Company gives notice of its intention to terminate the executive’s employment for any reason other than just cause, or (b) a triggering event occurs and the executive elects to terminate his or her employment, such executive is entitled to the same benefits he or she would receive as if he or she was terminated without cause, in addition to two times his or her average annual bonus (other than Ms. Gale, who is entitled to an amount equal to 12 months of her prior fiscal year’s annual bonus).

A “change of control” means the occurrence of any one or more of the following events: (a) less than 50% of the Board being composed of continuing directors; (b) the acquisition by an acquirer, other than through a private offering of securities undertaken with the Board’s consent, of control of the voting securities of the Company which, when added to the already held securities of the acquirer totals more than 50% of the votes attached to all of the Company’s outstanding voting securities; (c) the passing of a resolution regarding the acquisition described in (b) above, even if the securities have not been transferred or issued to the acquirer; (d) the Company’s sale or transfer of property or assets (i) aggregating more than 50% of the Company’s and its subsidiaries’ consolidated assets as at the most recently completed financial year of the Company, or (ii) which generated or was expected to generate during the most recently completed financial year, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, to any other person; (e) the passing of a resolution regarding the sale or transfer described in (d) above; or (f) the sale of all or substantially all of the Company’s assets.

A “triggering event” can mean any one of the following events which occurs without the express agreement in writing of the executive (see summaries below for which triggering events apply to each Named Executive Officer):

- (a) the assignment to the executive of any duties materially inconsistent in any respect with such executive's position, authority, duties or responsibilities, or any other action by the Company which results in a significant diminution in such position, authority, duties or responsibilities from that which existed immediately prior to such change, or a material adverse change in any of the benefits or perquisites of the executive as they exist, and with respect to financial entitlements, the conditions under and manner in which they were payable, immediately prior to the change;
- (b) a negative change to the executive's title;
- (c) a reduction by the Company in the executive's base salary in effect at such time;
- (d) any failure by the Company to comply with any other terms of the executive's employment, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied promptly after receipt of written notice thereof;
- (e) a change in the office or body to whom the executive reports, except if such office or body is of equivalent rank or stature, provided that this shall not include a change resulting from a promotion in the normal course of business;
- (f) a material change in the hours during which the executive is regularly required to carry out the terms of his employment with the Company, or the Company requiring the executive (i) to be based at any office or location other than (A) within a 10 kilometre radius of the Company's head office or (B) at any other office or location previously agreed to in writing by the executive, or (ii) to travel on business to an extent substantially greater than the travel obligations of the executive immediately prior to such change; or
- (g) any other purported termination by the Company (including an event of constructive dismissal) of the executive's employment other than for cause.

Patrick F. N. Anderson

The Company entered into an employment agreement with Patrick F. N. Anderson, President and Chief Executive Officer of the Company, on August 3, 2011, effective January 1, 2011. In 2016, Mr. Anderson received an annual salary of \$400,000 and was eligible for a discretionary bonus component of up to an additional 50% of his base annual salary. Mr. Anderson is also eligible for a special bonus of 1% of the amount by which the market capitalization of the Company exceeds \$300,000,000 in the event of a successfully concluded transaction resulting in a change of control.

A "triggering event" pursuant to Mr. Anderson's employment agreement means any of the events in subsections (a) to (g) of the definition of "triggering event" set forth above.

The employment agreement provides for, among other things, certain confidentiality and conflict of interest provisions. Mr. Anderson is also bound by non-solicitation and non-competition provisions during the term of his employment and for a period of one year following termination or resignation of his employment, or two years from the date of termination in the event Mr. Anderson was terminated without cause (other than a termination or resignation pursuant to a change of control where, within 12 months from such change of control, the Company gave notice of termination for any reason other than just cause, or a triggering event has occurred whereby Mr. Anderson elects to terminate his employment).

The following are the estimated incremental payments, payables and benefits, assuming termination of employment, other than for just cause, or a triggering event took place on December 31, 2016, in each case, in the context of a change of control:

Name	Aggregate Base Salary (\$)	Aggregate Bonus (\$)	Options/RSUs (\$)	Other Benefits (\$)	Total (\$)
Patrick F. N. Anderson	800,000	400,000	1,013,770	-	2,213,770

Keith D. McKay

The Company entered into an employment agreement with Keith D. McKay, Chief Financial Officer of the Company, on August 3, 2011, effective August 1, 2011. In 2016, Mr. McKay's annual salary was \$400,000, and Mr. McKay was eligible for a discretionary bonus component of up to an additional 50% of his base annual salary. Mr. McKay is also eligible for a special bonus of 1% of the amount by which the market capitalization of the Company exceeds \$300,000,000 in the event of a successfully concluded transaction resulting in a change of control.

A "triggering event" pursuant to Mr. McKay's employment agreement means any of the events in subsections (a) to (g) of the definition of "triggering event" set forth above, and also includes if Mr. Anderson is no longer the Chief Executive Officer of the Company and Mr. McKay is not asked to succeed to role of Chief Executive Officer on a full time basis.

The employment agreement provides for, among other things, certain confidentiality and conflict of interest provisions. Mr. McKay is also bound by non-solicitation and non-competition provisions during the term of his employment and for a period of one year following termination or resignation of his employment, or two years from the date of termination in the event Mr. McKay was terminated without cause (other than a termination or resignation pursuant to a change of control where, within 12 months from such change of control, the Company gave notice of termination for any reason other than just cause, or a triggering event has occurred whereby Mr. McKay elects to terminate his employment).

The following are the estimated incremental payments, payables and benefits, assuming termination of employment, other than for just cause, or a triggering event took place on December 31, 2016, in each case in the context of a change of control:

Name	Aggregate Base Salary (\$)	Aggregate Bonus (\$)	Options/RSUs (\$)	Other Benefits (\$)	Total (\$)
Keith D. McKay	800,000	400,000	262,920	-	1,462,920

Eric Tremblay

The Company entered into an employment letter on December 22, 2014 with Eric Tremblay, Chief Operating Officer of the Company, and on December 1, 2016, the Company entered into an employment agreement with Mr. Tremblay, effective March 2, 2015, replacing the previously entered into employment letter. In 2016, Mr. Tremblay's annual salary was \$350,000, and Mr. Tremblay was eligible for a discretionary bonus component of up to an additional 50% of his base annual salary.

A "triggering event" pursuant to Mr. Tremblay's employment agreement means any of the events in subsections (a) to (e) of the definition of "triggering event" set forth above.

In the event that Mr. Tremblay's employment is terminated by the Company without cause, Mr. Tremblay is entitled to (i) 24 months' notice or base salary; (ii) any annual bonus from the prior fiscal year that remains outstanding as of the termination date; (iii) a pro-rata bonus for the year in which the termination occurs determined by reference to the average annual bonus (as defined in the employment agreement); (iv) 24 months of average annual bonus; (v) accrued but unused vacation calculated to the date of termination and through the notice period; and (vi) continued participation, at the expense of the Company, in the Company's benefit plans, to the extent permitted by the Company's benefits provider, until the earlier of Mr. Tremblay obtaining alternate coverage under the terms of any new employment and such date that is 24 months from the date notice of termination is given. In addition, on the date notice of termination is given,

any unvested stock options shall become null and void and any options that are vested shall remain exercisable until the earlier of (A) 90 days following the date notice of termination is given, and (B) the expiry date of the relevant vested option.

If within the 12 month period after any change of control during the term of Mr. Tremblay's employment, (a) the Company gives notice of its intention to terminate Mr. Tremblay's employment for any reason other than just cause, or (b) a triggering event occurs and Mr. Tremblay elects to terminate his employment, Mr. Tremblay is entitled to 24 months' base salary along with the same compensation outlined in (ii) through (vi) immediately above. In addition, on the date notice of termination is given, any unvested stock options shall vest and any options that are vested shall remain exercisable until the earlier of (A) 90 days following the date notice of termination is given, and (B) the expiry date of the vested option.

The employment agreement provides for, among other things, certain confidentiality and conflict of interest provisions. Mr. Tremblay is also bound by non-solicitation and non-competition provisions during the term of his employment and for a period of one year from the date of termination.

The following are the estimated incremental payments, payables and benefits, assuming termination of employment, other than for just cause, or a triggering event took place on December 31, 2016, in each case, in the context of a change of control:

Name	Aggregate Base Salary (\$)	Aggregate Bonus (\$) ⁽¹⁾	Options/RSUs (\$)	Other Benefits (\$)	Total (\$)
Eric Tremblay	700,000	525,000	636,480	-	1,861,480

(1) Represents the aggregate amount of (i) the pro-rata bonus for the year in which the termination occurs determined by reference to the average annual bonus, such amount being equal to \$175,000, and (ii) 24 months of average annual bonus, such amount being equal to \$350,000.

Greg Hope

The Company entered into an employment agreement with Greg Hope, Exploration and Geology Manager of the Company, on May 10, 2016. Pursuant to the employment agreement, Mr. Hope is entitled to an annual salary of £125,000 and is eligible for a discretionary bonus component of up to an additional 30% of his base annual salary. In 2016, Mr. Hope received \$116,266 in salary in his capacity as Exploration and Geology Manager of the Company, and was also paid \$123,750 in the form of consulting fees which were received prior to him becoming an employee of the Company.

In the event that Mr. Hope's employment is terminated by the Company without cause, Mr. Hope is entitled to a payment of approximately one week's salary in lieu of notice in an amount equal to Mr. Hope's basic salary as at the date of termination and which Mr. Hope would have otherwise been entitled to receive during the notice period.

If within the 12 month period after any change of control during the term of Mr. Hope's employment, Mr. Hope's employment is terminated, Mr. Hope is entitled to (i) a lump sum payment equal to his annual base salary; and (ii) a payment equal to the full performance bonus entitlement for one year. In addition, any stock options granted to Mr. Hope will immediately vest and will remain exercisable in accordance with the Stock Option Plan.

The employment agreement provides for, among other things, certain confidentiality and conflict of interest provisions. Mr. Hope is also bound by non-solicitation and non-competition provisions during the term of his employment and for a period of two years from the date of termination.

The following are the estimated incremental payments, payables and benefits, assuming termination of employment, other than for just cause, or a triggering event took place on December 31, 2016, in each case, in the context of a change of control:

Name	Aggregate Base Salary (\$) ⁽¹⁾	Aggregate Bonus (\$) ⁽¹⁾	Options/RSUs (\$)	Other Benefits (\$)	Total (\$)
Gregory Hope	207,050	62,115	276,950	-	546,115

(1) Calculated based on the Bank of Canada daily noon exchange rate on December 31, 2016 of £1.00 = \$1.6564.

Marla Gale

The Company entered into an employment agreement with Marla Gale, Vice President, Communications of the Company, on June 4, 2014. In 2016, Ms. Gale's annual salary was \$225,000, and Ms. Gale was eligible for a discretionary bonus component of up to an additional 30% of her base annual salary.

A "triggering event" pursuant to Ms. Gale's employment agreement means any of the events in subsections (a) to (e) of the definition of "triggering event" set forth above.

The employment agreement provides for, among other things, certain confidentiality and conflict of interest provisions. Ms. Gale is also bound by non-solicitation and non-competition provisions during the term of her employment and for a period of one year from the date of termination.

The following are the estimated incremental payments, payables and benefits, assuming termination of employment, other than for just cause, or a triggering event took place on December 31, 2016, in each case, in the context of a change of control:

Name	Aggregate Base Salary (\$)	Aggregate Bonus (\$)	Options/RSUs (\$)	Other Benefits (\$)	Total (\$)
Marla Gale	225,000	-	433,880	-	658,880

Director Compensation

The following table provides information regarding compensation earned by each director and former director (who is not also a Named Executive Officer) for the financial year ended December 31, 2016.

Name ⁽¹⁾	Fees Earned (\$)	Share-Based Awards (\$) ⁽²⁾	Option-Based Awards (\$) ⁽³⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Jim Rutherford	112,500 ⁽⁶⁾	49,980	98,390	N/A	N/A	Nil	260,870
Dr. Nicole Adshead-Bell	51,500	49,980	98,390	N/A	N/A	Nil	199,870
Patrick G. Downey	85,000 ⁽⁷⁾	49,980	98,390	N/A	N/A	Nil	233,370
Ronald P. Gagel	60,000	49,980	98,390	N/A	N/A	Nil	208,370
Thomas J. Obradovich ⁽⁴⁾	75,000	49,980	98,390	N/A	N/A	Nil	223,370
Sean E.O. Roosen	50,000	49,980	98,390	N/A	N/A	Nil	198,370
Jonathan Rubenstein	60,000	49,980	98,390	N/A	N/A	Nil	208,370
D. Grenville Thomas ⁽⁵⁾	25,000	-	-	N/A	N/A	Nil	25,000

(1) No compensation was paid to Mr. Anderson in his capacity as director of the Company. For a summary of the compensation paid to Mr. Anderson in his capacity as an executive officer of the Company, see "Summary Compensation Table" above.

(2) Calculated based on the grant date fair value of the DSUs, the fair value having been determined based on the closing price of the Common Shares on the TSX on the date prior to the grant date.

(3) Calculated using the Black-Scholes method, based on grant date fair value of the options. The Black-Scholes method was selected as it is a widely used financial method to determine the fair price of options. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

(4) Mr. Obradovich resigned as Lead Director on June 27, 2016.

- (5) Mr. Thomas did not stand for re-election in 2016.
- (6) Up to his appointment as Chairman of the Company on June 27, 2016, Mr. Rutherford was entitled to base director fees in the amount of \$50,000 per year. Following his appointment as Chairman, Mr. Rutherford became entitled to annual fees in the amount of \$125,000. The amount reflected represents the aggregate pro-rated amount of such entitlements for the financial year ended December 31, 2016, as well as additional fees in the amount of \$25,000 paid to Mr. Rutherford for special corporate social responsibility related services.
- (7) Amount includes additional fees in the amount of \$25,000 paid to Mr. Downey for special corporate social responsibility related services.

Incentive Plan Awards for Directors

Outstanding Share-Based Awards and Option-Based Awards

The following table provides information regarding all incentive plan awards for each director (who is not also a Named Executive Officer) outstanding as of December 31, 2016.

Name ⁽¹⁾	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options (\$) ⁽²⁾	Number of Shares or Units of Shares that have not Vested (#)	Market or Payout Value of Share-Based Awards that have not Vested (\$)	Market or Payout Value of Vested Share-Based Awards not Paid Out or Distributed (\$) ⁽³⁾
Jim Rutherford	250,000	0.90	Aug. 20, 2020	67,500	N/A	N/A	49,140
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			
Dr. Nicole Adshead-Bell	250,000	0.67	Dec. 18, 2020	125,000	N/A	N/A	49,140
	200,000	1.19	Dec. 16, 2021	Nil			
Patrick G. Downey	250,000	0.90	Aug. 20, 2020	67,500	N/A	N/A	49,140
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			
Ronald P. Gagel	150,000	1.11	Aug. 7, 2017	9,000	N/A	N/A	49,140
	150,000	0.98	Jun. 25, 2019	28,500			
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			
Thomas J. Obradovich	250,000	1.11	Aug. 7, 2017	15,000	N/A	N/A	49,140
	150,000	0.98	Jun. 25, 2019	28,500			
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			
Sean E.O. Roosen	150,000	1.11	Aug. 7, 2017	9,000	N/A	N/A	49,140
	150,000	0.98	Jun. 25, 2019	28,500			
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			
Jonathan Rubenstein	250,000	0.71	Jul. 9, 2018	115,000	N/A	N/A	49,140
	150,000	0.98	Jun. 25, 2019	28,500			
	150,000	0.67	Dec. 18, 2020	75,000			
	200,000	1.19	Dec. 16, 2021	Nil			

- (1) For a summary of option-based awards granted to Mr. Anderson, see "Incentive Plan Awards for Named Executive Officers" above.
- (2) Calculated based on the difference in value between the exercise price of the options and the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (3) The value of the DSUs was calculated based on the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17.

Value Vested or Earned During the Year

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each director and former director (who is not also a Named Executive Officer) for the financial year ended December 31, 2016.

Name ⁽¹⁾	Option awards – Value vested during the year (\$) ⁽²⁾	Share awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Jim Rutherford	26,500	49,140 ⁽³⁾	N/A
Dr. Nicole Adshead-Bell	Nil	49,140 ⁽³⁾	N/A
Patrick G. Downey	26,500	49,140 ⁽³⁾	N/A
Ronald P. Gagel	30,500	49,140 ⁽³⁾	N/A
Thomas J. Obradovich	30,500	331,640 ⁽⁴⁾	N/A
Sean E.O. Roosen	30,500	49,140 ⁽³⁾	N/A
Jonathan Rubenstein	30,500	49,140 ⁽³⁾	N/A
D. Grenville Thomas ⁽⁵⁾	4,000	Nil	N/A

- (1) For a summary of option-based awards granted to Mr. Anderson, see “Incentive Plan Awards for Named Executive Officers” above.
- (2) Based on the number of options that vested during the year and calculated based on the difference between the market price of the Common Shares on the TSX on the vesting date and the exercise price of the options. Any unexercised options may never be exercised and actual gain, if any, on exercise will depend on the value of the Common Shares on the date of exercise.
- (3) Based on the number of DSUs vested during the year and calculated based on the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17.
- (4) DSU portion of \$49,140 is based on the number of DSUs vested during the year and calculated based on the closing price of the Common Shares on the TSX on December 31, 2016 of \$1.17. The RSU portion of \$282,500 is based on the 250,000 RSUs held by Mr. Obradovich which vested in 2015 but were deferred to and realized during the 2016 financial year, and calculated based on multiplying the number of RSUs vested by the 5-day volume weighted average price of the Common Shares on the TSX on the date prior to the vesting date of \$1.13.
- (5) Mr. Thomas did not stand for re-election in 2016.

Corporate Governance Practices

Corporate governance refers to the way the business and affairs of a reporting issuer are managed and relates to the activities of the Board, the members of whom are elected by and are accountable to the shareholders. Corporate governance takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. The Board is committed to sound corporate governance practices that are both in the interest of the Company and its shareholders and contribute to effective and efficient decision-making.

In June 2005, National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”) and National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) were adopted by the securities regulatory authorities in Canada. NP 58-201 establishes corporate governance guidelines which apply to all public companies and the Company has implemented its own corporate governance practices in light of these guidelines. NI 58-101 mandates the disclosure of corporate governance practices in accordance with Form 58-101F1, which disclosure is set out below.

Board of Directors

The Board currently consists of eight members, a majority of whom are independent. Mr. Anderson is not independent as he serves as the President and Chief Executive Officer of the Company. Messrs.

Obradovich, Roosen, Gagel, Rubenstein, Downey, Rutherford (Chairman) and Dr. Adshead-Bell are independent within the meaning of NI 58-101.

The following directors and director nominees of the Company currently hold directorships in the following reporting issuers (or equivalent in a foreign jurisdiction) as noted below:

Director	Other Reporting Issuers	Stock Exchange
Jim Rutherford	Anglo American plc (Audit Committee and Sustainability Committee)	LSE
Dr. Nicole Adshead-Bell	Pretium Resources Inc. (Corporate Governance Committee; Technical Committee)	TSX; NYSE
	Lithium Americas Corp. (Compensation & Benefits Committee (Chairperson); Nominating & Corporate Governance Committee; Environmental, Health, Safety & Community Engagement Committee)	TSX
	Beadell Resources Limited	ASX
Patrick F. N. Anderson	Osisko Mining Inc. (Corporate Governance and Nominating Committee (Chairman))	TSX
	Strongbow Exploration Inc. (Audit Committee)	TSXV
Patrick G. Downey	Orezone Gold Corporation (Audit Committee; Corporate Governance, Compensation and Nomination Committee)	TSXV
	GFG Resources Inc.	TSXV
	Pan Global Resources Inc. (Audit Committee, Compensation Committee)	TSX
Ronald P. Gagel	Stonegate Agricom Ltd. (Audit Committee)	TSX
Thomas J. Obradovich	Barkerville Gold Mines Ltd.	TSXV
Sean E.O. Roosen	Osisko Gold Royalties Ltd. (Chairman; Sustainability Committee)	TSX
	Osisko Mining Inc.	TSX
	Barkerville Gold Mines Ltd. (Chairman)	TSXV
	Condor Petroleum Inc. (Compensation Committee (Chairman); Nominating and Corporate Governance Committee (Chairman))	TSX
	Falco Resources Ltd. (Chairman)	TSXV
Jonathan Rubenstein	Detour Gold Corporation (Human Resources and Compensation Committee; Corporate Governance and Nominating Committee (Chairman))	TSX
	Eldorado Gold Corporation (Compensation Committee (Chairman); Corporate Governance and Nominating Committee)	TSX; NYSE
	MAG Silver Corp. (Chairman) (Corporate Governance & Nomination Committee)	TSX; NYSE
	Roxgold Inc. (Corporate Governance and Nominating Committee (Chairman); Audit Committee)	TSX

The independent directors regularly hold meetings following the Board meetings, chaired by the Chairman, at which non-independent directors and members of management are not in attendance. In 2016, the independent directors held 8 such meetings. Any items of discussion which could involve a potential conflict of interest among one or more directors will be voted on by those directors who do not have a conflict in connection with the relevant matter. The Board may at any time retain outside financial, legal or other advisors at the expense of the Company. Any director may, subject to the approval of the Governance, Nominating and Compensation Committee, retain an outside advisor at the expense of the Company.

Mr. Rutherford is the Chairman of the Board and is independent.

In 2016, the Chairman provided leadership to the Board and was responsible for chairing all Board meetings in a manner that promoted open communication. The Chairman was responsible for, among other things, ensuring that meetings were held with appropriate frequency, that resources were available to the Board as necessary, that functions were delegated to the appropriate committees of the Board and responsibilities were understood. The Chairman was also responsible for ensuring a process is in place to assess the effectiveness of the Board (including size and composition) on an annual basis and to work with the Governance, Nominating and Compensation Committee to ensure a process is in place to assess the contribution of individual directors on an annual basis. The Chairman also acted as a liaison between the Board and management of the Company and, at the request of the Board, represented the Company to external groups such as shareholders, community groups and government.

Board Meetings

The attendance record of each director and former director for all Board and committee meetings held during the financial year ended December 31, 2016, while the relevant director or former director was on the Board or committee, is as follows:

Name	Board meetings	Audit Committee meetings	Governance, Nominating and Compensation Committee meetings	Safety, Health and Environmental Affairs Committee meetings	Corporate Social Responsibility Committee meetings⁽¹⁾
Jim Rutherford	8 of 8	4 of 4	-	-	-
Dr. Nicole Adshead-Bell	8 of 8	2 of 2	-	2 of 2	-
Patrick F. N. Anderson	8 of 8	-	-	-	-
Patrick G. Downey	8 of 8	-	2 of 2	4 of 4	-
Ronald P. Gagel	8 of 8	4 of 4	-	-	-
Thomas J. Obradovich	8 of 8	-	2 of 2	-	-
Sean E.O. Roosen	8 of 8	-	-	3 of 4	-
Jonathan Rubenstein	8 of 8	4 of 4	2 of 2	-	-
D. Grenville Thomas	2 of 3	-	-	2 of 2	-

(1) The Corporate Social Responsibility Committee was formed on December 16, 2016, with its first committee meeting having been held on March 22, 2017.

Board Mandate

The Board has adopted a comprehensive written mandate in which it assumes responsibility for the stewardship and development of the Company. The mandate provides that: (i) the Board's primary responsibility is to develop and adopt the strategic direction of the Company and to, at least annually, review and approve a strategic plan as developed and proposed by management, which takes into account the

business opportunities and risks of the Company; and (ii) the Board is responsible for reviewing and approving the Company's financial objectives, plans and actions, including significant capital allocations and expenditures.

The Board is also responsible for, among other things: (i) monitoring corporate performance; (ii) identifying principal business risks and ensuring that appropriate systems are put in place to manage such risks; (iii) monitoring and ensuring internal control and procedures; (iv) ensuring appropriate standards of corporate conduct; (v) reviewing and approving financial statements and management's discussion and analysis (however, it has delegated to the Audit Committee the ability to approve quarterly financial statements and management's discussion and analysis without further review by the Board); (vi) reviewing compensation of the members of the Board; (vii) reviewing and approving material transactions and annual budgets; (viii) developing the Company's approach to corporate governance; (ix) identifying and recommending new nominees; and (x) assessing its own effectiveness in fulfilling its mandate. The Board's mandate sets forth procedures relating to the Board's operations such as the size of the Board and selection process, director qualifications, director orientation and continuing education, meetings and committees, evaluations, compensation and access to independent advisors.

Position Descriptions

Chairman of the Board

On June 27, 2016, Mr. Rutherford was appointed as the Chairman of the Board, taking over from Mr. Anderson. The Board has developed and adopted a written position description for the Chairman of the Board, indicating that the Chairman is responsible for, among other things, chairing all meetings of the Board in a manner that promotes meaningful discussion, providing leadership to enhance the Board's effectiveness, acting as a liaison between the Board and management and at the request of the Board, representing the Company to external groups, including shareholders, community groups and government.

Chairman of the Audit Committee

The Chairman of the Audit Committee is Mr. Gagel. The Board has developed and adopted a written position description for the Chairman of the Audit Committee, indicating that the Chairman of the Audit Committee is responsible for, among other things, chairing all meetings of the Audit Committee, ensuring the Audit Committee monitors the Company's financial reporting process and internal control systems independently and objectively, ensuring procedures are in place to review the Company's public financial information disclosure and overseeing the Audit Committee's participation in the accounting and financial reporting process and audits of the financial statements.

Chairman of the Governance, Nominating and Compensation Committee

The Chairman of the Governance, Nominating and Compensation Committee is Mr. Rubenstein. The Board has developed and adopted a written position description for the Chairman of this committee, indicating that the Chairman of the Governance, Nominating and Compensation Committee is responsible for, among other things, ensuring an annual assessment of the effectiveness of the Board and the Company's governance is completed, reviewing the Board's compensation on at least an annual basis and reviewing and recommending to the Board the level of compensation packages for the executive officers and members of senior management.

The Chairman of the Governance, Nominating and Compensation Committee is also responsible for working with the Chairman to (i) oversee the corporate governance practices of the Company, (ii) to ensure the Board functions independently of management of the Company, and (iii) ensuring that the Board, committees of the Board, individual directors and senior management of the Company understand and discharge their duties and obligations under the approach to corporate governance.

Chairman of the Safety, Health and Environmental Affairs Committee

The Chairman of the Safety, Health and Environmental Affairs Committee is Mr. Downey. The Board has developed and adopted a written position description for the Chairman of the Safety, Health and Environmental Affairs Committee, indicating that the Chairman of this committee will lead candid discussion among the other members of the committee, assign tasks to the respective members as required and report to the Board as necessary with respect to items within the purview of such committee.

Chairman of the Corporate Social Responsibility Committee

The Chairman of the Corporate Social Responsibility Committee is Mr. Rutherford. The Board has developed and adopted a written position description for the Chairman of this committee, indicating that the Chairman of the Corporate Social Responsibility Committee is responsible for, among other things, providing leadership to the committee with respect to its functions, including overseeing the logistics of the operations of the committee and reports to the Board following each meeting of the committee on the findings, activities and any recommendations of the committee, and makes periodic reports to the Board, as requested, on corporate social responsibility matters relative to the Company.

Chief Executive Officer

The Board has developed and adopted a written position description for the Chief Executive Officer whose primary role is to take overall supervisory and managerial responsibility for the day-to-day operations of the Company's business and manage the Company in order to achieve the goals and objectives determined by the Board in the context of the Company's strategic plan. The Chief Executive Officer's position statement sets forth responsibilities including, but not limited to: (i) maintaining, developing and implementing the Company's strategic plans; (ii) developing new strategic alliances to enhance shareholder value; (iii) providing high quality leadership, support, coordination and guidance to staff and various responsible officers and managers; (iv) ensuring communications between the Company and major shareholders; (v) providing timely strategic, operational and reporting information to the Board; (vi) coordinating the preparation of an annual business plan or strategic plan; and (vii) taking responsibility for the administration of all of the Company's sub-areas and administrative practices.

Ethical Business Conduct

In fulfilling its mandate and approving various decisions put forth by management, the Board ensures that the measures taken by management comply with Canadian securities regulations and other applicable legislation. Members of the Board are also keenly aware of their fiduciary role with the Company as well as their individual fiduciary duties in their capacity as directors, all of which are set out in various provincial corporate legislation. In exercising their powers and discharging their duties, the Board is required to act honestly and in good faith with a view to the best interests of the Company, and to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.

The Board has adopted a written code of ethics entitled the "Code of Business Conduct and Ethics" (the "**Ethics Code**"), which applies to all employees, officers and directors of the Company. The purpose of the Ethics Code is to, among other things, promote honest and ethical conduct, promote legal compliance, promote the avoidance of conflicts of interest, provide mechanisms to report unethical conduct and help foster a culture of honesty and accountability within the Company.

The Board is responsible for compliance issues relating to the Ethics Code, which contains the procedures by which an individual can report actual or potential violations of the Ethics Code to the Chairman. The Ethics Code provides that any violations of the Ethics Code by any employee, officer or director are grounds for disciplinary action including termination of employment, office and directorship.

Pursuant to the Ethics Code, directors or officers of the Company are required to disclose to the Chairman in writing, any conflicts of interest, or request to have entered into the minutes of meetings of the Board the nature and extent of such interest. The fiduciary duties placed on individual directors pursuant to corporate

legislation and the common law, and the conflict of interest provisions under corporate legislation which restrict an individual director's participation in decisions of the Board in which the director has an interest also ensure that the Board operates independently of management and in the best interests of the Company.

The Company has adopted a written "Whistleblower Policy" which establishes procedures for: (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, auditing matters or violations of the Ethics Code; and (ii) the submission by employees of the Company, on a confidential and anonymous basis, of concerns regarding questionable accounting, auditing matters or violations of the Ethics Code.

The Company has adopted a "Corporate Disclosure and Insider Trading Policy" to ensure that: (i) the Company complies with timely disclosure obligations under securities laws, including the AIM Rules for Companies published by the London Stock Exchange plc; (ii) the Company prevents the selective disclosure of material changes; (iii) documents released by the Company or public oral statements that relate to the business and affairs of the Company do not contain a misrepresentation; (iv) persons to whom the policy applies understand their obligations to preserve the confidentiality of "undisclosed material information" (as defined in the policy); and (v) all appropriate parties who have "undisclosed material information" are prohibited from trading in securities of the Company on such information and "tipping" under applicable laws, TSX rules and the policy.

A copy of the above policies and mandates of the Company are available on the Company's website at www.dalradian.com.

The Company has also adopted an "Anti-bribery and Anti-corruption Policy" which provides a framework to ensure that the Company and its subsidiaries, together with their respective directors, officers, employees, agents, contractors and consultants, wherever located, conduct business: (i) in an honest and ethical manner reflecting the highest standards of integrity; (ii) in compliance with all laws, instruments, rules and regulatory requirements applicable to the Company and its subsidiaries; (iii) in compliance with the Ethics Code; and (iv) in a manner that does not contravene anti-bribery and anti-corruption laws that apply to the Company and its subsidiaries, including without limitation the *Criminal Code* (Canada) and *Corruption of Foreign Public Officials Act* (Canada).

Nomination of Directors

The Governance, Nominating and Compensation Committee is composed entirely of independent directors and, among other things, is responsible for the nomination of directors and for identifying new candidates for Board nomination. The Governance, Nominating and Compensation Committee's responsibilities in this regard include identifying and recommending new candidates for nomination to the Board based upon: (i) the competencies and skills necessary for the Board as a whole to possess; (ii) the competencies and skills necessary for each individual director to possess; (iii) the competencies and skills which each new nominee to the Board is expected to bring; and (iv) whether the proposed nominee to the Board will be able to devote sufficient time and resources to the Company. To encourage an objective nomination process, the Governance, Nominating and Compensation Committee promotes open and candid discussion among its committee members.

The size of the Board is reviewed on a regular basis. The Governance, Nominating and Compensation Committee takes into account the number of directors required to carry out the Board's duties effectively, and to maintain a diversity of views and experience.

Director Term Limits and Female Representation in Management and on the Board

The Company has not instituted director term limits. The Company believes that in taking into account the nature and size of the Board and the Company, it is more important to have relevant experience than to impose set time limits on a director's tenure. In lieu of imposing term limits, the Company regularly monitors director performance through annual assessments and regularly encourages sharing and new perspectives

through regularly scheduled Board meetings, regularly scheduled meetings chaired by the Chairman with only independent directors in attendance, as well as through continuing education initiatives. On a regular basis, the Company analyzes the skills and experience necessary for the Board and evaluates the need for director changes to ensure that the Company has highly knowledgeable and motivated Board members, while ensuring that new perspectives are available to the Board.

The Company has implemented a diversity policy (the “**Diversity Policy**”). The Company believes in diversity and values the benefits that diversity can bring to the Board. Diversity promotes the inclusion of different perspectives and ideas and ensures that the Company has the opportunity to benefit from all available talent. The promotion of a diverse Board makes prudent business sense and makes for better corporate governance.

The Company seeks to maintain a Board comprised of talented and dedicated directors with a diverse mix of expertise, experience, skills and backgrounds. The Board believes that the skills and backgrounds collectively represented on the Board should reflect the diverse nature of the business environment in which the Company operates. For purposes of Board composition, diversity includes, but is not limited to, business experience, geography, age, gender, and ethnicity. In particular, the Board should include an appropriate number of female directors.

The Company is committed to a merit based system for Board composition within a diverse and inclusive culture which solicits multiple perspectives and views and is free of conscious or unconscious bias and discrimination. When assessing Board composition or identifying suitable candidates for appointment or re-election to the Board, the Company will consider candidates on merit against objective criteria having due regard to the benefits of diversity and the needs of the Board.

The Company will periodically assess the expertise, experience, skills and backgrounds of its directors in light of the needs of the Board, including the extent to which the current composition of the Board reflects a diverse mix of knowledge, experience, skills and backgrounds, including an appropriate number of female directors.

Any search firm engaged to assist the Board or the Governance, Nominating and Compensation Committee in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates generally, and multiple female candidates in particular. Female candidates for director will be included in the evergreen list of potential Board nominees.

Annually, the Board or the Governance, Nominating and Compensation Committee will review the Diversity Policy and assess its effectiveness in promoting a diverse Board which includes an appropriate number of female directors.

The Company currently has eight directors of whom one (13%) is female, and five executive officers of whom one (20%) is female.

The Company has not set a targeted number, or percentage of, female representation on its Board or for executive officer positions. The Company’s focus has always been, and will continue to be, working to attract the highest quality executive officers and Board candidates with special focus on the skills, experience, character and behavioural qualities of each candidate while having due regard to the benefits of diversity. The Company will continue to monitor developments in the area of diversity.

Assessments

The Board is responsible for reviewing on an annual basis the requisite competencies and skills of prospective members of the Board as well as the composition of the Board as a whole. The Board completed an assessment process in 2016 led by the then Lead Director, whereby assessments included each member’s contribution and qualification as an independent director, as well as diversity, skills and experience in the context of the needs of the Board. The committees of the Board, and the members of each committee, are also regularly assessed with respect to their effectiveness and contribution as part of

the overall annual Board assessment process. Late in 2016, the new Chairman also conducted a review of corporate strategy and board effectiveness.

Board Committees

Governance, Nominating and Compensation Committee

The Governance, Nominating and Compensation Committee is composed entirely of independent directors.

Orientation and Continuing Education

The Company's directors have extensive experience in the mining industry and have acted, or continue to act, as directors of other public mineral exploration, development and production companies. The Governance, Nominating and Compensation Committee is responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Company remains current. New directors of the Company have the opportunity to meet with the other members of the Board in addition to management to obtain insight into the Company's business.

During 2016, amongst other things: the directors received presentations from several banks on the state of the financial markets and merger & acquisition activity in the mining sector; and training on the new European stock market regulations and the AIM market of the London Stock Exchange and directors' responsibilities thereon.

All of the directors visited the Company's Curraghinalt deposit in Northern Ireland within the last two years. While in Northern Ireland, the directors: toured Stormont, the seat of the legislative assembly; met with several senior government ministers; received a presentation on government affairs; had an underground tour of operations; met with staff; and met with a community group. The Safety, Health and Environmental Affairs Committee also had a separate tour of operations focused on health, safety and environmental management.

Nomination of Directors

As noted above, the Governance, Nominating and Compensation Committee is responsible for the nomination of directors and for identifying new candidates for Board nomination. The Governance, Nominating and Compensation Committee's responsibilities in this regard include identifying and recommending new candidates for nomination to the Board as well as reviewing the size of the Board on a regular basis while taking into account the number of directors required to carry out the Board's duties effectively and maintaining a diversity of views and experiences.

Compensation

The Board, with the assistance of the Governance, Nominating and Compensation Committee, is responsible for reviewing the compensation of members of the Board to ensure that compensation realistically reflects the responsibilities and risks involved in being a director and for reviewing the compensation of members of senior management to ensure that compensation is competitive within the industry and aligns the interests of such individual with those of the Company.

In connection with its responsibilities relating to compensation of the Company's directors and officers, the Governance, Nominating and Compensation Committee is responsible for: (i) annually reviewing, approving and recommending to the Board for approval, the remuneration of the directors and senior executives of the Company (including the Chief Executive Officer, Chief Financial Officer and Chief Operating Officer), including any bonus entitlements; (ii) comparing on an annual but informal basis the total remuneration and main components of compensation for the senior executives with that of peers in the same industry; (iii) reviewing the Chief Executive Officer's goals and objectives for the upcoming year and providing an appraisal of such performance at the end of the year; (iv) meeting with the Chief Executive

Officer to discuss goals, objectives, compensation and performance of other senior executive officers; (v) developing and submitting recommendations with regard to other employee benefits and bonus plans; (vi) periodically reviewing bonus plans, stock option plans and other security-based compensation arrangements in light of new trends and practices in the industry; (vii) administering the Company's Stock Option Plan and other security-based compensation arrangements; and (viii) reviewing the Company's executive compensation disclosure in any management information circular of the Company. The Governance, Nominating and Compensation Committee may employ independent experts periodically as deemed necessary to review remuneration policies for executive officers and directors. See "Statement of Executive Compensation – Compensation Discussion and Analysis" above.

Other

Together with the Chairman, the Governance, Nominating and Compensation Committee is also responsible for approving and monitoring related party transactions, performing an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors and adopting such policies and procedures as it deems appropriate to operate effectively.

Safety, Health and Environmental Affairs Committee

The Safety, Health and Environmental Affairs Committee is responsible for: (i) reviewing and making recommendations to the Board on environmental or occupational health and safety policies, standards and programs for the Company; (ii) receiving reports on the extent of compliance or non-compliance with environmental or occupational health and safety policies, standards and applicable legislation and submitting plans to correct deficiencies; (iii) reviewing other environmental or occupational health and safety matters as the Safety, Health and Environmental Affairs Committee or the Board may see fit; and (iv) assisting the Board in overseeing matters relating to community affairs and liaising with local communities in respect of the Company's operations. The Safety, Health and Environmental Affairs Committee visited the Company's Curraghinalt deposit in Northern Ireland during the financial year ended December 31, 2016.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee is responsible for: (i) reviewing and monitoring the corporate social responsibility (which includes sustainable development) policies, programs and activities of the Company on behalf of the Board. The Committee may investigate any activity of the Company that relates to sustainable development and community development.

Audit Committee

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting processes and internal controls. The committee's primary duties and responsibilities are to: (i) conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the committee; (ii) assess the integrity of internal controls and financial reporting procedures of the Company and ensure implementation of such controls and procedures; (iii) in respect of the quarterly financial statements and management's discussion and analysis of the Company's financial position and operating results, (a) review and approve same, if such approval authority is delegated to the committee by the Board, or (b) review and report thereon to the Board for approval, if such approval is not delegated to the committee; (iv) review the annual financial statements and management's discussion and analysis of the Company's financial position and operating results and report thereon to the Board for approval of same; (v) monitor the independence and performance of the Company's external auditors, including attending at private meetings with the external auditors and reviewing and recommend approving all renewals or dismissals of the external auditors and their remuneration; and (vi) provide oversight of all disclosure relating to financial statements, management's discussion and analysis and information derived therefrom. The Audit Committee is responsible for inquiring of management and the external auditors about significant risks or exposures, both internal and external to which the Company may be subject, and assessing the steps management has taken to minimize such risks. The Audit Committee is also responsible for establishing and implementing

procedures in respect of complaints and submissions relating to accounting matters and the approval of non-audit services by the external auditors, and administered by the Company's Whistleblower Policy.

Further information regarding the Audit Committee is contained in the Company's current annual information form, under the heading "Audit Committee". A copy of the Audit Committee charter is attached to the annual information form as Appendix "A". The Company's annual information form is available under the Company's profile on SEDAR at www.sedar.com.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides details of compensation plans under which equity securities of the Company are authorized for issuance as of December 31, 2016. A description of the significant terms of each of the equity compensation plans of the Company follows the table below:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options and Rights	Weighted-Average Exercise Price of Outstanding Options and Rights	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans⁽¹⁾⁽²⁾
Equity compensation plans approved by securityholders	9,000,000 options 1,375,000 RSUs 294,000 DSUs 0 DGL SIP Awards	\$0.92/option \$1.12/RSU \$1.19/DSU N/A	13,663,478
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	9,000,000 options ⁽³⁾ 1,375,000 RSUs ⁽³⁾ 294,000 DSUs ⁽³⁾ 0 DGL SIP Awards ⁽³⁾	\$0.92/option \$1.12/RSU \$1.19/DSU N/A	13,663,478 ⁽⁴⁾

- (1) Based on the maximum number of Common Shares that were available for issuance under the Stock Option Plan, the RSU Plan, the DSU Plan and the DGL Share Incentive Plan as at December 31, 2016, which was 24,332,478 (which maximum reserve is based on 10% of the number of issued and outstanding Common Shares as at December 31, 2016, which was 243,324,776).
- (2) The aggregate number of Common Shares that may be reserved for issuance under the Stock Option Plan, the RSU Plan, the DSU Plan and the DGL Share Incentive Plan shall not exceed 10% of the issued and outstanding Common Shares from time to time.
- (3) As at the date hereof, there are 8,981,666 options outstanding, 1,375,000 RSUs outstanding, 294,000 DSUs outstanding and nil DGL SIP Awards outstanding.
- (4) As at the date hereof, the maximum number of Common Shares that are available for issuance under the Stock Option Plan, the RSU Plan, the DSU Plan and the DGL Share Incentive Plan is 25,078,937 (which maximum reserve is based on 10% of the number of issued and outstanding Common Shares as at the date hereof of 250,789,372). As such, the number of securities remaining available for future issuance under the Company's equity compensation plans is 14,428,271.

Stock Option Plan

The Stock Option Plan was initially approved by the Board on April 7, 2010, and was subsequently amended on May 26, 2014, pursuant to Board approval, to introduce a "cashless exercise" provision and to impose a requirement to obtain shareholder approval for any re-pricing of outstanding options granted thereunder. The Stock Option Plan was further amended on May 13, 2016, pursuant to Board approval, to (i) amend the "cashless exercise" provision with respect to withholding tax obligations, (ii) amend the definition of "market price", and (iii) impose limits on the grant of options and all securities granted under all security-based compensation arrangements to non-employee directors within a one-year period, subject to certain exceptions. The Stock Option plan was most recently approved by the shareholders on June 27, 2016.

A copy of the Stock Option Plan is available under the Company's profile on SEDAR at www.sedar.com.

The Stock Option Plan allows for the grant of incentive stock options to the Company's employees, directors and consultants. The maximum number of Common Shares that may be issued pursuant to the exercise of options granted under the Stock Option Plan and all other securities under other security-based compensation arrangements of the Company cannot exceed 10% of the issued and outstanding Common Shares at the time of the grant of any option. Options granted under the Stock Option Plan are non-assignable and will have an exercise price determined by the Board at the time the option is granted, but, in any event, shall not be less than the closing price of the Common Shares on the TSX or any other stock exchange on which the Shares are listed on the trading day immediately preceding the date of the grant of the option. The options will be exercisable for a period not to exceed five years from the date the option is granted, provided that if the expiry date falls within, or within two days of a trading blackout period imposed by the Company, the expiry date of such options shall be automatically extended to the 10th business day following the end of such trading blackout period.

The aggregate number of Common Shares reserved for issuance pursuant to the Stock Option Plan and all other security-based compensation arrangements of the Company granted to insiders, at any time, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of options that may be granted pursuant to the Stock Option Plan and all other security-based compensation arrangements of the Company to insiders, within a one-year period, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of options granted to any one non-employee director within a one-year period shall not exceed a maximum value of \$100,000, and in the case of all securities granted under security-based compensation arrangements within a one-year period shall not exceed a maximum value of \$150,000; provided that such maximums shall not apply in the case of (i) a one-time grant with a maximum value of \$150,000 upon the individual becoming a member of the Board or (ii) issuances pursuant to certain "acceptable equity awards" (as defined in the Stock Option Plan).

If an optionee ceases to be an employee, director or consultant of the Company, other than as a result of termination for cause, or ceases to act as a director, any option held by such optionee at the effective date thereof shall be exercisable only to the extent that the optionee is entitled to exercise the option and only for 90 days thereafter (or such longer period as may be prescribed by law) or prior to the expiration of the option period in respect thereof, whichever is sooner, subject to the Board determining otherwise. In the case of an optionee being dismissed from employment or service for cause, the option shall immediately terminate and shall no longer be exercisable as of the date of such dismissal. In the event of death of an optionee, options are exercisable by the estate for 12 months.

The Board may, subject to receipt of requisite shareholder and regulatory approval, make the following amendments to the Stock Option Plan:

- (i) any amendment to the number of securities issuable under the Stock Option Plan, including an increase to a fixed maximum number of securities or a change from a fixed maximum number of securities to a fixed maximum percentage. A change to a fixed maximum percentage which was previously approved by shareholders will not require additional shareholder approval;
- (ii) any increase to the limits imposed on non-employee directors;
- (iii) any change to the definition of "participants" that would have the potential of narrowing or broadening or increasing insider participation;
- (iv) the addition of any form of financial assistance;
- (v) any amendment to a financial assistance provision that is more favourable to participants;
- (vi) any revision to the exercise price of outstanding options;

- (vii) the addition of deferred or restricted share unit or any other provision which results in participants receiving securities while no cash consideration is received by the Company; and
- (viii) any other amendments that may lead to significant or unreasonable dilution in the Company's outstanding securities or may provide additional benefits to participants, especially to insiders of the Company, at the expense of the Company and its existing shareholders.

The Board may, subject to receipt of requisite regulatory approval, where required, in its sole discretion, make all other amendments to the Stock Option Plan that are not of the type contemplated in the list above, including, without limitation:

- (i) amendments of a housekeeping nature;
- (ii) the addition of or a change to vesting provisions of a security or the Stock Option Plan;
- (iii) a change to the termination provisions of a security or the Stock Option Plan that does not entail an extension beyond the original expiry date; and
- (iv) the addition or amendment of a cashless exercise feature, payable in cash or securities.

As at the date hereof, an aggregate of 8,981,666 options were outstanding and governed by the Stock Option Plan.

RSU Plan

The RSU Plan was approved by the Board on May 14, 2012 and most recently approved by shareholders on June 23, 2015. The RSU Plan was subsequently amended on May 13, 2016, pursuant to Board approval, to (i) provide for an extension during which vesting can occur during a "black out" period, and (ii) permit for the satisfaction of RSUs in cash (if requested by the RSU holder and agreed to by the Company). The RSU Plan provides that RSUs may be granted by the Board to employees, officers, directors and consultants of the Company as a discretionary payment in consideration of past or future services to the Company. A copy of the RSU Plan is available under the Company's profile on SEDAR at www.sedar.com.

The number of RSUs awarded are credited to the participant's account effective on the grant date of the RSUs. An RSU represents a right to receive (i) one Common Share issued from treasury, or (ii) a Cash Amount (determined with reference to the 5-day volume weighted average trading price of a Common Share prior to the relevant date), without payment of additional consideration, on the later of: (i) the date which is the first day after a Restricted Period as determined by the Board; and (ii) a date determined by an eligible participant that is after the Restricted Period but is no later than a Deferred Payment Date. At the time of grant, the Board may also make the RSUs subject to performance conditions to be achieved by the Company, the participant or a class of participants, within the Restricted Period, in order for such RSUs to entitle the participants to receive the underlying Common Shares or the Cash Amount. Participants, who are residents of Canada, seeking to set a Deferred Payment Date may do so by giving the Company at least 60 days' notice prior to the expiration of the Restricted Period.

The maximum number of Common Shares to be reserved for issuance under the RSU Plan and all other security-based compensation arrangements of the Company cannot exceed 10% of the issued and outstanding Common Shares from time to time. The maximum number of Common Shares issuable to insiders, at any time, pursuant to the RSU Plan and any other security-based compensation arrangements of the Company is 10% of the total number of Common Shares then outstanding. The maximum number of Common Shares issuable to insiders, within any one year period, pursuant to the RSU Plan and any other security-based compensation arrangements of the Company is 10% of the total number of Common Shares then outstanding.

RSUs are not assignable. In the event of a participant's retirement or termination during a Restricted Period (unless it falls during a black out period), any RSUs automatically terminate, unless otherwise determined by the Board. If a participant's retirement or termination occurs after the Restricted Period and prior to any Deferred Payment Date, any RSUs shall be settled by the Company issuing the applicable Common Shares or paying the Cash Amount. In the event of a participant's death or total disability, any RSUs shall immediately vest and be settled by the Company issuing the applicable Common Shares or paying the Cash Amount for the redemption of each RSU.

The Board shall have the discretion to pay a participant who holds RSUs a cash amount equal to any cash dividends that would apply on Common Shares underlying RSUs at the time such dividends are paid to holders of the Common Shares.

In the event of a change of control of the Company (as defined in the RSU Plan), all RSUs shall immediately vest and be redeemed forthwith by the Company either issuing a Common Share or paying the Cash Amount for each RSU notwithstanding the Restricted Period and any applicable Deferred Payment Date.

In the event that any Restricted Period would otherwise expire during, or Deferred Payment Date would fall within, a blackout period imposed by the Company, such Restricted Period or Deferred Payment Date, as the case may be, will be automatically extended to the 10th day business day immediately following the end of the blackout period.

The Board may from time to time, in its absolute discretion, without shareholder approval, amend, modify and change the provisions of the RSU Plan, including, without limitation:

- (i) amendments of a housekeeping nature; and
- (ii) a change to the Restricted Period of any RSU.

However, other than as set out above, any amendment, modification or change to the provisions of the RSU Plan which would:

- (i) materially increase the benefits of the holder under the RSU Plan to the detriment of the Company and its shareholders;
- (ii) increase the number of Common Shares or maximum percentage of Common Shares, other than by virtue of the adjustment provisions of the RSU Plan, which may be issued pursuant to the RSU Plan;
- (iii) reduce the range of amendments requiring shareholder approval contemplated under the RSU Plan;
- (iv) change the insider participation limits which would result in shareholder approval to be required on a disinterested basis;
- (v) permit RSUs to be transferred other than for normal estate settlement purposes; or
- (vi) materially modify the requirements as to eligibility for participation in the RSU Plan;

shall only be effective upon such amendment, modification or change being approved by the shareholders of the Company. Any amendment, modification or change of any provision of the RSU Plan shall be subject to approval, if required, by any regulatory authority having jurisdiction over the securities of the Company.

As at the date hereof, an aggregate of 1,375,000 RSUs were outstanding and governed by the RSU Plan.

DSU Plan

The Deferred Share Unit plan (the “**DSU Plan**”) was approved by the board on May 13, 2016, and approved by the shareholders on June 27, 2016. The DSU Plan provides an option for non-executive directors pursuant to which they can elect to receive part of their compensation in the form of DSUs of equivalent value instead of cash. The following is a summary of some of the key terms of the DSU Plan.

The purpose of the DSU Plan is to strengthen the alignment of interests between the non-executive directors and the shareholders of the Company by linking a portion or all of annual director compensation to the future value of the Common Shares. In addition, the DSU Plan has been adopted for the purpose of advancing the interests of the Company through the motivation, attraction and retention of directors of the Company, it being generally recognized that deferred share unit plans aid in attracting, retaining and encouraging director commitment and performance due to the opportunity offered to them to receive compensation in line with the value of the Common Shares.

The DSU Plan provides that DSUs may be granted by the Board, or a committee of the Board which administers the DSU Plan, to non-executive directors of the Company who elect to receive payment for a portion or all of their quarterly compensation in the form of DSUs. The number of DSUs to be granted is determined by dividing the amount payable by the Market Value of a Common Share on the TSX on the business day immediately preceding the issue date. “Market Value” is defined as the volume weighted average trading price of the Common Shares calculated by dividing the total value by the total volume of the Common Shares on the TSX for the five (5) consecutive trading days immediately prior to the date as of which Market Value is determined. In addition, the committee, in its sole discretion, may grant and issue to any non-executive director, from time to time, that number of DSUs as determined by resolution of the committee.

On the date the Company determines, which shall be no earlier than 30 days but no later than 60 days after the date on which a participant ceases to be a non-executive director (the “**Separation Date**”), each DSU held by such participant shall be redeemed by the Company for (a) a cash payment equal to the Market Value of a Common Share on the redemption date multiplied by the number of DSUs held by the participant on the Separation Date; or (b) one Common Share for each DSU. A participant may, however, elect to have a later redemption date for his or her DSUs if the participant delivers to the Company, within 30 days of the Separation Date, a redemption notice, in which case the redemption date shall be such date as is specified by the participant in the redemption notice as the day on which DSUs credited to a participant's account shall be redeemed provided in no case may the redemption date be prior to the Separation Date or later than the last day of the calendar year commencing immediately after the participant's Separation Date. In the event a blackout period is in effect on the Separation Date, the foregoing redemption date determination and election process shall be deferred to after the expiry of the blackout period. Participants are responsible for making suitable arrangements with the Company to fund the payment of any applicable withholding tax.

The maximum number of Common Shares made available for the DSU Plan and all other security-based compensation arrangements of the Company shall be determined from time to time by the Board, but in any case, shall not exceed 10% of the Common Shares issued and outstanding from time to time. The aggregate number of Common Shares issuable to insiders pursuant to DSUs granted and all other security-based compensation arrangements, at any time, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of Common Shares issued to insiders pursuant to DSUs and all other security-based compensation arrangements, within a one year period, shall not exceed 10% of the total number of Common Shares then outstanding. The DSU Plan is an “ever green plan”. Any issuance of Common Shares from treasury, including issuances pursuant to the settlement of DSUs, shall automatically replenish the number of Common Shares issuable under the DSU Plan. When a DSU is settled, cancelled or terminated, a Common Share shall automatically be available for the grant of a new DSU or other securities under the DSU Plan or the Company's other plans. The aggregate number of options granted to any one non-employee director within a one-year period shall not exceed a maximum value of \$100,000, and in the case of all securities granted under security-based compensation arrangements within a one-year period, shall not exceed a maximum value of \$150,000; provided that such maximums shall not

apply in the case of (i) a one-time grant with a maximum value of \$150,000 upon the individual becoming a member of the Board or (ii) issuances pursuant to certain “acceptable equity awards” as defined in the DSU Plan.

Except as otherwise expressly provided for under the DSU Plan or pursuant to a will or by the laws of descent and distribution, no DSU and no other right or interest of a participant is assignable or transferable, and any such assignment or transfer in violation of the DSU Plan shall be null and void.

The Board may, from time to time, in its discretion (without further shareholder approval), amend, modify and change the provisions of the DSU Plan (and/or DSUs), except any amendment, modification or change to the provisions of the DSU Plan (and/or DSUs) which would:

- (a) increase the number of Common Shares or maximum percentage of Common Shares, which may be issued pursuant to the DSU Plan;
- (b) reduce the range of amendments requiring shareholder approval contemplated under the DSU Plan;
- (c) permit DSUs to be transferred other than for normal estate settlement purposes;
- (d) change insider participation limits which would result in shareholder approval to be required on a disinterested basis; or
- (e) materially modify the requirements as to eligibility for participation in the DSU Plan;

which amendment, modification or change would only be effective upon being approved by the shareholders of the Company. In addition, any such amendment, modification or change of any provision of the DSU Plan shall be subject to the approval, if required, by any regulatory authority having jurisdiction over the securities of the Company.

As at the date hereof, an aggregate of 294,000 DSUs were outstanding and governed by the DSU Plan.

DGL Share Incentive Plan

The DGL Share Incentive Plan was approved by the Board on May 11, 2015, and approved by shareholders on June 23, 2015. The DGL Share Incentive Plan was implemented to provide the ability for certain United Kingdom employees to acquire Common Shares in a manner that may provide certain tax-advantages to such employees. The following is a summary of some of the key terms of the DGL Share Incentive Plan which is qualified in its entirety by the full text of the plan. A copy of the DGL Share Incentive Plan is available under the Company’s profile on SEDAR at www.sedar.com.

The DGL Share Incentive Plan allows for the grant of certain awards to: (a) United Kingdom tax resident employees of Dalradian Gold Limited (“**DGL**”) who are employed by DGL (or one of its participating subsidiaries), and (b) other employees of DGL (or one of its participating subsidiaries). The DGL Share Incentive Plan is operated through a share incentive plan trust, which purchases Common Shares in the secondary market or subscribes for Common Shares issued by the Company from treasury (in each case, the “**Plan Shares**”) that are purchased on behalf of or awarded to, as applicable, eligible employees. While eligible employees are the beneficial owners of the Plan Shares on day one, such Plan Shares are then held in a trust for a certain number of years. After that time, provided that they remain employed by the group (as defined below), participants may continue to hold their Plan Shares in the share incentive plan trust until they decide to sell such Plan Shares and incur capital gains tax benefits. If a participant leaves employment with the group, the Plan Shares are withdrawn from the share incentive plan trust early and, in certain circumstances, DGL may decide that Free Shares (as defined below) or Matching Shares (as defined below) shall be forfeited or Partnership Shares (as defined below) or Dividend Shares (as defined below) may be required to be compulsorily sold. In certain corporate circumstances, participants may be permitted to withdraw their Plan Shares from the trust early.

Each time that the board of directors of DGL (the “**DGL Board**”) decides to operate the DGL Share Incentive Plan, all United Kingdom resident tax-paying employees must be offered the opportunity to participate.

Employees invited to participate must have completed a minimum qualifying period of employment (which cannot be more than 18 months, or in certain circumstances, six months) before they can participate.

Under the DGL Share Incentive Plan, the following types of awards can be granted to eligible employees:

- (a) *Free Shares.* Up to £3,600 worth of Common Shares (“**Free Shares**”) per year may be given to eligible employees and held by the trustees under the terms of the DGL Share Incentive Plan.

Free Shares must be awarded on the same terms to each eligible employee, but the number of Free Shares awarded can be determined by reference to the eligible employee’s remuneration, length of service, number of hours worked and/or objective performance criteria. The award of Free Shares can, if DGL so chooses, be subject to the satisfaction of a pre-award performance target which measures the objective success of the individual, team, division or business.

- (b) *Partnership Shares.* Eligible employees are provided with the opportunity to purchase Common Shares (“**Partnership Shares**”) with a value of up to the lower of £1,800 and 10% of the eligible employee’s pre-tax salary each year, which are held by the trustees under the terms of the DGL Share Incentive Plan.

Once acquired, Partnership Shares may be withdrawn from the DGL Share Incentive Plan by participants at any time and will not be capable of forfeiture; although participants may be required to offer their Partnership Shares for sale if they leave the group other than for a Good Leaver Reason (as defined below).

- (c) *Matching Shares.* Up to two Common Shares (“**Matching Shares**”) for each Partnership Share purchased may be given to eligible employees and held by the trustees under the terms of the DGL Share Incentive Plan. If awarded, Matching Shares must be awarded on the same basis to all eligible employees.

- (d) *Dividend Shares.* Participants may be allowed or required to reinvest any dividends received on their Plan Shares in an unlimited number of Common Shares (“**Dividend Shares**”) each year, which are held by the trustees under the terms of the DGL Share Incentive Plan.

Once acquired, Dividend Shares will not be capable of forfeiture; although participants may be required to offer their Dividend Shares for sale if they leave the group other than for a Good Leaver Reason.

The limits set out above are the current limits under the applicable United Kingdom share incentive plan legislation. The DGL Board may determine that different limits shall apply in the future, should relevant legislation change in this respect.

Subject to certain exceptions and requirements (including in some cases, payment of tax and social security contributions), participants may withdraw Plan Shares from the trust as follows:

- Free Shares and Matching Shares can be transferred after the date determined by the directors of DGL (which date will be no earlier than the third anniversary and no later than the fifth anniversary of the grant date);
- Partnership Shares can be transferred at any time; and
- Dividend Shares can be transferred after the third anniversary of the grant date.

The subscription price for Plan Shares subscribed for by participants and issued by the Company from treasury will be determined by the Board at the time of issuance, provided that the subscription price per Plan Share shall not be less than the closing price of a Common Share on the TSX on the trading day immediately preceding the date of issuance. For greater certainty, the price paid for any Partnership Shares

or Dividend Shares is set by UK legislation and any shortfall will be funded by DGL or the relevant subsidiary.

The maximum number of Common Shares that may be issued by the Company pursuant to the DGL Share Incentive Plan and pursuant to the vesting or exercise (as applicable) of all other securities under other security-based compensation arrangements of the Company cannot exceed 10% of the issued and outstanding Common Shares at the time of grant.

The aggregate number of Common Shares issuable pursuant to the DGL Share Incentive Plan to eligible employees and issuable pursuant to all other security-based compensation arrangements of the Company to Insiders (as defined below), at any time, shall not exceed 10% of the total number of Common Shares then outstanding. The aggregate number of Common Shares issued pursuant to the DGL Share Incentive Plan to eligible employees and issued pursuant to all other security-based compensation arrangements of the Company to Insiders, within a one-year period, shall not exceed 10% of the total number of Common Shares then outstanding.

If a participant ceases to be employed by the Company or any of its subsidiaries (the “**group**”), any Free Shares and Matching Shares that are not forfeited, and any Partnership Shares and Dividend Shares which are not compulsorily sold, will be immediately withdrawn from the DGL Share Incentive Plan. If a participant ceases to be employed by the group after the Tax Free Date (as defined below) or before the Tax Free Date for a Good Leaver Reason, any Free Shares, Partnership Shares, Matching Shares and Dividend Shares will be transferred to the participant. If a participant ceases to be employed by the group before the Tax Free Date other than for a Good Leaver Reason, Plan Shares will be dealt with in accordance with the DGL Share Incentive Plan, which will include the removal of the Plan Shares from the trust (and which may include forfeiture, compulsory sale, or the payment of tax and social security contributions).

For the purposes of this summary of the DGL Share Incentive Plan:

“**Good Leaver Reason**” means any (1) injury, disability, redundancy, (2) transfer to which the United Kingdom *Transfer of Undertakings (Protection of Employment) Regulations 2006* applies, (3) change of control or other circumstances ending the ‘associated company’ status of the company by which the eligible employee is employed, (4) retirement in accordance with DGL’s normal retirement policies, or (5) death.

“**Insider**” means a participant who is defined as an “insider” of the Company under the Canadian National Instrument 55-101 – *Insider Reporting Exemptions* and subject to the insider reporting requirements of the Canadian National Instrument 55-101 – *Insider Reporting Exemptions*.

“**Tax Free Date**” means (1) in relation to Free Shares, Partnership Shares and Matching Shares, the fifth anniversary of the acquisition date, and (2) in relation to Dividend Shares, the third anniversary of the acquisition date.

In the event of a general offer being made to shareholders (or a similar take-over event taking place during a holding period), participants will be able to direct the trustee as to how to act in relation to their Plan Shares. In the event of a corporate re-organisation, any Plan Shares held by participants may be replaced by equivalent shares in a new holding company.

Subject to the agreement of the trustees, and to the provisions below, the directors of DGL may in their discretion, amend the DGL Share Incentive Plan, except if such amendment would cause the DGL Share Incentive Plan to cease to be an employees’ share scheme as defined in section 1166 of the United Kingdom *Companies Act 2006* or infringe the rule against perpetuities. Where any amendment is to the material advantage of participants (present or future), it will not be effective unless it is:

- (i) made with the prior approval of an ordinary resolution of the shareholders of the Company;
- (ii) a minor amendment which the directors of DGL consider necessary or desirable in order to benefit the administration of the DGL Share Incentive Plan; or
- (iii) an amendment which the directors of DGL consider necessary or desirable to take account or advantage of a change in Schedule 2 to the United Kingdom *Income Tax (Earnings and*

Pensions) Act 2003, or any other legislation or to obtain or maintain favourable tax, exchange control, or regulatory treatment for participants (present or future) or any subsidiary of DGL participating in the DGL Share Incentive Plan.

No amendment which purports to enlarge the obligations or restrict the rights of any participant in respect of Plan Shares already granted to him or her will be effective. Any amendment to the DGL Share Incentive Plan is subject to applicable regulatory approval, including any requisite approval of the TSX or any approval of the shareholders of the Company required by the TSX listing rules from time to time. Any amendment to the key features of the DGL Share Incentive Plan (being provisions necessary to meet the requirements of the relevant tax legislation) must be reported to the United Kingdom HM Revenue & Customs.

As at the date hereof, no Plan Shares have been issued under the DGL Share Incentive Plan.

Indebtedness of Directors and Executive Officers

None of the Company's directors or executive officers, nor any associate of such director or executive officer is as at the date hereof, or has been, during the financial year ended December 31, 2016, indebted to the Company or any of its subsidiaries in connection with a purchase of securities or otherwise. In addition, no indebtedness of these individuals to another entity has been the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding of the Company or any of its subsidiaries.

Interest of Informed Persons in Material Transactions

Other than as disclosed elsewhere herein, no informed person (within the meaning of National Instrument 51-102 – *Continuous Disclosure Obligations*) of the Company, nominee for election as a director of the Company, or any associate or affiliate of an informed person or nominee, has or had any material interest, direct or indirect, in any transaction since January 1, 2016 or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

Directors' and Officers' Liability Insurance

The Company maintains liability insurance for its directors and officers. The policy provides insurance for the Company's directors and officers in respect of certain losses arising from claims against them for their acts, errors or omissions in their capacity as directors or officers. The Company is also insured against any loss arising out of any payment that the Company may be required or permitted by law to make to its directors and officers, the coverage being the same for both groups. The policy limit for such insurance coverage is \$30,000,000 per occurrence and in the aggregate in each policy year, with no deductible for individual directors or officers and a deductible of \$25,000 payable by the Company per occurrence. The annual premium paid by the Company for the financial year ended December 31, 2016 was \$57,000.

Additional Information

Additional information relating to the Company may be found on SEDAR at www.sedar.com. Additional financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the financial year ended December 31, 2016, which can be found on SEDAR at www.sedar.com or on the Company's website at www.dalradian.com. Shareholders may also request these documents from the Company by phone at (416) 583-5600 or by e-mail at info@dalradian.com.

Directors' Approval

The contents of this management information circular and the sending thereof to the shareholders of the Company have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Patrick F.N. Anderson"

Patrick F. N. Anderson
Chief Executive Officer, President and Director

Toronto, Ontario
May 12, 2017

APPENDIX "A"

DALRADIAN RESOURCES INC. MANDATE OF THE BOARD OF DIRECTORS

1. PURPOSE

The Board of Directors (the "**Board**") of Dalradian Resources Inc. (the "**Corporation**") assumes responsibility for the stewardship of the Corporation.

2. RESPONSIBILITIES

As an integral part of that stewardship, the Board has responsibility for the following matters (either itself, or through duly appointed and constituted committees of the Board in accordance with applicable laws):

- a) The Board has primary responsibility for the development and adoption of the strategic direction of the Corporation. The Board reviews with management from time to time the financing environment (including, without limitation, precious metals prices, the relative demand for the Corporation's shares, and the Corporation's needs for and opportunities to raise capital), the emergence of new opportunities, trends and risks and the implications of these developments for the strategic direction of the Corporation. The Board reviews and approves the Corporation's financial objectives, plans and actions, including significant capital allocations and expenditures.
- b) The Board monitors corporate performance, including assessing operating results to evaluate whether the business is being properly managed.
- c) The Board identifies the principal business risks of the Corporation and ensures that there are appropriate systems put in place to manage these risks.
- d) The Board monitors and ensures the integrity of the internal controls and procedures (including adequate management information systems) within the Corporation and the financial reporting procedures of the Corporation.
- e) The Board is responsible for ensuring appropriate standards of corporate conduct including, adopting a code of business conduct and ethics for all employees, senior management, officers and directors, and monitoring compliance with such code, if appropriate.
- f) The Board is responsible for the review of quarterly and annual financial statements, management's discussion and analysis related to such financial statements, and forecasts.
- g) The Board is responsible for establishing and reviewing from time to time a dividend policy for the Corporation.
- h) The Board is responsible for reviewing the compensation of members of the Board to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director and for reviewing the compensation of members of the senior management team to ensure that they are competitive within the industry and that the form of compensation aligns the interests of each such individual with those of the Corporation.
- i) The Board reviews and approves material transactions not in the ordinary course of business.
- j) The Board reviews and approves the budget on an annual basis, including the spending limits and authorizations, as recommended by the Audit Committee.

- k) The Board ensures that there is in place appropriate succession planning, including the appointment, training and monitoring of senior management and members of the Board.
- l) The Board is responsible for assessing its own effectiveness in fulfilling its mandate and evaluating the relevant disclosed relationships of each independent director.
- m) The Board approves a disclosure policy that includes a framework for investor relations and a public disclosure policy.
- n) The Board is responsible for satisfying itself as to the integrity of the chief executive officer (the “**CEO**”) and other senior officers of the Corporation and that the CEO and other senior officers create a culture of integrity throughout the organization. The Board is responsible for developing and approving goals and objectives which the CEO is responsible for meeting.
- o) The Board is responsible for developing the Corporation’s approach to corporate governance principles and guidelines that are specifically applicable to the Corporation.
- p) The Board is responsible for performing such other functions as prescribed by law or assigned to the Board in the Corporation’s governing documents.
- q) Set forth below are procedures relating to the Board’s operations:
 - i) Size of Board and selection process.
 - (A) The directors of the Corporation are elected each year by the shareholders at the annual meeting of shareholders. The Board will determine a slate of nominees to the shareholders for election based upon the following considerations and such other factors the Board considers relevant:
 - the competencies and skills which the Board as a whole should possess;
 - the competencies and skills which each existing director possesses; and
 - the appropriate size of the Board to facilitate effective decision-making.
 - (B) Any shareholder may propose a nominee for election to the Board either by means of a shareholder proposal upon compliance with the requirements of the Business Corporations Act (Ontario) (“**OBCA**”) and the Corporation’s by-laws or at the annual meeting in compliance with the requirements of the OBCA and the Corporation’s by-laws.
 - (C) The Board also recommends the number of directors on the Board to shareholders for approval, subject to compliance with the requirements of the OBCA and the Corporation’s by-laws.
 - (D) Between annual meetings, the Board may appoint directors to serve until the next annual meeting, subject to compliance with the requirements of the OBCA.
 - (E) Individual Board members are responsible for assisting the Board in identifying and recommending new nominees for election to the Board, as needed or appropriate.
 - ii) Director orientation and continuing education – The Board, together with the Governance, Nominating and Compensation Committee is responsible for providing

an orientation and education program for new directors which deals with the following matters and such other matters the Board considers relevant:

- (A) the role of the Board and its committees;
- (B) the nature and operation of the business of the Corporation; and
- (C) the contribution which individual directors are expected to make to the Board in terms of both time and resource commitments.

In addition, the Board together with the Governance, Nominating and Compensation Committee is also responsible for providing continuing education opportunities to existing directors so that individual directors can maintain and enhance their abilities and ensure that their knowledge of the business of the Corporation remains current, at the request of any individual director.

- iii) Meetings – The Board has at least four scheduled meetings a year. The Board is responsible for its agenda. Prior to each Board meeting, the Chairman of the Board shall circulate an agenda to the Board. The Chairman of the Board shall discuss the agenda items for the meeting with the CEO and, if a lead director has been appointed, the lead director. Materials for each meeting will be distributed to directors in advance of the meetings. Directors are expected to attend at least 75% of all meetings of the Board held in a given year, and are expected to adequately review meeting materials in advance of all such meetings.

The independent directors or non-management directors may meet at the end of each Board meeting without management and non-independent directors present. The Chairman of the Board shall chair these meetings, unless the Chairman of the Board is not an independent director, in which case the lead director shall chair these meetings. If a lead director has not been appointed, the independent directors shall appoint a chairman to chair these meetings. The independent directors shall appoint a person to maintain minutes of the meeting or, if no person is so appointed, the chair of the meeting shall maintain minutes of the meeting.

- iv) Committees – The Board has established the following standing committees to assist the Board in discharging its responsibilities: the Audit Committee, the Governance, Nominating and Compensation Committee, and the Safety, Health and Environmental Affairs Committee. Special committees are established from time to time to assist the Board in connection with specific matters. The Board will appoint the members of each committee and may appoint the chair of each committee annually following the Corporation's annual meeting of shareholders. The chair of each committee reports to the Board following meetings of the relevant committee. The terms of reference of each standing committee are reviewed annually by the Board.
- v) Evaluation – The Governance, Nominating and Compensation Committee performs an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board, and the contributions of individual directors.
- vi) Compensation – The Governance, Nominating and Compensation Committee recommends to the Board the compensation and benefits for non-management directors and the senior management team. The Committee seeks to ensure that such compensation and benefits reflect the responsibilities and risks involved in being a non-management director of the Corporation or a member of the senior management team and align the interests of the non-management directors and the senior management team with the best interests of the Corporation.
- vii) Nomination – The Board and the individual directors from time to time, will identify and recommend new nominees as directors of the Corporation, based upon the following considerations:

- (A) the competencies and skills necessary for the Board as a whole to possess;
 - (B) the competencies and skills necessary for each individual director to possess;
 - (C) competencies and skills which each new nominee to the Board is expected to bring; and
 - (D) whether the proposed nominees to the Board will be able to devote sufficient time and resources to the Corporation.
- viii) Access to independent advisors – The Board may at any time retain outside financial, legal or other advisors at the expense of the Corporation. Any director may, subject to the approval of the Governance, Nominating and Compensation Committee, retain an outside advisor at the expense of the Corporation.

3. LEAD DIRECTOR

- a) The Board will appoint a Lead Director in circumstances in which the Chairman of the Board is not considered independent under applicable securities laws, in order to provide independent leadership to the Board and for the other purposes set forth below.
- b) The Governance, Nominating and Compensation Committee will recommend a candidate for the position of Lead Director from among the independent members of the Board. The Board will be responsible for approving and appointing the Lead Director.
- c) The Lead Director will hold office at the pleasure of the Board, until a successor has been duly elected or appointed or until the Lead Director resigns or is otherwise removed from the office by the Board.
- d) The Lead Director will provide independent leadership to the Board and will facilitate the functioning of the Board independently of the Corporation's management. Together with the Chair of the Governance, Nominating and Compensation Committee, the Lead Director will be responsible for overseeing the corporate governance practices of the Corporation.
- e) The Lead Director will:
 - i) in conjunction with the Chair of the Governance, Nominating and Compensation Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
 - ii) chair meetings of independent directors or non-management directors held following Board meetings;
 - iii) in the absence of the Chairman, act as chair of meetings of the Board;
 - iv) recommend, where necessary, the holding of special meetings of the Board;
 - v) review with the Chairman and the CEO items of importance for consideration by Board;
 - vi) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and with or without the attendance of the Chairman, and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
 - vii) together with the Chairman, ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation,

and together with the Chairman and the CEO, formulate an agenda for each Board meeting;

- viii) together with the Chairman and the Chair of the Governance, Nominating and Compensation Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
- ix) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
- x) facilitate the process of conducting director evaluations;
- xi) promote best practices and high standards of corporate governance; and
- xii) perform such other duties and responsibilities as may be delegated to the Lead Director by the Board from time to time.

As at May 2, 2017.

Schedule "A"

DALRADIAN RESOURCES INC.

POSITION DESCRIPTION FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

1. PURPOSE

The Chairman of the Board shall be a director who is designated by the full Board to act as the leader of the Board.

2. WHO MAY BE CHAIRMAN

The Chairman will be selected amongst the directors of the Corporation who have a sufficient level of experience with corporate governance issues to ensure the leadership and effectiveness of the Board.

The Chairman will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

3. RESPONSIBILITIES

The following are the responsibilities of the Chairman. The Chairman may, where appropriate, delegate to or share with the Governance, Nominating and Compensation Committee and/or any other independent committee of the Board, certain of these responsibilities:

- a) Chair all meetings of the Board in a manner that promotes meaningful discussion.
- b) Provide leadership to the Board to enhance the Board's effectiveness, including:
 - i) ensure that the responsibilities of the Board are well understood by both management and the Board;
 - ii) ensure that the Board works as a cohesive team with open communication;
 - iii) ensure that the resources available to the Board (in particular timely and relevant information) are adequate to support its work;
 - iv) together with the Governance, Nominating and Compensation Committee, ensure that a process is in place by which the effectiveness of the Board and its committees (including size and composition) is assessed at least annually; and
 - v) together with the Governance, Nominating and Compensation Committee, ensure that a process is in place by which the contribution of individual directors to the effectiveness of the Board is assessed at least annually.
- c) Manage the Board, including:
 - i) prepare the agenda of the Board meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
 - ii) adopt procedures to ensure that the Board can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
 - iii) ensure meetings are appropriate in terms of frequency, length and content;
 - iv) ensure that, where functions are delegated to appropriate committees, the functions are carried out and results are reported to the Board;

- v) ensure that a succession planning process is in place to appoint senior members of management and directors when necessary;
 - vi) ensure procedures are established to identify, assess and recommend new nominees for appointment to the Board and its committees; and
 - vii) together with any special committee appointed for such purpose, approach potential candidates once potential candidates are identified, to explore their interest in joining the Board and proposing new nominees for appointment to the Board and its committees.
- d) If the Chairman is an independent director, the Chairman will:
- i) in conjunction with the Chair of the Governance, Nominating and Compensation Committee, provide leadership to ensure that the Board functions independently of management of the Corporation;
 - ii) chair meetings of independent directors or non-management directors held following Board meetings;
 - iii) recommend, where necessary, the holding of special meetings of the Board;
 - iv) review with the CEO items of importance for consideration by Board;
 - v) consult and meet with any or all of the Corporation's independent directors, at the discretion of either party and represent such directors in discussions with management of the Corporation concerning corporate governance issues and other matters;
 - vi) ensure that all business required to come before the Board is brought before the Board, such that the Board is able to carry out all of its duties to supervise the management of the business and affairs of the Corporation, and together with the CEO, formulate an agenda for each Board meeting;
 - vii) together with the Chair of the Governance, Nominating and Compensation Committee, ensure that the Board, committees of the Board, individual directors and senior management of the Corporation understand and discharge their duties and obligations under the approach to corporate governance adopted by the Board from time to time;
 - viii) mentor and counsel new members of the Board to assist them in becoming active and effective directors;
 - ix) facilitate the process of conducting director evaluations; and
 - x) promote best practices and high standards of corporate governance.
- e) act as liaison between the Board and management to ensure that relationships between the Board and management are conducted in a professional and constructive manner. This involves working with the Governance, Nominating and Compensation Committee to ensure that the Corporation is building a healthy governance culture.
- f) at the request of the Board, represent the Corporation to external groups such as shareholders and other stakeholders, including community groups and governments.

As at May 2, 2017.

Schedule "B"

DALRADIAN RESOURCES INC.

ROLE STATEMENT OF THE CEO

1. The CEO's primary role is to take overall supervisory and managerial responsibility for the day to day operations of the Corporation's business and to manage the Corporation in an effective, efficient and forward-looking way and to fulfill the priorities, goals and objectives determined by the Board in the context of the Corporation's strategic plans, budgets and responsibilities set out below, with a view to the best interests of the Corporation. The CEO is responsible to the Board.
2. Without limiting the foregoing, the CEO is responsible for the following:
 - a) Develop and maintain the Corporation's goal to operate according to industry best practices.
 - b) Maintain and develop with the Board strategic plans for the Corporation and implement such plans to the best abilities of the Corporation.
 - c) Provide quality leadership to the Corporation's staff and ensure that the Corporation's human resources are managed properly.
 - d) Provide high-level policy options, orientations and discussions for consideration by the Board.
 - e) Together with any special committee appointed for such purpose, maintain existing and develop new strategic alliances and consider possible merger or acquisition transactions with other mining companies which will be constructive for the Corporation's business and will help enhance shareholder value.
 - f) Provide support, co-ordination and guidance to various responsible officers and managers of the Corporation.
 - g) Implement, oversee and guide the investor relations program for the Corporation, which shall, among other things, ensure communications between the Corporation and major stakeholders, including and most importantly the Corporation's shareholders, are managed in an optimum way and are done in accordance with applicable securities laws.
 - h) Provide timely strategic, operational and reporting information to the Board and implement its decisions in accordance with good governance, with the Corporation's policies and procedures, and within budget.
 - i) Act as an entrepreneur and innovator within the strategic goals of the Corporation.
 - j) Co-ordinate the preparation of an annual business plan or strategic plan.
 - k) Ensure appropriate governance skills development and resources are made available to the Board.
 - l) Provide a culture of high ethics throughout the organization.
 - m) Chair all meetings of the Corporation's shareholders;
 - n) Take primary responsibility for the administration of all of the Corporation's sub-areas and administrative practices.

As at May 2, 2017.