

**MASON RESOURCES CORP.**  
**NOTICE OF ANNUAL GENERAL MEETING**  
**May 24, 2018**

Notice is hereby given that the Annual General Meeting (the “Meeting”) of the shareholders of **Mason Resources Corp.** (the “Company”) will be held on Thursday, May 24, 2018 at Borden Ladner Gervais LLP, 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC Canada, at the hour of 10:30 am (local time in Vancouver, BC) for the following purposes:

1. To receive the annual financial statements of the Company for its financial year ended December 31, 2017 and the auditor’s report thereon;
2. To determine the number of directors at five;
3. To elect directors for the ensuing year; and
4. To re-appoint Davidson & Company LLP, Chartered Professional Accountants, as the Company’s auditor for the ensuing financial year and to authorize the directors to set the auditor’s remuneration.

Accompanying this notice is an information circular and a form of proxy (the “Proxy”). The enclosed Proxy is solicited by management of the Company.

Registered shareholders unable to attend the Meeting in person should read the notes to the enclosed Proxy and complete and return the Proxy to the Company’s Registrar and Transfer Agent within the time required by, and to the location set out in, the notes to the Proxy. If your shares are registered in the name of a “nominee” (usually a bank, trust company, securities dealer or other financial institution), you should carefully follow the instructions provided by your nominee to ensure your vote is counted.

DATED at Vancouver, British Columbia, this 19th day of April, 2018.

**BY ORDER OF THE BOARD**

“Stephen Scott”  
**Stephen Scott**  
**President and Chief Executive Officer**

The securityholder materials are being sent to both registered and non-registered shareholders. If you are a non-registered shareholder and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (a) delivering these materials to you; and (b) executing your proper voting instructions. Please return your voting instructions as specified in the voting instruction form.

**INFORMATION CIRCULAR**

for the

**ANNUAL GENERAL MEETING**

of

**MASON RESOURCES CORP.**

to be held on

**THURSDAY, MAY 24, 2018**

# INFORMATION CIRCULAR

**MASON RESOURCES CORP.**  
**Suite 1650 - 1066 West Hastings Street**  
**Vancouver, British Columbia, Canada V6E 3X1**  
**Website: <http://www.MasonResources.com>**

(all information as at April 19, 2018 unless otherwise noted)

## PERSONS MAKING THE SOLICITATION

**This information circular (the “Information Circular”) is furnished in connection with the solicitation of proxies being made by the management of Mason Resources Corp. (“Mason” or the “Company”) for use at the Annual General Meeting of the Company’s shareholders (the “Meeting”) to be held on Thursday, May 24, 2018 at the time and place and for the purposes set forth in the accompanying notice of meeting.** While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company.

All costs of this solicitation will be borne by the Company.

## MAILING OF INFORMATION CIRCULAR

This Information Circular is being mailed together with a notice of meeting, request card and proxy or voting instruction form (collectively, the “Meeting Materials”), in accordance with applicable laws, except to those shareholders who requested the information to be delivered by electronic mail. We are not sending Meeting Materials using notice and access this year. If you are a shareholder and you wish to receive the Company’s annual financial statements and/or interim financial statements and the accompanying management’s discussion and analysis (“MD&A”) thereon, please complete and return the request card included in the Meeting Materials.

## VOTING OPTIONS

If you are a registered shareholder, you may vote in person at the Meeting, by proxy, or by facsimile, telephone or internet. Please follow the instructions provided on the form of proxy.

**Most shareholders of the Company are beneficial shareholders (“Non-Registered Holders”) because the shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their shares.** More particularly, a person is a Non-Registered Holder in respect of shares which are held on behalf of the person: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered registered retirement savings plans, registered retirement income funds, registered education savings plans, registered disability savings plans and similar plans); or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Holders – those who object to their name being made known to the Company (objecting beneficial owners or “OBOs”) and those who do not object to the Company knowing who they are (non-objecting beneficial owners, or “NOBOs”).

The Company takes advantage of certain provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“NI 54-101”), which permit the Company to directly deliver the Meeting Materials to NOBOs who have not waived the right to receive them. As a result, NOBOs can expect to receive the Meeting Materials, including a scannable voting instruction form (“VIF”), from the Company’s agent, Broadridge Financial Solutions, Inc. (“Broadridge”). These VIFs are to be completed and returned to Broadridge in accordance with the instructions on the VIF. Broadridge is required to follow the voting instructions properly received from

NOBOs. Broadridge will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions to the Company's transfer agent, Computershare Investor Services Inc. ("Computershare"), with respect to the common shares represented by the VIFs that they receive.

**NOBOs should carefully follow the instructions on the enclosed VIF, including those regarding when and where to complete the VIF that is to be returned to the Company's agent, Broadridge. NOBOs can send their voting instructions by phone or by mail or through the internet.**

In accordance with the requirements of NI 54-101, the Company has distributed copies of the Meeting Materials to the Intermediaries for onward distribution to OBOs. Intermediaries are required to forward the Meeting Materials to OBOs unless in the case of certain proxy-related materials, the OBO has waived the right to receive them. Very often, Intermediaries use service companies to forward the Meeting Materials to OBOs. With those Meeting Materials, Intermediaries or their service companies should provide OBOs with a "request for voting instruction form" which, when properly completed and signed by the OBO and returned to the Intermediary or service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit OBOs to direct the voting of the common shares of the Company that they beneficially own.

**OBOs should sign and date the request for voting instruction form that your Intermediary sends to you, and follow the instructions for returning the form. Your Intermediary is responsible for properly executing your voting instructions. The Company will pay for your Intermediary to deliver the Meeting Materials and the request for voting instruction form to you.**

#### VOTING IN PERSON

If you are a registered shareholder and you plan to attend the Meeting and vote in person, you DO NOT need to complete and return the form of proxy. Your vote will be taken and counted at the Meeting. A representative of Computershare will register you when you arrive at the Meeting.

If you are a NOBO and you plan to attend the Meeting and vote in person, insert your name (or the name of the person that you wish to attend and vote on your behalf) in the blank space provided for that purpose on the VIF provided by Broadridge, and return the completed VIF to Computershare or send to the Company or Computershare a written request that you or your nominee be appointed as proxy holder. If management is holding a proxy with respect to the shares you beneficially own, the Company must arrange, without expense to you, to appoint you or your nominee as proxy holder in respect of those shares. Under NI 54-101, unless corporate law does not allow it, if you or your nominee is appointed as a proxy holder by the Company in this manner, you or your nominee, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that come before the Meeting and any adjournment or postponement of the Meeting. If the Company receives your instructions at least one business day before the deadline for the submission of proxies, the Company is required to deposit the proxy within that deadline, in order to appoint you or your nominee as proxy holder. **If you request that you or your nominee be appointed as proxy holder, you or your appointed nominee, as applicable, will need to attend the Meeting in person in order for your vote to be counted.** When you arrive at the Meeting, ensure that you register with the Computershare representative.

If you are an OBO and you wish to attend the Meeting and vote in person, insert your name (or the name of the person you want to attend and vote on your behalf) in the blank space provided for that purpose on the request for voting instructions form and return it to your Intermediary or send your Intermediary a written request that you or your nominee be appointed as proxy holder. Your Intermediary is required under NI 54-101 to arrange, without expense to you, to appoint you or your nominee as proxy holder in respect of your shares. Under NI 54-101, unless corporate law does not allow it, if your Intermediary makes an appointment in this manner, you or your nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of your Intermediary (who is the registered shareholder) in respect of all matters that come before the Meeting and any adjournment or postponement of the Meeting. An Intermediary who receives your instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint you or your nominee as proxy holder. **If you request that your Intermediary appoint you or your nominee as proxy holder, you or your appointed nominee, as applicable, will need to attend the Meeting in person in order for your vote to be counted.** When you arrive at the Meeting, ensure that you register with the Computershare representative.

## VOTING BY PROXY

If you are a registered shareholder and you do not wish to attend in person at the Meeting, you can appoint someone to attend and vote your shares as your proxy holder.

Accompanying this Information Circular is a form of proxy for use at the Meeting (the "Proxy").

The individuals named in the Proxy are directors or officers of the Company. **A REGISTERED SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON OR COMPANY (WHO NEED NOT BE A SHAREHOLDER) TO ATTEND AND ACT FOR AND ON THE REGISTERED SHAREHOLDER'S BEHALF AT THE MEETING HAS THE RIGHT TO DO SO, EITHER BY INSERTING SUCH PERSON'S OR COMPANY'S NAME IN THE BLANK SPACE PROVIDED IN THE PROXY AND STRIKING OUT THE TWO PRINTED NAMES, OR BY COMPLETING ANOTHER PROPER FORM OF PROXY. A Proxy will not be valid unless it is completed, dated and signed and delivered to Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting. Proxies received after such time may be accepted or rejected by the chair of the Meeting in the chair's sole discretion. If you have sent in your Proxy, you MAY NOT vote in person at the Meeting unless you have properly revoked your Proxy.**

Complete the Proxy to appoint your proxy holder. The named persons on the Proxy will vote on your behalf at the Meeting. If you appoint a proxy holder other than the named persons, that proxy holder must attend and vote at the Meeting for your vote to be counted.

A Proxy will not be valid unless it is signed by the registered shareholder or by the registered shareholder's attorney duly authorized in writing. If you are the representative of a registered shareholder that is a corporation or association, the Proxy should bear the seal of the corporation or association, and must be executed by an officer or an attorney duly authorized in writing. If the Proxy is executed by an attorney for an individual registered shareholder or by an officer or attorney of a registered shareholder that is a corporation or association, the instrument so empowering the officer or attorney, as the case may be, or a notarial copy thereof, must accompany the Proxy.

All common shares represented at the Meeting by properly executed Proxies will be voted (including on any ballot) or withheld from voting in accordance with your instructions as a registered shareholder. On the Proxy you can specify how you want your proxy holder to vote your shares, or you can allow the proxy holder to decide for you. **If you, as a registered shareholder, specify a choice on the Proxy with respect to any matter to be acted upon, your shares will be voted in accordance with your instructions as specified in the Proxy you deposit.**

**If you appoint the officers or directors set out in the Proxy (the management designees) and do not specify how you want your shares voted, your shares will be voted FOR all of the matters set out in the accompanying notice of meeting.**

**The enclosed Proxy, when properly signed and delivered and not revoked, confers discretionary authority upon the persons appointed proxy holders thereunder to vote with respect to any amendments or variations of matters identified in the notice of meeting and with respect to other matters which may properly come before the Meeting. At the time of the printing of this Information Circular, management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting. However, if any other matters which are not now known to management should properly come before the Meeting, then the management designees if named as your proxy holders intend to vote in accordance with the judgement of management.**

## REVOCATION OF PROXIES

A registered shareholder who has given a Proxy may revoke it by sending a new completed Proxy with a later date, or a written note signed by the registered shareholder or by the registered shareholder's attorney duly authorized in writing. A registered shareholder can also revoke a Proxy in any manner permitted by law. If you are a representative of a registered shareholder that is a corporation or association, the written note should bear the seal of the corporation or association and must be executed by an officer or by an attorney duly authorized in writing. To be effective, the

written note must be deposited with Computershare at 510 Burrard Street, 2<sup>nd</sup> Floor, Vancouver, British Columbia, V6C 3B9, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of it, or, as to any matter in respect of which a vote has not already been cast pursuant to such Proxy, with the chair of the Meeting on the day of the Meeting, or any adjournment of it. **Only registered shareholders have the right to revoke a Proxy. NOBOs that wish to change their vote must in sufficient time in advance of the Meeting contact Broadridge to arrange to change their vote. OBOs who wish to change their vote must in sufficient time in advance of the Meeting, arrange for their respective Intermediaries to change their vote and if necessary revoke their proxy in accordance with the revocation procedures set out above.**

## VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

As at the date hereof, the Company has issued and outstanding 78,196,910 fully paid and non-assessable common shares without par value, each share carrying the right to one vote on all matters to be acted upon at the Meeting.

Any shareholder of record at the close of business on Thursday, April 19, 2018 who either personally attends the Meeting or who has completed and delivered a Proxy in the manner specified, subject to the provisions described above, will be entitled to vote or to have such shareholder’s shares voted at the Meeting.

To the best of the knowledge of the directors and executive officers of the Company, the only persons who, or corporations which, beneficially own, or control or direct, directly or indirectly, shares carrying 10% or more of the voting rights attached to all outstanding shares of the Company are:

Shareholder Name	Number of Shares	Percentage of Issued Shares
Mantos Copper (Bermuda) Limited (“Mantos”)	13,664,757 <sup>(1)</sup>	17.5%
Hudbay Minerals Inc.	10,854,170	13.9%

- (1) The Mantos investors are Audley Mining Advisors Limited, a special purpose vehicle advised by Audley Capital Advisors LLP, and Orion Fund JV Limited, a company managed by Orion Mine Finance Management I Limited. Audley Capital Advisors LLP and Orion Mine Finance Management I Limited are joint actors with Mantos.

## NUMBER OF DIRECTORS

Management of the Company is seeking shareholder approval of an ordinary resolution setting the number of directors of the Company at five for the ensuing year.

## PLAN OF ARRANGEMENT

The Company was incorporated on February 24, 2017 under the *Business Corporations Act* (British Columbia) (the “Business Corporations Act”) as a wholly owned subsidiary of Entrée Gold Inc. (now Entrée Resources Ltd. – “Entrée”) for the purposes of completing a plan of arrangement under Section 288 of the Business Corporations Act (the “Arrangement”). Pursuant to the Arrangement, Entrée transferred to the Company all of the issued and outstanding shares of Entrée U.S. Holdings Inc. (now Mason U.S. Holdings Inc.), which indirectly holds the Ann Mason copper-molybdenum porphyry project in Nevada and the Lordsburg copper-gold property in New Mexico, along with US\$8.84 million in cash. The Arrangement closed on May 9, 2017. The Company’s common shares commenced trading on the Toronto Stock Exchange (the “TSX”) on May 12, 2017 under the symbol “MNR”, and on the OTCQB Venture Market (“OTCQB”) on November 9, 2017 under the symbol “MSSNF”.

Entrée shareholders received common shares of the Company by way of a share exchange, pursuant to which each existing share of Entrée was exchanged for one “new” share of Entrée and 0.45 of a common share of the Company. A total of 77,805,786 common shares of the Company were distributed to Entrée shareholders.

As part of the Arrangement, option holders of Entrée received options of the Company which are proportionate to, and reflective of the terms of, their existing options of Entrée. In exchange for each existing Entrée option, the holder was issued one fully vested Entrée replacement option and 0.45 of a fully vested replacement option of the Company (a “Mason Replacement Option”). On May 23, 2017, the Company issued a total of 3,708,000 Mason Replacement

Options to Entrée option holders in accordance with the terms of the Company's Stock Option Plan (the "Plan"), which was approved by Entrée's shareholders at the Annual and Special Meeting of Securityholders held to approve the Arrangement. The Mason Replacement Options were awarded with exercise prices ranging from C\$0.07 per share to C\$0.27 per share and expiry dates ranging from September 2017 to November 2021. The exercise prices assigned to the Mason Replacement Options reflect the allocation of the original exercise prices of the existing Entrée options between the Entrée replacement options and the Mason Replacement Options issued, based on the relative market value of Entrée and the Company following completion of the Arrangement.

As part of the Arrangement, warrant holders of Entrée received warrants of the Company which are proportionate to, and reflective of the terms of, their existing warrants of Entrée. In exchange for each existing Entrée warrant, the holder was issued one Entrée replacement warrant and 0.45 of a warrant of the Company. On May 23, 2017, a total of 4,169,119 common share purchase warrants were issued by the Company at an exercise price of C\$0.23. The exercise price assigned to the warrants reflects the allocation of the original exercise price of the existing Entrée warrants between the Entrée replacement warrants and the warrants of the Company issued, based on the relative market value of Entrée and the Company following completion of the Arrangement.

On May 9, 2017, the Company entered into an Administrative Services Agreement with Entrée (the "Administrative Services Agreement"), pursuant to which Entrée provides office space, furnishings and equipment, communications facilities and personnel necessary for the Company to fulfill its basic day-to-day head office and executive responsibilities on a pro-rata cost-recovery basis.

## **ELECTION OF DIRECTORS**

### Majority Voting Policy

The board of directors (the "Board") adopted a majority voting policy in March 2017. If the number of shares "withheld" from voting for the election of a nominee is greater than the number of shares voted "for" his or her election, the director must submit his or her resignation to the Non-Executive Chair of the Board promptly after the shareholders' meeting. The Corporate Governance and Nominating Committee of the Board (the "CGNC") will consider the resignation and will recommend to the Board whether or not to accept it. The Board will accept the resignation in question unless, after considering the recommendations of the CGNC, including the factors considered by the CGNC and any other factors that the members of the Board consider relevant, the Board determines that exceptional circumstances exist, which warrant rejection of the resignation. The Board will make its decision as to whether to accept or reject the resignation in question within 90 days following the meeting of shareholders. The Company will promptly announce the Board's decision in a press release, including any reasons for the Board not accepting a resignation, and will file a copy of the press release with the TSX. The policy does not apply if there is a contested director election or where the election involves a proxy battle.

### Advance Notice Provisions

The Company's Articles contain advance notice provisions (the "Advance Notice Provisions") which: (i) facilitate an orderly and efficient annual general or, where the need arises, special meeting, process; (ii) ensure that all shareholders receive adequate notice of the director nominations and sufficient information regarding all director nominees; and (iii) allow shareholders to register an informed vote after having been afforded reasonable time for appropriate deliberation.

The Advance Notice Provisions provide shareholders, directors and management of the Company with a clear framework for nominating directors of the Company. Only persons who are eligible under the Business Corporations Act and who are nominated in accordance with the following procedures set forth in the Advance Notice Provisions shall be eligible for election as directors of the Company. At any annual general meeting of shareholders, or at any special meeting of shareholders if one of the purposes for which the special meeting was called is the election of directors, nominations of persons for election to the Board may be made only: (a) by or at the direction of the Board, including pursuant to a notice of meeting; (b) by or at the direction or request of one or more shareholders pursuant to a "proposal" made in accordance with Part 5, Division 7 of the Business Corporations Act, or pursuant to a requisition of the shareholders made in accordance with section 167 of the Business Corporations Act; or (c) by any person (a "Nominating Shareholder"): (A) who, at the close of business on the date of the giving by the Nominating Shareholder of the notice provided for in the Advance Notice Provisions and at the close of business on the record date for notice of such meeting, is entered in the securities register of the Company as a holder of one or more shares carrying the

right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such ownership that is satisfactory to the Company, acting reasonably; and (B) who complies with the notice procedures set forth in the Advance Notice Provisions. The Company has calculated that the deadline for complying with the notice procedures set forth in the Advance Notice Provisions is April 24, 2018.

#### Nominees

The term of office of each of the present directors expires at the Meeting. **The Board has directed that the persons named below be presented for election at the Meeting as its nominees.** The Board does not contemplate that any of these nominees will be unable to serve as a director. Each director elected will hold office until the next annual general meeting of the Company or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the Articles of the Company or with the provisions of the Business Corporations Act.

The following are the Board's nominees for election as directors, including the province or state and country in which each is ordinarily resident, the period or periods during which each has served as a director, the first and last positions held in the Company, their present principal occupations and the number of common shares of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by each nominee.

For the purposes of disclosing positions held in the Company, "Company" includes the Company and any parent or subsidiary thereof. Unless otherwise stated the nominees have held the principal occupation or employment indicated for at least five years. The information as to country of residence, principal occupation and number of shares beneficially owned, or controlled or directed, directly or indirectly by the nominees is not within the knowledge of management of the Company and has been furnished by the respective nominees. Unless otherwise stated, all information is as at April 19, 2018.



<p><b>Alan Edwards, 60</b></p> <p>Arizona, U.S.A.</p> <p>Non-Executive Chair of the Board</p> <p>Independent Director since February 24, 2017</p> <p><b>Other Public Company Directorships:</b>  Entrée Resources Ltd.  Rise Gold Corp.  Americas Silver Corporation  Orvana Minerals Corp.</p>	<p>Mr. Edwards has been the Non-Executive Chair of the Board since February 24, 2017.</p> <p>Mr. Edwards has more than 35 years of diverse mining industry experience. He is a graduate of the University of Arizona, where he obtained a Bachelor of Science Degree in Mining Engineering and an MBA (Finance). Mr. Edwards is currently the President of AE Resources Corp., an Arizona based company. Mr. Edwards is a director of Americas Silver Corporation, Orvana Minerals Corp. and Entrée Resources Ltd. and is the Chairman of the Board of Rise Gold Corp. He served as the non-executive Chairman of the Board of AQM Copper Inc. from October 2011 to January 2017 and AuRico Gold Inc. (Alamos Gold Inc. following its combination with AuRico Gold in July 2015) from July 2013 to November 2015. Mr. Edwards served as the Chief Executive Officer of Oracle Mining Corporation, a Vancouver based company, from 2012 to 2013. He also previously served as President and Chief Executive Officer of Copper One Inc. and Frontera Copper Corporation, and as Executive Vice President and Chief Operating Officer of Apex Silver Mines Corporation, where he directed the engineering, construction and development of the San Cristobal project in Bolivia. Mr. Edwards has also worked for Kinross Gold Corporation, P.T. Freeport Indonesia, Cyprus Amax Minerals Company and Phelps Dodge Mining Company, where he started his career.</p> <table border="1" data-bbox="565 695 1523 1228"> <tr> <th colspan="3" data-bbox="565 695 1523 751"><b>Meetings Attended since Incorporation</b></th> </tr> <tr> <td data-bbox="565 751 995 800">Board</td> <td data-bbox="995 751 1258 800">8/8</td> <td data-bbox="1258 751 1523 800">100%</td> </tr> <tr> <th colspan="3" data-bbox="565 800 1523 856"><b>Committee Meetings Attended since Incorporation</b></th> </tr> <tr> <td data-bbox="565 856 995 905">Compensation</td> <td data-bbox="995 856 1258 905">1/1</td> <td data-bbox="1258 856 1523 905">100%</td> </tr> <tr> <td data-bbox="565 905 995 953">Corporate Governance &amp; Nominating</td> <td data-bbox="995 905 1258 953">1/1</td> <td data-bbox="1258 905 1523 953">100%</td> </tr> <tr> <th colspan="3" data-bbox="565 953 1523 1010"><b>Common Shares Beneficially Owned, Controlled or Directed:</b></th> </tr> <tr> <td colspan="3" data-bbox="565 1010 1523 1073">400,569</td> </tr> <tr> <th colspan="3" data-bbox="565 1073 1523 1129"><b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b></th> </tr> <tr> <th data-bbox="565 1129 995 1171">Number of Warrants</th> <th data-bbox="995 1129 1258 1171">Exercise Price</th> <th data-bbox="1258 1129 1523 1171">Expiry Date</th> </tr> <tr> <td data-bbox="565 1171 995 1228">27,438</td> <td data-bbox="995 1171 1258 1228">C\$0.23</td> <td data-bbox="1258 1171 1523 1228">January 10, 2022</td> </tr> </table>	<b>Meetings Attended since Incorporation</b>			Board	8/8	100%	<b>Committee Meetings Attended since Incorporation</b>			Compensation	1/1	100%	Corporate Governance & Nominating	1/1	100%	<b>Common Shares Beneficially Owned, Controlled or Directed:</b>			400,569			<b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b>			Number of Warrants	Exercise Price	Expiry Date	27,438	C\$0.23	January 10, 2022
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<p><b>Stephen Scott, 57</b></p> <p>British Columbia, Canada</p> <p>Executive Director since February 24, 2017</p> <p><b>Other Public Company Directorships:</b>  Entrée Resources Ltd.  Nevsun Resources Ltd.  Atalaya Mining plc</p>	<p>Mr. Scott was appointed to the positions of President, Chief Executive Officer and director on February 24, 2017.</p>		
	<p>Mr. Scott has thirty years of global experience in all mining industry sectors. Since November 16, 2015, he has served as the Chief Executive Officer of Entrée Resources Ltd. Before joining Entrée, he was the President of Minenet Advisors, a capital markets and management advisory consultancy providing a broad range of advice and services to clients relating to planning and execution of capital markets transactions, strategic planning, generation and acquisition of projects, and business restructuring. Between 2000 and 2014, Mr. Scott held various global executive positions with Rio Tinto including General Manager Commercial, Rio Tinto Copper and President and Director of Rio Tinto Indonesia. He is an experienced public company director having served as an independent director on the boards of a number of TSX and AIM listed public mining companies. Mr. Scott holds a Bachelor of Business and Graduate Certificate in Corporate Secretarial Practises from Curtin University in Western Australia.</p>		
	<p><b>Meetings Attended since Incorporation</b></p>		
	Board	8/8	100%
	<p><b>Committee Meetings Attended since Incorporation</b></p>		
	<p>N/A</p>		
	<p><b>Common Shares Beneficially Owned, Controlled or Directed:</b></p>		
	<p>217,901</p>		
	<p><b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b></p>		
	<p><b>Number of Warrants</b></p> <p>21,950</p>	<p><b>Exercise Price</b></p> <p>C\$0.23</p>	<p><b>Expiry Date</b></p> <p>January 10, 2022</p>

<p><b>Geoff Chater, 55</b></p> <p>British Columbia, Canada</p> <p>Independent Director since March 10, 2017</p> <p><b>Other Public Company Directorships:</b> Nevsun Resources Ltd.</p>	<p>Mr. Chater has been a director since March 10, 2017.</p> <p>Geoff Chater is a geologist with over 30 years of experience in the mineral exploration and mining industries operating in North America, South America, Europe and Africa. Mr. Chater is the principal of Namron Advisors, a capital markets consultancy he founded in 1998 that provides advice related to corporate strategy, capital markets relationship development, financing and communications. He has spent the majority of his career as a liaison between public companies and the financial industry, in particular with analysts and institutional investors. Mr. Chater is currently a director of Nevsun Resources Ltd.</p>		
	<b>Meetings Attended since Incorporation</b>		
	Board <sup>(1)</sup>	7/7	100%
	<b>Committee Meetings Attended since Incorporation</b>		
	Audit	3/3	100%
	Corporate Governance & Nominating	1/1	100%
	<b>Common Shares Beneficially Owned, Controlled or Directed:</b>		
	Nil		
	<b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b>		
		<b>Number of Warrants</b>	<b>Exercise Price</b>
	Nil	N/A	N/A

(1) Only seven Board meetings were held after the date Mr. Chater was appointed to the Board.

<p><b>Mark Bailey, 69</b></p> <p>Arizona, U.S.A.</p> <p>Independent Director since February 24, 2017</p> <p><b>Other Public Company Directorships:</b> Entrée Resources Ltd. Fiore Gold Ltd. Core Gold Inc.</p>	<p>Mr. Bailey has been a director of the Company since February 24, 2017.</p> <p>Mr. Bailey is a mining executive and registered professional geologist with over 40 years of industry experience. Between 1995 and 2012, he was the President and Chief Executive Officer of Minefinders Corporation Ltd. (“Minefinders”), a precious metals mining company that operated the multi-million ounce Dolores gold and silver mine in Mexico before being acquired by Pan American Silver Corp. Before joining Minefinders, Mr. Bailey held senior positions with Equinox Resources Inc. and Exxon Minerals. Since 1984, Mr. Bailey has worked as a consulting geologist with Mark H. Bailey &amp; Associates LLC. Mr. Bailey is currently the Non-Executive Chair of the Board of Entrée Resources Ltd. and a director of Fiore Gold Ltd. and Core Gold Inc.</p>		
	<b>Meetings Attended since Incorporation</b>		
	Board	8/8	100%
	<b>Committee Meetings Attended since Incorporation</b>		
	Compensation	1/1	100%
	Audit	3/3	100%
	<b>Common Shares Beneficially Owned, Controlled or Directed:</b>		
	259,261		
	<b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b>		
		<b>Number of Warrants</b>	<b>Exercise Price</b>
	22,500	C\$0.23	January 10, 2022

<p><b>James Harris, 66</b></p> <p>British Columbia, Canada</p> <p>Independent Director since February 24, 2017</p> <p><b>Other Public Company Directorships:</b> Entrée Resources Ltd.</p>	Mr. Harris has been a director since February 24, 2017.		
	Mr. Harris was formerly a corporate, securities and business lawyer with over 30 years of experience in Canada and internationally. He has extensive experience with the acquisition and disposition of assets, corporate structuring and restructuring, regulatory requirements and corporate filings, and corporate governance. Mr. Harris was also a Founding Member of the Legal Advisory Committee of the former Vancouver Stock Exchange. Mr. Harris has completed the Directors' Education Program of the Institute of Corporate Directors and is an Institute-accredited Director (ICD.D). Mr. Harris has also completed a graduate course in business at the London School of Economics. Mr. Harris is currently a director of Entrée Resources Ltd.		
	<b>Meetings Attended since Incorporation</b>		
	Board	7/8	87.5%
	<b>Committee Meetings Attended since Incorporation</b>		
	Corporate Governance & Nominating	1/1	100%
	Audit	3/3	100%
	Compensation	1/1	100%
	<b>Common Shares Beneficially Owned, Controlled or Directed:</b>		
	293,877		
<b>Common Share Purchase Warrants Beneficially Owned, Controlled or Directed:</b>			
	<b>Number of Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
	30,374	C\$0.23	January 10, 2022

#### Composition of Board Committees

Committee	Membership
Audit	Geoff Chater (chair), Mark Bailey, James Harris
Compensation	Mark Bailey (chair), Alan Edwards, James Harris
Corporate Governance & Nominating	James Harris (chair), Geoff Chater, Alan Edwards

#### Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Other than as disclosed below, none of the proposed directors:

- (a) are, as at the date of this Information Circular, or have been, within ten years before the date of this Information Circular, a director, Chief Executive Officer ("CEO") or Chief Financial Officer ("CFO") of any company that:
- i) was subject to an order that was issued while the proposed director was acting in the capacity as director, CEO or CFO; or
  - ii) was subject to an order that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while that person was acting in the capacity as director, CEO or CFO;

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

Alan Edwards, a director of the Company, was Chairman of the Board of Oracle Mining Corp. (“Oracle”) until his resignation effective February 15, 2015. On December 23, 2015, Oracle announced that the Superior Court of Arizona had granted the application of Oracle’s lender to appoint a receiver and manager over the assets, undertaking and property of Oracle Ridge Mining LLC.

In addition, none of the proposed directors 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 nominee as director.

#### **STATEMENT OF EXECUTIVE COMPENSATION**

For the purposes of this Information Circular, “executive officer” of the Company means an individual who at any time during the year was the Chair, or a Vice-Chair or President of the Company; any Vice President in charge of a principal business unit, division or function including sales, finance or production; and any individual who performed a policy-making function in respect of the Company.

Set out below are particulars of compensation paid to the following persons (the “Named Executive Officers” or “NEOs”):

1. a CEO;
2. a CFO;
3. each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than C\$150,000 for that financial year; and
4. any individual who would be a NEO under paragraph (3) but for the fact that the individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of that financial year.

As at December 31, 2017, the end of the most recently completed financial year of the Company, the Company had four NEOs.

#### **Compensation Discussion and Analysis**

The Company’s NEOs do not receive salaried compensation directly from the Company. Instead, the Company has access to and the use of Entrée’s executive officers pursuant to the Administrative Services Agreement between Entrée and the Company. Under the Administrative Services Agreement, Entrée provides the Company sufficient access to and use of its executive officers to enable the Company to achieve its corporate goals and objectives for the ensuing

year. Entrée invoices the Company for its proportionate share of actual costs for the executive officers, including base salary, benefits, vacation pay, perquisites, professional memberships and continuing education expenses. Entrée may also propose discretionary cash bonuses to be allocated between Entrée and the Company to reward exceptional service by executive officers to the Company and Entrée, taken as a whole.

The Compensation Committee of the Board typically meets in the fall of each year to discuss and determine recommendations that it will make to the Board regarding NEO compensation. The general objectives of the Company's compensation strategy are to (a) ensure that NEOs are compensated in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; and (b) align the NEO's interests with the long-term interests of shareholders.

The Compensation Committee generally considers two elements of compensation – an award of long-term incentive stock options, and discretionary cash bonuses to reward superior performance.

Discretionary cash bonuses may either be awarded directly to NEOs by the Company outside of the cost sharing arrangement under the Administrative Services Agreement, or indirectly through cost sharing of discretionary cash bonuses proposed by Entrée. In the course of determining whether to recommend the award of discretionary cash bonuses to the NEOs and if so, in what amount, the Compensation Committee considers, among such other factors as it may deem relevant, any proposal by Entrée for discretionary cash bonuses under the Administrative Services Agreement, the CEO's recommendations with respect to discretionary cash bonuses for other NEOs, the extent to which corporate goals have been achieved, the Company's overall performance, discretionary cash bonuses previously given to executive officers and general market conditions and economic outlook.

The awarding of incentive stock options provides a link between executive officer compensation and the Company's share price. It also provides a means of rewarding executive officers for achieving results that improve Company performance and thereby increase shareholder value, without depleting the Company's treasury. Management typically submits a proposal annually to the Compensation Committee for review, and the Compensation Committee recommends option awards for directors, officers, employees and service providers of the Company, as a means of encouraging and rewarding performance without depleting the Company's treasury.

In making a determination as to whether an award of long-term incentive stock options is appropriate, and if so, the number of options that should be awarded, the Compensation Committee considers, among such other factors as it may deem relevant, the value in securities of the Company that the Compensation Committee intends to award as compensation; current and expected future performance of the NEOs; the potential dilution to shareholders and the cost to the Company; previous awards made to the NEOs; and the limits imposed by the terms of the Plan and the TSX. The terms and conditions of the Company's stock option awards, including vesting provisions and exercise prices, are determined by the Board at the time of award, subject to the limits imposed by the terms of the Plan.

Discretionary cash bonuses and option based compensation represent compensation that is "at risk" depending on whether the NEO is able to meet or exceed his or her applicable performance expectations, and overall performance of the Company. No specific formula has been developed to assign a specific weighting to each of these components. Rather, the Compensation Committee focuses on ensuring that the total compensation package for each NEO meets the general objectives of the Company's compensation strategy.

Specific objective goals were not set for 2017. However, the Compensation Committee assessed the performance of the Company and executive officers as a whole. Key milestones achieved during 2017 include:

- completion of the spin-out of the Ann Mason Project and Lordsburg property by way of the Arrangement, into a new public company listed for trading on the TSX and the OTCQB;
- the introduction of two new significant shareholders, Hudbay Minerals Inc. and Mantos; and
- initiatives to reduce the Company's cash burn rate, including by entering into the Administrative Services Agreement, ensuring that the Company is positioned to meet all challenges as they emerge and at the same time identify strategic growth opportunities with the potential to deliver value to the Company and its shareholders.

Following its assessment, the Compensation Committee determined that it was appropriate to recommend to the Board that:

- Stephen Scott be paid a C\$50,000 discretionary cash bonus by the Company outside of the cost sharing arrangement under the Administrative Services Agreement. The Board considered and approved the Compensation Committee’s recommendation on August 29, 2017; and
- Stephen Scott be awarded incentive stock options to purchase 160,000 shares, and each of Duane Lo, Susan McLeod and Robert Cinits be awarded incentive stock options to purchase 135,000 shares. The Board considered and approved the Compensation Committee’s recommendation, and awarded the options on July 6, 2017 at an exercise price of C\$0.16 expiring on July 5, 2022.

In February 2018, Entrée proposed that discretionary cash bonuses be awarded to the NEOs and be allocated between Entrée and the Company to reward exceptional service by the NEOs to the Company and Entrée during 2017, taken as a whole. As the NEOs were principally focussed on completing the Arrangement and a non-brokered private placement to support the restructuring of Entrée’s business into two well-funded, separate publicly traded companies in the first half of 2017, and the NEOs spent 50% of their time providing services to the Company in the second half of 2017, the parties agreed that it was appropriate to allocate and charge 50% of the cost of the discretionary cash bonuses to the Company as follows:

NEO	Bonus Paid to NEO by Entrée (C\$)	Cost of Bonus Allocated and Charged to Company (C\$)
Stephen Scott	\$80,000	\$40,000
Duane Lo	\$36,000	\$18,000
Susan McLeod	\$40,000	\$20,000
Robert Cinits	\$36,000	\$18,000

The Board can exercise discretion to award compensation absent attainment of corporate goals or to reduce or increase the size of any award. The Board did not exercise this discretion in 2017 with respect to any NEO.

In the course of conducting its annual review of compensation, the Compensation Committee considers the implications and risks associated with the Company’s executive compensation policies, philosophy and practices. As discussed above, the Compensation Committee follows an overall compensation model which ensures that an adequate portion of overall compensation for the NEOs is “at risk” and only realized through the performance of the Company over both the short-term and long-term. The Compensation Committee reviews the model to ensure that there are sufficient features to mitigate the incentive for excessive risk taking. Some of the key risk mitigating features include:

- consistent program design among all executive officers and within the Company as a whole; and
- a greater reward opportunity derived from long-term incentives compared to short-term incentives, creating a greater focus on sustained performance over time.

The Company does not permit its executive officers or directors to hedge any of the equity compensation granted to them.

### Compensation Governance

The Compensation Committee is composed of Mark Bailey (chair), James Harris and Alan Edwards, all of whom are independent directors, applying the definition set out in section 1.4 of National Instrument 52-110 – *Audit Committees* (“NI 52-110”). Each member of the Compensation Committee has served on various other public company boards, which gives them sufficient direct experience in executive compensation to assist them in making decisions about the suitability of the Company’s compensation practices and policies.

The Board has adopted a Compensation Committee Charter, which governs the organization of the Compensation Committee and sets out the duties and responsibilities of the chair and the Compensation Committee as a whole.

The primary objective of the Compensation Committee is to discharge the responsibilities of the Board relating to compensation and benefits of the executive officers and directors of the Company. The Committee shall consist of three or more directors appointed by the Board, each of whom must be independent. The Committee shall meet as many times as it deems necessary, but not less frequently than one time per year. The CEO may not be present during the Compensation Committee's voting or deliberations.

Responsibilities of the Compensation Committee include:

- Reviewing and approving on an annual basis corporate goals and objectives relevant to CEO compensation, evaluating the CEO's performance in light of those goals and objectives and setting the CEO's compensation level based on this evaluation. In determining the long-term incentive component of CEO compensation, the Compensation Committee will consider, among such other factors as it may deem relevant, the Company's performance, shareholder returns and the awards given to the CEO in past years;
- Reviewing and approving on an annual basis the adequacy and form of compensation and benefits of all other executive officers and directors, and making recommendations to the Board in that regard;
- Making recommendations to the Board with respect to the Plan and any other incentive compensation plans and equity-based plans;
- Determining the recipients of, and the nature and size of share compensation awards and bonuses granted from time to time, in compliance with applicable securities law, stock exchanges and other regulatory requirements; and
- Approving inducement grants, which include grants of options or stock to new employees in connection with a merger or acquisition, as well as any tax-qualified, non-discriminatory employee benefit plans or non-parallel non-qualified plans, to new employees.

The Compensation Committee is acutely aware of the dual responsibility that non-executive directors have for overseeing the Company's corporate governance and long-term sustainability, as well as its compensation plans. In the course of determining compensation for non-executive directors, the Compensation Committee tries to ensure that non-executive director interests are closely aligned with those of shareholders, and that best practices for corporate governance are observed in the course of structuring non-executive director pay. In particular, the Compensation Committee is committed to structuring director pay in a manner that enables directors to maintain their independence. One of the ways that the Compensation Committee attempts to achieve this is by imposing reasonable limits on independent director participation in the Plan.

The Compensation Committee has the authority to retain outside advisors, including the sole authority to retain or terminate consultants to assist the Compensation Committee in the evaluation of compensation of executive officers and directors. No compensation consultant or advisor has been retained by the Company, and no fees have been paid to a compensation consultant or advisor, since incorporation.

### **Summary Compensation Table**

For the period from the Company's incorporation to the closing of the Arrangement on May 9, 2017, no compensation was paid to any of the NEOs by or for the account of the Company. The Company's NEOs do not receive salaried compensation directly from the Company. Instead, the Company has access to and the use of Entrée's executive officers pursuant to the Administrative Services Agreement. See "Administrative Services Agreement and Employment Agreements with Entrée" below.

The following table is a summary of compensation directly paid or awarded to the NEOs by the Company for the period commencing on May 9, 2017 and ending December 31, 2017.



Name and Principal Position	Year	Salary (US\$) <sup>(3)</sup>	Share-based awards (US\$)	Option-based awards (US\$) <sup>(4)</sup>	Non-equity incentive plan compensation (US\$) <sup>(2) (3)</sup>		Pension value (US\$) <sup>(2)</sup>	All other compensation (US\$)	Total compensation (US\$)
					Annual incentive plans	Long-term incentive plans			
Stephen Scott, President and CEO <sup>(5)</sup>	2017	Nil <sup>(6)</sup>	Nil	\$19,712	\$39,945 <sup>(7)</sup>	Nil	Nil	\$Nil	\$59,657 <sup>(6)</sup>
Duane Lo, CFO	2017	Nil <sup>(8)</sup>	Nil	\$16,632	Nil	Nil	Nil	\$Nil	\$16,632 <sup>(8)</sup>
Susan McLeod, Chief Legal Officer & Corporate Secretary	2017	Nil <sup>(9)</sup>	Nil	\$16,632	Nil	Nil	Nil	\$Nil	\$16,632 <sup>(9)</sup>
Robert Cinitis, Chief Operating Officer	2017	Nil <sup>(10)</sup>	Nil	\$16,632	Nil	Nil	Nil	\$Nil	\$16,632 <sup>(10)</sup>

- (1) The Company uses the Black-Scholes option-pricing model for determining fair value of stock options issued at the grant date. The Company selected the Black-Scholes option-pricing model because it is widely used in estimating option based compensation values by Canadian and U.S. public companies. The practice of the Company is to grant all option based awards in Canadian currency, and then convert the grant date fair value amount to United States currency for reporting the value of the grants in the Company's financials. The conversion rate for each grant is the average of the rates quoted by the Bank of Canada as its daily average exchange rate of the last day of the three months in the quarter in which the grant is made. The conversion rate for the purpose of the grants in this table is presented in Note 4 below and is based on the conversion rate on the date of grant as supplied by the Bank of Canada.
- (2) The Company does not have a formal annual incentive program however, bonuses are granted as determined by the Compensation Committee and approved by the Board on an individual basis. The Company does not presently have a pension incentive plan for any of its executive officers.
- (3) All compensation is negotiated and settled in Canadian dollars. The exchange rate used to convert compensation to US\$ is 1.2517.
- (4) Options were awarded on July 6, 2017 with an exercise price of C\$0.16 expiring on July 5, 2022. The exchange rate used to convert the value of the option based awards from C\$ to US\$ is 1.2957.
- (5) Mr. Scott is also a director of the Company. Mr. Scott did not receive compensation from the Company for acting as a director, and no portion of the total compensation disclosed above was received by Mr. Scott as compensation for acting as a director.
- (6) Mr. Scott is also the President and CEO of Entrée. Entrée is Mr. Scott's employer, and is responsible for paying 100% of Mr. Scott's salary for his services to both Entrée and the Company. Pursuant to the Administrative Services Agreement between Entrée and the Company, between May 9, 2017 (the effective date of the Arrangement) and December 31, 2017, Entrée provided the Company with access to and the use of 50% of Mr. Scott's time, and Entrée charged the Company US\$74,564, representing 50% of Entrée's actual cost of Mr. Scott's salary and benefits during that period. As this amount was not received directly by Mr. Scott from the Company, it is not included in the table above.
- (7) C\$50,000 discretionary cash bonus by the Company outside of the cost sharing arrangement under the Administrative Services Agreement.
- (8) Mr. Lo is also the Chief Financial Officer of Entrée. Entrée is Mr. Lo's employer, and is responsible for paying 100% of Mr. Lo's salary for his services to both Entrée and the Company. Pursuant to the Administrative Services Agreement between Entrée and the Company, between May 9, 2017 (the effective date of the Arrangement) and December 31, 2017, Entrée provided the Company with access to and the use of 50% of Mr. Lo's time, and Entrée charged the Company US\$59,918, representing 50% of Entrée's actual cost of Mr. Lo's salary and benefits during that period. As this amount was not received directly by Mr. Lo from the Company, it is not included in the table above.
- (9) Ms. McLeod is also the Vice President, Legal Affairs and Corporate Secretary of Entrée. Entrée is Ms. McLeod's employer, and is responsible for paying 100% of Ms. McLeod's salary for her services to both Entrée and the Company. Pursuant to the Administrative Services Agreement between Entrée and the Company, between May 9, 2017 (the effective date of the Arrangement) and December 31, 2017, Entrée provided the Company with access to and the use of 50% of Ms. McLeod's time, and Entrée charged the Company US\$67,108, representing 50% of Entrée's actual cost of Ms. McLeod's salary and benefits during that period. As this amount was not received directly by Ms. McLeod from the Company, it is not included in the table above.

- (10) Mr. Cinits is also the Vice President, Corporate Development of Entrée. Entrée is Mr. Cinits' employer, and is responsible for paying 100% of Mr. Cinits' salary for his services to both Entrée and the Company. Pursuant to the Administrative Services Agreement between Entrée and the Company, between May 9, 2017 (the effective date of the Arrangement) and December 31, 2017, Entrée provided the Company with access to and the use of 50% of Mr. Cinits' time, and Entrée charged the Company US\$67,108, representing 50% of Entrée's actual cost of Mr. Cinits' salary and benefits during that period. As this amount was not received directly by Mr. Cinits from the Company, it is not included in the table above.

### **Administrative Services Agreement and Employment Agreements with Entrée**

Entrée and the Company agree on an annual basis the executive officers that the parties believe the Company will need access to and the use of for the ensuing year, and the proposed allocation of costs for such executive officers (the "Annual Budget"). If the Company determines that it requires an increase to the quantity and level of services it receives, or Entrée determines that it is providing or needs to provide significantly more services to the Company, then the party making the determination will provide notice to the other party and the Annual Budget will be amended as agreed between the parties, acting reasonably. Neither party can materially reduce the quantity or level of services provided to the Company pursuant to an agreed Annual Budget without the prior written consent of the other party, which may be withheld in its sole discretion. The Administrative Services Agreement may be terminated by either party giving at least six months written notice to the other party. The Company may terminate the Administrative Services Agreement at any time by providing Entrée with a lump sum equal to the average monthly fees for the preceding four months, or the average monthly fees budgeted in the Approved Budget for the next four months, whichever is greater.

Stephen Scott is also the President and CEO of Entrée. Mr. Scott provides services to the Company as its President and CEO pursuant to the Administrative Services Agreement and an employment agreement between Mr. Scott and Entrée. Entrée is Mr. Scott's employer, and is responsible for paying 100% of Mr. Scott's salary for his services to both Entrée and the Company. Under his employment agreement with Entrée, Mr. Scott agreed to a temporary reduction in his annual salary to C\$280,000 until December 31, 2017. Effective January 1, 2018, Mr. Scott's salary was restored to its original rate of C\$325,000 per annum. Entrée and the Company agreed that the Company would have access to and the use of Mr. Scott for 50% of his time between the effective date of the Arrangement and December 31, 2017, and accordingly Entrée charged the Company US\$74,564, representing 50% of Entrée's actual cost of Mr. Scott's salary and benefits during that period. Entrée may terminate Mr. Scott's employment without cause by providing him with 18 months' working notice (or an amount equal to the salary Mr. Scott otherwise would receive over the working notice period, or a combination thereof). Any payment made to Mr. Scott by Entrée in connection with the termination of Mr. Scott's employment will be for the sole account of Entrée, unless the termination was requested or otherwise agreed to by the Company.

Duane Lo is also the CFO of Entrée. Mr. Lo provides services to the Company as its CFO pursuant to the Administrative Services Agreement and an employment agreement between Mr. Lo and Entrée. Entrée is Mr. Lo's employer, and is responsible for paying 100% of Mr. Lo's annual salary of C\$225,000 for his services to both Entrée and the Company. Entrée and the Company agreed that the Company would have access to and the use of Mr. Lo for 50% of his time between the effective date of the Arrangement and December 31, 2017, and accordingly Entrée charged the Company US\$59,918, representing 50% of Entrée's actual cost of Mr. Lo's salary and benefits during that period. Entrée may terminate Mr. Lo's employment without cause by providing him with six months' working notice, plus an additional one month's working notice for each full year of employment completed with Entrée, to a maximum of twelve months' working notice (or an amount equal to the salary Mr. Lo otherwise would receive over the working notice period, or a combination thereof). Any payment made to Mr. Lo by Entrée in connection with the termination of Mr. Lo's employment will be for the sole account of Entrée, unless the termination was requested or otherwise agreed to by the Company.

Susan McLeod is also the Vice President, Legal Affairs and Corporate Secretary of Entrée. Ms. McLeod provides services to the Company as its Chief Legal Officer and Corporate Secretary pursuant to the Administrative Services Agreement and an employment agreement between Ms. McLeod and Entrée. Entrée is Ms. McLeod's employer, and is responsible for paying 100% of Ms. McLeod's annual salary of C\$252,000 for her services to both Entrée and the Company. Entrée and the Company agreed that the Company would have access to and the use of Ms. McLeod for 50% of her time between the effective date of the Arrangement and December 31, 2017, and accordingly Entrée charged the Company US\$67,108, representing 50% of Entrée's actual cost of Ms. McLeod's salary and benefits during that period. Entrée may terminate Ms. McLeod's employment without cause by providing her with a lump sum

amount equal to 18 months' salary and the aggregate amount of all other remuneration, bonuses and benefits that she would otherwise have received over the ensuing 18-month period. Any payment made to Ms. McLeod by Entrée in connection with the termination of Ms. McLeod's employment will be for the sole account of Entrée, unless the termination was requested or otherwise agreed to by the Company.

Robert Cinits is also the Vice President, Corporate Development of Entrée. Mr. Cinits provides services to the Company as its Chief Operating Officer pursuant to the Administrative Services Agreement and an employment agreement between Mr. Cinits and Entrée. Entrée is Mr. Cinits' employer, and is responsible for paying 100% of Mr. Cinits' annual salary of C\$252,000 for his services to both Entrée and the Company. Entrée and the Company agreed that the Company would have access to and the use of Mr. Cinits for 50% of his time between the effective date of the Arrangement and December 31, 2017, and accordingly Entrée charged the Company US\$67,108, representing 50% of Entrée's actual cost of Mr. Cinits' salary and benefits during that period. Entrée may terminate Mr. Cinits' employment without cause by providing him with six months' working notice, plus an additional one month's working notice for each full year of employment completed with Entrée, to a maximum of twelve months' working notice (or an amount equal to the salary Mr. Cinits otherwise would receive over the working notice period, or a combination thereof). Any payment made to Mr. Cinits by Entrée in connection with the termination of Mr. Cinits' employment will be for the sole account of Entrée, unless the termination was requested or otherwise agreed to by the Company.

Other than as set out in this Information Circular (including under "Termination and Change of Control Benefits" below), the Company does not have any contract, agreement, plan or arrangement that provides for payments to a NEO at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change of control of the Company or a change of the NEO's responsibilities.

#### Incentive Plan Awards

The following table is a summary of all option-based awards and share-based awards to the NEOs that were outstanding at the end of the most recently completed financial year.

Name	Option-based Awards				Share-based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (#)
Stephen Scott	225,000 <sup>(2)</sup>	\$0.12	November 15, 2020	\$28,125	Nil	Nil
	180,000 <sup>(2)</sup>	\$0.15	November 21, 2021	\$17,100	Nil	Nil
	160,000	\$0.16	July 5, 2022	\$13,600	Nil	Nil
Duane Lo	45,000 <sup>(2)</sup>	\$0.14	March 31, 2021	\$4,725	Nil	Nil
	112,500 <sup>(2)</sup>	\$0.15	November 21, 2021	\$10,688	Nil	Nil
	135,000	\$0.16	July 5, 2022	\$11,475	Nil	Nil
Susan McLeod	168,750 <sup>(2)</sup>	\$0.20	March 15, 2018	\$7,594	Nil	Nil
	67,500 <sup>(2)</sup>	\$0.11	December 19, 2018	\$9,113	Nil	Nil
	101,250 <sup>(2)</sup>	\$0.07	December 22, 2019	\$17,719	Nil	Nil
	49,500 <sup>(2)</sup>	\$0.12	December 3, 2020	\$6,188	Nil	Nil
	90,000 <sup>(2)</sup>	\$0.15	November 21, 2021	\$8,550	Nil	Nil
	135,000	\$0.16	July 5, 2022	\$11,475	Nil	Nil

Robert Cinits	146,250 <sup>(2)</sup>	\$0.20	March 15, 2018	\$6,581	Nil	Nil
	22,500 <sup>(2)</sup>	\$0.12	April 9, 2018	\$2,813	Nil	Nil
	67,500 <sup>(2)</sup>	\$0.11	December 19, 2018	\$9,113	Nil	Nil
	101,250 <sup>(2)</sup>	\$0.07	December 22, 2019	\$17,719	Nil	Nil
	49,500 <sup>(2)</sup>	\$0.12	December 3, 2020	\$6,188	Nil	Nil
	90,000 <sup>(2)</sup>	\$0.15	November 21, 2021	\$8,550	Nil	Nil
	135,000	\$0.16	July 5, 2022	\$11,475	Nil	Nil

- (1) Calculated using the closing price of the Company's common shares on the TSX on December 29, 2017 (being the last trading day of 2017) of \$0.245 and subtracting the exercise price of in-the-money options.
- (2) Pursuant to the Arrangement, each existing stock option of Entrée was exchanged for one fully vested Entrée replacement option and 0.45 of a fully vested Mason Replacement Option. The exercise prices assigned to the Mason Replacement Options reflect the allocation of the original exercise price of the existing Entrée options between the Entrée replacement options and the Mason Replacement Options issued, based on the relative market value of Entrée and the Company following completion of the Arrangement. The expiry dates are the expiry dates of the existing Entrée options.

The following table is a summary of all value vested or earned during the most recently completed financial year for the NEOs.

Name	Option-based awards – Value vested during the year (US\$) <sup>(1) (2)</sup>	Share-based awards – Value vested during the year (US\$)	Non-equity incentive plan compensation – Value earned during the year (US\$)
Stephen Scott	\$22,826	Nil	\$39,945 <sup>(3)</sup>
Duane Lo	\$7,278	Nil	Nil
Susan McLeod	\$23,868	Nil	Nil
Robert Cinits	\$25,191	Nil	Nil

- (1) Pursuant to the Arrangement, on May 23, 2017 each existing stock option of Entrée was exchanged for one fully vested Entrée replacement option and 0.45 of a fully vested Mason Replacement Option. Accordingly, NEOs of the Company who are also employees of Entrée, were issued fully vested Mason Replacement Options as a result of the Arrangement. See “Plan of Arrangement” above for further details.
- The Company has calculated the value of the Mason Replacement Options vested during the year by using the closing price of the Company's common shares on May 19, 2017 (being the last trading day prior to the date that the fully vested Mason Replacement Options were issued) of C\$0.21 and subtracting the exercise price of in-the-money Mason Replacement Options. The exercise prices assigned to the Mason Replacement Options reflect the allocation of the original exercise prices of the existing Entrée options between the Entrée replacement options and the Mason Replacement Options issued, based on the relative market value of Entrée and the Company following completion of the Arrangement.
- (2) For options other than the Mason Replacement Options, value vested during the year is calculated by subtracting the exercise price of the options (being no less than the market price of the Company's shares on the award date) from the market price of the Company's shares on the date the options vested (being the closing price of the Company's shares on the TSX on the last trading day prior to the vesting date).
- (3) Mr. Scott received a discretionary cash bonus of C\$50,000 on August 29, 2017.

No options were exercised by the NEOs during the most recently completed financial year.

### Termination and Change of Control Benefits

On August 9, 2017, the Company entered into a Change of Control Agreement (“COCA”) with each of the NEOs.

The Administrative Services Agreement does not provide for any NEO to receive any severance or other compensation in the event the NEO ceases to be an executive officer of the Company following a Change of Control (as defined

below). The Board recognized that, as is the case with many publicly traded companies, the possibility of a Change of Control exists and that such possibility, and the uncertainty and questions which it may raise among the NEOs, may result in the departure or distraction of the NEOs to the detriment of the Company and its shareholders. The Board determined it is in the best interests of the Company and its shareholders to ensure that the Company will have the continued attention and dedication of the NEOs notwithstanding the possibility, threat or occurrence of a Change of Control of the Company.

Under each COCA, if any of the following occurs during the one-year period following a Change of Control (an “Event”), the Company will immediately pay the NEO a lump sum amount equal to one year of gross base salary at the then current rate under the NEO’s employment agreement with Entrée (a “Change of Control Payment”):

- (a) the Company terminates the NEO as an executive officer of the Company for any reason, or otherwise gives notice to Entrée that the Company will no longer require access to and use of the NEO under the Administrative Services Agreement;
- (b) Entrée gives notice to the Company of termination of the Administrative Services Agreement, other than in circumstances where the notice is in connection with a change of control of Entrée and the Company enters into an agreement with the NEO for the direct provision of services by the NEO to the Company;
- (c) the NEO resigns as an executive officer of the Company as a result of (A) a material change (other than a change that is clearly consistent with a promotion) in the NEO’s position or duties, responsibilities, reporting relationship, title or office in effect immediately prior to the Change of Control; (B) forced provision of services in a different geographical location; or (C) a material reduction in the amount or type of discretionary or non-discretionary incentives or compensation typically awarded by the Board to the NEO or any change in the basis upon which such incentives or compensation are typically determined; or
- (d) the Company gives notice to Entrée of termination of the Administrative Services Agreement.

Notwithstanding the foregoing, the Company will not be required to pay the Change of Control Payment to the NEO if:

- (e) Entrée or the Company delivered notice of termination of the Administrative Services Agreement prior to a Change of Control, unless the NEO can reasonably demonstrate that notice of termination was given at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose in connection with or anticipation of a Change of Control; or
- (f) the NEO ceased for any reason to be an executive officer of the Company prior to a Change of Control, unless the NEO was terminated by the Company and the NEO can reasonably demonstrate that the termination was at the request of a third party who has taken steps reasonably calculated to effect a Change of Control or otherwise arose in connection with or anticipation of a Change of Control.

“Change of Control” is defined as:

- (i) the sale, transfer or disposition of the Company’s assets in complete liquidation or dissolution of the Company;
- (ii) the Company amalgamates, merges or enters into a plan of arrangement with another company at arm’s length to the Company and its affiliates (the “Group”), other than an amalgamation, merger or plan of arrangement that would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving or resulting entity) more than 50% of the combined voting power of the surviving or resulting entity outstanding immediately after such amalgamation, merger or plan of arrangement; or
- (iii) any person or combination of persons at arm’s length to the Group acquires or becomes the beneficial owner of, directly or indirectly, more than 20% of the voting securities of the Company, whether through the acquisition of previously issued and outstanding voting securities, or of voting securities that have not been

previously issued, or any combination thereof, or any other transaction having a similar effect, and such person or combination of persons exercise(s) the voting power attached to such securities in a manner that causes the Incumbent Directors to cease to constitute a majority of the Board.

“Incumbent Director” means any member of the Board who was a member of the Board prior to the occurrence of the transaction, transactions or elections giving rise to a Change of Control and any successor to an Incumbent Director who was recommended or elected or appointed to succeed an Incumbent Director by the affirmative vote of a majority of the Incumbent Directors then on the Board.

If a Change of Control had occurred on December 31, 2017, none of the NEOs would have had an immediate benefit. If an Event had taken place, Mr. Scott would have been entitled to an immediate payment of approximately US\$223,695; Mr. Lo would have been entitled to an immediate payment of approximately US\$179,755; Ms. McLeod would have been entitled to an immediate payment of approximately US\$201,326; and Mr. Cinitis would have been entitled to an immediate payment of approximately US\$201,326.

All of the NEOs would continue to be bound by confidentiality provisions following the termination of their services.

## **Director Compensation**

### Directors’ Fees

Prior to the closing of the Arrangement on May 9, 2017, no compensation was paid by or for the account of the Company to any of the directors of the Company.

Annual directors’ fees are paid to non-executive directors to compensate them for the time and commitment required to act as directors of the Company, serve on standing committees of the Board, serve on ad hoc or special committees of the Board (if so requested by the Board) and act as Non-Executive Chair of the Board or chair of certain standing committees.

The annual base retainer payable to non-executive directors to compensate them for acting as directors of the Company is C\$10,000. The Non-Executive Chair of the Board is paid an additional cash retainer of C\$10,000 per annum; the chair of the Audit Committee receives an additional cash retainer of C\$5,000 per annum; and the chairs of the Compensation Committee and the CGNC each receive an additional cash retainer of C\$3,000 per annum.

The directors are reimbursed for expenses incurred on the Company’s behalf.

The Compensation Committee will periodically review the adequacy and form of non-executive director compensation and ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director, and report and make recommendations to the Board accordingly.

### Incentive Stock Options

The awarding of incentive stock options provides a link between non-executive director compensation and the Company’s share price. It also rewards non-executive directors for achieving results that improve Company performance and thereby increase shareholder value. Incentive stock options are an important component of non-executive director compensation for the Company, which doesn’t have any revenue making it difficult to pay larger cash retainers.

Stock options are generally awarded to non-executive directors when they join the Board and periodically thereafter. In making a determination as to whether an award of long-term incentive stock options is appropriate, and if so, the number of options that should be awarded, the Compensation Committee considers, among such other factors as it may deem relevant, the value in securities of the Company that the Compensation Committee intends to award as compensation, current and expected future performance of the director, the potential dilution to shareholders and the cost to the Company, previous awards made to the director, option awards made to the Company’s executive officers and the limits imposed by the terms of the Plan and the TSX.

In July 2018, the Compensation Committee recommended that the Board award incentive stock options to each of the non-executive directors in recognition of the role that the non-executive directors play in providing strategic input and corporate oversight. The Compensation Committee recommended that Geoff Chater receive a larger award in connection with his appointment to the Board in March 2017. The Board approved the Compensation Committee's recommendations, and in July 2017 awarded to Geoff Chater options to purchase 200,000 shares at an exercise price of C\$0.16 for five years, and to each of the other non-executive directors options to purchase 75,000 shares at an exercise price of C\$0.16 for five years. The terms and conditions of the awards, including vesting provisions and exercise prices, were determined by the Board at the time of award, in accordance with the terms and conditions of the Plan.

The following table is a summary of all compensation provided to the directors of the Company (other than directors who are also NEOs) for the most recently completed financial year.

Name <sup>(1)</sup>	Fees earned (US\$)	Share-based awards (US\$)	Option-based awards (US\$) <sup>(2) (3)</sup>	Non-equity incentive plan compensation (US\$)	Pension value (US\$)	All other compensation (US\$)	Total (US\$)
Mark Bailey	\$6,924	Nil	\$9,240	Nil	Nil	Nil	\$16,164
James Harris	\$6,924	Nil	\$9,240	Nil	Nil	Nil	\$16,164
Alan Edwards	\$10,652	Nil	\$9,240	Nil	Nil	Nil	\$19,892
Geoff Chater <sup>(4)</sup>	\$7,989	Nil	\$24,640	Nil	Nil	Nil	\$32,629

- (1) In addition to being a director of the Company, Stephen Scott is a NEO. For disclosure regarding Mr. Scott's compensation, please refer to the Summary Compensation Table above.
- (2) The Company uses the Black-Scholes option-pricing model for determining fair value of stock options issued at the grant date. The Company selected the Black-Scholes option-pricing model because it is widely used in estimating option based compensation values by Canadian and U.S. public companies. The practice of the Company is to grant all option based awards in Canadian currency, and then convert the grant date fair value amount to U.S. currency for reporting the value of the grants in the Company's financials. The conversion rate for each grant is the average of the rates quoted by the Bank of Canada as its daily average exchange rate of the last day of the three months in the quarter in which the grant is made. The conversion rate for the purpose of the grants in this table is presented in Note 3 below and is based on the conversion rate on the date of grant as supplied by the Bank of Canada.
- (3) Options were awarded on July 6, 2017 with an exercise price of C\$0.16 expiring on July 5, 2022. The exchange rate used to convert the value of the option based awards from C\$ to US\$ is 1.2957.
- (4) Geoff Chater was appointed to the Board on March 10, 2017. On July 6, 2017, Mr. Chater was granted options to purchase 200,000 shares at an exercise price of C\$0.16. 100,000 options vested on July 6, 2017, 50,000 options vested on January 6, 2018 and 50,000 options will vest on July 6, 2018.

The following table is a summary of all option-based awards to the directors of the Company (other than directors who are also NEOs) that were outstanding at the end of the most recently completed financial year. There were no share-based awards outstanding at the end of the most recently completed financial year.

Name <sup>(1)</sup>	Option-based Awards				Share-based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (#)
Mark Bailey	103,500 <sup>(3)</sup>	\$0.20	March 15, 2018	\$4,658	Nil	Nil
	33,750 <sup>(3)</sup>	\$0.11	December 19, 2018	\$4,556	Nil	Nil
	45,000 <sup>(3)</sup>	\$0.07	December 22, 2019	\$7,875	Nil	Nil
	33,750 <sup>(3)</sup>	\$0.12	December 3, 2020	\$4,219	Nil	Nil
	90,000 <sup>(3)</sup>	\$0.15	November 21, 2021	\$8,550	Nil	Nil
	75,000	\$0.16	July 5, 2022	\$6,375	Nil	Nil
James Harris	114,750 <sup>(3)</sup>	\$0.20	March 15, 2018	\$5,164	Nil	Nil
	33,750 <sup>(3)</sup>	\$0.11	December 19, 2018	\$4,556	Nil	Nil
	45,000 <sup>(3)</sup>	\$0.07	December 22, 2019	\$7,875	Nil	Nil

Name <sup>(1)</sup>	Option-based Awards				Share-based Awards	
	Number of Securities underlying unexercised options (#)	Option exercise price (C\$)	Option expiration date	Value of unexercised in-the-money options (C\$) <sup>(2)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (#)
	67,500 <sup>(3)</sup>	\$0.12	December 3, 2020	\$8,438	Nil	Nil
	90,000 <sup>(3)</sup>	\$0.15	November 21, 2021	\$8,550	Nil	Nil
	75,000	\$0.16	July 5, 2022	\$6,375	Nil	Nil
Alan Edwards	103,500 <sup>(3)</sup>	\$0.20	March 15, 2018	\$4,658	Nil	Nil
	33,750 <sup>(3)</sup>	\$0.11	December 19, 2018	\$4,556	Nil	Nil
	45,000 <sup>(3)</sup>	\$0.07	December 22, 2019	\$7,875	Nil	Nil
	33,750 <sup>(3)</sup>	\$0.12	December 3, 2020	\$4,219	Nil	Nil
	90,000 <sup>(3)</sup>	\$0.15	November 21, 2021	\$8,550	Nil	Nil
	75,000	\$0.16	July 5, 2022	\$6,375	Nil	Nil
Geoff Chater	200,000	\$0.16	July 5, 2022	\$8,500	Nil	Nil

- (1) In addition to being a director of the Company, Stephen Scott is a NEO. For disclosure regarding Mr. Scott's option-based awards, please refer to the incentive plan awards section above.
- (2) Calculated using the closing price of the Company's common shares on the TSX on December 29, 2017 (being the last trading day of 2017) of \$0.245 and subtracting the exercise price of in-the-money options.
- (3) Pursuant to the Arrangement, each existing stock option of Entrée was exchanged for one fully vested Entrée replacement option and 0.45 of a fully vested Mason Replacement Option. Accordingly, certain directors of the Company who are also directors of Entrée were issued fully vested Mason Replacement Options as a result of the Arrangement. The exercise prices assigned to the Mason Replacement Options reflect the allocation of the original exercise prices of the existing Entrée options between the Entrée replacement options and the Mason Replacement Options issued, based on the relative market value of Entrée and the Company following completion of the Arrangement. The expiry dates are the expiry dates of the existing Entrée options.

The following table is a summary of all value vested or earned during the most recently completed financial year for the directors of the Company (other than directors who are also NEOs).

Name <sup>(1)</sup>	Option-based awards – Value vested during the year (US\$) <sup>(2) (3)</sup>	Share-based awards – Value vested during the year (US\$)	Non-equity incentive plan compensation – Value earned during the year (US\$)
Mark Bailey	\$14,076	Nil	Nil
James Harris	\$16,392	Nil	Nil
Geoff Chater	\$0	Nil	Nil
Alan Edwards	\$14,076	Nil	Nil

- (1) In addition to being a director of the Company, Stephen Scott is a NEO. For disclosure regarding Mr. Scott's compensation, please refer to the summary compensation table above.
- (2) Pursuant to the Arrangement, on May 23, 2017 each existing stock option of Entrée was exchanged for one fully vested Entrée replacement option and 0.45 of a fully vested Mason Replacement Option. Accordingly, certain directors of the Company who are also directors of Entrée were issued fully vested Mason Replacement Options as a result of the Arrangement. See "Plan of Arrangement" above for further details.

The Company has calculated the value of the Mason Replacement Options vested during the year by using the closing price of the Company's common shares on May 19, 2017 (being the last trading day prior to the date that the fully vested Mason Replacement Options were issued) of C\$0.21 and subtracting the exercise price of in-the-money Mason Replacement Options. The exercise prices assigned to the Mason Replacement Options reflect the allocation of the original exercise prices of the existing Entrée options between the Entrée replacement options and the Mason Replacement Options issued, based on the relative market value of Entrée and the Company following completion of the Arrangement.

- (3) For options other than the Mason Replacement Options, value vested during the year is calculated by subtracting the exercise price of the options (being no less than the market price of the Company's shares on the date of award) from the market price of the Company's shares on the date the options vested (being the closing price of the Company's shares on the TSX on the last trading day prior to the vesting date).



No options were exercised by directors during the most recently completed financial year.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of the end of the Company’s most recently completed financial year with respect to compensation plans under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights  (a)	Weighted-average exercise price of outstanding options, warrants and rights (C\$)  (b)	Number of securities remaining available for future issuances under equity compensation plans (excluding securities reflected in column (a))  (c) <sup>(1)</sup>
Equity compensation plans approved by securityholders	4,428,000	\$0.15	3,384,927
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<b>Total</b>	4,428,000	\$0.15	3,384,927

- (1) The maximum aggregate number of common shares issuable pursuant to options awarded under the Plan and outstanding from time to time may not exceed that number which represents 10% of the issued and outstanding common shares from time to time. The Company shall, at all times while the Plan is in effect, reserve a sufficient number of common shares to satisfy the requirements of the Plan. The Plan also provides that exercised options will automatically be available for subsequent awards and for the reservation and issuance of additional common shares pursuant to such options. Accordingly, the Plan constitutes both a “rolling” plan and an “evergreen” plan, and its renewal must be approved by the Company’s shareholders every three years in accordance with the policies of the TSX. The Plan was last approved on May 1, 2017.

The Plan was approved by Entrée’s shareholders at the Annual General and Special Meeting of securityholders of Entrée held on May 1, 2017 to approve the Arrangement.

The Plan is a “rolling” incentive stock option plan. The maximum aggregate number of common shares issuable pursuant to options awarded under the Plan and outstanding from time to time may not exceed 10% of the issued and outstanding common shares from time to time.

As the number of issued and outstanding common shares increases, the Company may increase the number of shares reserved for issuance, upon application to the TSX. The Plan automatically makes exercised options available for subsequent awards under the Plan and provides for the reservation and issuance of additional common shares pursuant to such options. The unallocated options under the Plan must be renewed by shareholders every three years in accordance with TSX requirements, failing which no further options may be awarded under the Plan.

As at December 31, 2017, options to purchase 4,428,000 common shares (5.7% of the Company’s then outstanding capital) were outstanding and 3,384,927 common shares (4.3% of the Company’s then outstanding capital) were available for future option awards under the Plan.

As the Plan was first adopted in 2017, disclosure regarding the annual burn rate has been omitted.

### Summary

The following is a summary of the principal terms of the Plan.

The maximum aggregate number of common shares issuable pursuant to options awarded under the Plan and outstanding from time to time may not exceed that number which represents 10% of the issued and outstanding common shares from time to time. The Company shall, at all times while the Plan is in effect, reserve a sufficient number of common shares to satisfy the requirements of the Plan. The Plan also provides that exercised options will automatically be available for subsequent awards and for the reservation and issuance of additional common shares pursuant to such options. Accordingly, the Plan constitutes both a “rolling” stock option plan and an “evergreen” stock

option plan, and its renewal must be approved by shareholders every three years in accordance with the policies of the TSX.

The Plan provides that options may be awarded to directors, officers, employees and Consultants (as defined in National Instrument 45-106 – *Prospectus Exemptions*) of the Company and any of its affiliates, and to consultant companies. The Plan provides that it is solely within the discretion of the Board to determine who should receive options and in what amounts. The Board may award options to insiders of the Company, provided (a) the number of securities issuable to insiders (as a group) under the Plan, together with all other security based compensation arrangements of the Company, cannot exceed 10% of the issued and outstanding securities of the Company; and (b) the number of securities issued to insiders (as a group) within any one year period under the Plan, together with all other security based compensation arrangements of the Company, cannot exceed 10% of the issued and outstanding securities of the Company.

The exercise price of an option will be as set forth in the option certificate issued in respect of such option and in any event will not be less than the market value of the Company's common shares as of the date of the award of the option (the "Award Date"). The market value of the Company's common shares for a particular Award Date is the closing price of the Company's common shares on the TSX on the last trading day immediately preceding the Award Date. Notwithstanding the foregoing, in no case will the market value be less than the minimum prescribed by applicable regulatory authorities as would apply to the Award Date in question.

The expiry date of each option is fixed by the Board at the time the option is awarded. No option may have a term of greater than ten years unless the expiry date falls during a voluntary trading black out period and is extended as provided below. Typically, the Board awards options with five-year terms. Unless otherwise provided in the option certificate, in the event an option holder ceases to be a director, officer, employee or Consultant of the Company other than by reason of death, or other than as a result of an employee or Consultant resigning in a manner that is in breach of a written agreement, his or her vested options will expire on the earlier of the expiry date fixed by the Board (the "Fixed Expiry Date") and the 90<sup>th</sup> day following termination of his or her relationship with the Company. In the case of an employee or Consultant that has resigned in a manner that is in breach of a written agreement, his or her vested options will expire on the earlier of the Fixed Expiry Date and the seventh day following termination of his or her relationship with the Company. Vested options will expire immediately in the event a relationship with a director, officer, employee or Consultant is terminated for cause. In the event of the death of an option holder, his or her vested options will expire six months after the date of death, or on the Fixed Expiry Date, whichever is earlier. Unvested options will expire immediately upon the termination of the option holder's relationship with the Company. If the expiry date of an option falls during, or within 10 days of the end of a trading black out period that has been voluntarily imposed by the Company, then notwithstanding anything else contained in the Plan, any vested portion or portions of the option then held by the option holder will be exercisable at any time up to but not after the date which is 10 days after the end of the trading black out period.

For holders who were issued Mason Replacement Options pursuant to the Arrangement, in the event a Mason Replacement Option holder ceases to be a director, officer, employee or Consultant of Entrée and the Company or any of their affiliates other than by reason of death, or other than as a result of an employee or Consultant resigning in a manner that is in breach of a written agreement, his or her vested Mason Replacement Options will expire on the earlier of the expiry date fixed by the Board (the "Replacement Fixed Expiry Date"), which shall be the expiry date of the original Entrée stock option for which the Mason Replacement Option was issued and the 90<sup>th</sup> day following termination of his or her relationship with Entrée and the Company or any of their affiliates. In the case of an employee or Consultant that has resigned in a manner that is in breach of a written agreement, his or her vested Mason Replacement Options will expire on the earlier of the Replacement Fixed Expiry Date and the seventh day following termination of his or her relationship with Entrée and the Company or any of their affiliates. Vested Mason Replacement Options will expire immediately in the event a relationship with a director, officer, employee or Consultant is terminated for cause. In the event of the death of a Mason Replacement Option holder, his or her vested Mason Replacement Options will expire six months after the date of death, or on the Replacement Fixed Expiry Date, whichever is earlier. Unvested Mason Replacement Options will expire immediately upon the termination of the Mason Replacement Option holder's relationship with Entrée and the Company or any of their affiliates. If the expiry date of a Mason Replacement Option falls during, or within 10 days of the end of a trading black out period that has been voluntarily imposed by the Company, then notwithstanding anything else contained in the Plan, any vested

portion or portions of the Mason Replacement Options then held by the Mason Replacement Option holder will be exercisable at any time up to but not after the date which is 10 days after the end of the trading black out period.

Rather than exercise an option in the normal course, an option holder may elect to terminate an option, in whole or in part and, in lieu of receiving shares to which the terminated option relates (the “Designated Shares”), receive the number of shares, disregarding fractions, which, when multiplied by the weighted average trading price of the shares on the TSX during the five trading days immediately preceding the day of termination (the “Fair Value” per share) of the Designated Shares, has a total dollar value equal to the number of Designated Shares multiplied by the difference between the Fair Value and the exercise price per share of the Designated Shares. For option holders who are citizens or residents of the United States, Fair Value means the closing price of the Company’s common shares on the TSX on the last day preceding the day of termination.

The Board may attach other terms and conditions to the award of a particular option, including a provision that a portion or portions of the option will vest after certain periods of time or upon the occurrence of certain events.

An option may not be assigned or transferred, except that it will be exercisable by the personal representative of the option holder in the event of the option holder’s death or incapacity. The Company will not provide financial assistance to option holders to assist them in exercising their options. However, the Company in its sole discretion may provide tax equalization on income from option exercises for expatriates.

The Board may from time to time, by the approval of a majority of the directors, make any amendments or changes to the Plan, fundamental or otherwise, that the Board sees fit in its sole discretion, including the following fundamental changes:

- (a) the addition of any form of financial assistance;
- (b) any amendment to a financial assistance provision which is more favourable to eligible persons;
- (c) the addition of a cashless exercise feature, payable in cash or securities which does not provide for a full deduction of the number of underlying securities from the Plan reserve; and
- (d) the addition of a deferred or restricted share unit or any other provision which results in eligible persons receiving securities while no cash consideration is received by the Company.

No shareholder approval shall be required to make any amendments or changes to the Plan, fundamental or otherwise, other than as specifically required by the TSX. The Board may also from time to time retrospectively amend the Plan and the terms and conditions of any option awarded thereunder, subject to the approval of the TSX, the option holder and, to the extent required by the TSX, shareholders.

## **MANAGEMENT CONTRACTS**

Except as otherwise disclosed in this Information Circular, management functions of the Company are substantially performed by directors or executive officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

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

Since the commencement of the Company’s last completed financial year, no informed person of the Company, proposed director of the Company, or any associate or affiliate of any informed person or proposed director, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries, other than directors and executive officers of the Company who had an interest in the Arrangement as set out in this Information Circular.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (“NI 58-101”) requires each reporting

issuer to disclose its corporate governance practices on an annual basis. The Company's approach to corporate governance is set forth below.

The CGNC annually considers and makes recommendations to the Board with respect to corporate governance policies, position descriptions, Board mandates and committee charters to ensure corporate governance policies and practises are up to date with appropriate best practices and are appropriate for the Company. See the Company's website at [www.MasonResources.com](http://www.MasonResources.com).

The CGNC also makes recommendations with respect to nominees to the Board and committee appointments and assists the Board with committee and director evaluations (see "Corporate Governance and Nominating Committee (CGNC)" and "Board Assessment and Renewal" below).

### **Board of Directors**

Section 1.4 of NI 52-110 sets out the standard for director independence. A director is independent if he or she has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a director's independent judgment. Section 1.4 of NI 52-110 also set out certain situations where a director will automatically be considered to have a material relationship with the Company.

As at December 31, 2017, the Board was comprised of five directors, four of whom are independent applying the definition set out in section 1.4 of NI 52-110. Stephen Scott is not independent by virtue of the fact that he is an executive officer of the Company.

To the extent that the Board considers it to be necessary or advisable, a Board meeting will include an in camera session, at which executive directors and members of management are not in attendance. Since the beginning of the Company's most recently completed financial year, there have been six in camera sessions.

Alan Edwards, an independent director, serves as Non-Executive Chair of the Board, and is responsible for ensuring that the Board discharges its responsibilities in an effective manner and that the Board understands the boundaries between Board and management responsibilities. The Board has developed a written position description for the Non-Executive Chair of the Board in order to delineate the Chair's role and responsibilities. The Non-Executive Chair is primarily responsible for acting as the effective leader of the Board, and ensuring that the Board's agenda enables it to successfully carry out its duties. As Chair, Mr. Edwards also serves as an "ex officio" member of each Board committee. More specifically, the Non-Executive Chair of the Board is responsible for:

- (a) Ensuring the Board focuses on the Company's strategic performance by working with the CEO and the Board in managing Board meeting agendas and developing the Board's priorities.
- (b) Ensuring that the Board represents and protects the long-term best interests of the Company.
- (c) Helping to set the tone and culture of the Company by:
  - (i) Ensuring the distinct roles and responsibilities of the Board and management are well understood and respected by both the Board and management;
  - (ii) Setting the tone for the Board to foster ethical and responsible decision-making, appropriate oversight of management and best practices in corporate governance; and
  - (iii) Fostering a spirit of respect, trust and collegiality among directors, and between the Board and management, where thoughtful, probative questions and thorough discussions are encouraged.
- (d) Managing relationships by:
  - (i) Acting as a liaison between the Board and the CEO, and providing advice, counsel and mentorship to the CEO and to individual directors;

- (ii) Serving as a key interface between directors; and
  - (iii) Engaging with shareholders, other stakeholders of the Company and the public where appropriate.
- (e) Ensuring the adoption of, and compliance with, procedures so that the Board effectively carries out its responsibilities in compliance with the mandate of the Board, and conducts its work efficiently and independently from management.

### **Board Mandate**

The Board has adopted a written mandate, which is attached hereto as Appendix 1.

### **Position Description for CEO**

The Board has adopted a written position description for the CEO, which sets out the CEO's specific duties and responsibilities. Generally, the CEO, who must be appointed by the Board and is directly accountable to the Board, is responsible for management of the day to day operation of the business of the Company and has primary accountability for the profitability and growth of the Company.

### **Orientation and Continuing Education**

The Board provides ad hoc orientation for new directors.

The CGNC is responsible for encouraging and facilitating continuing education programs for all directors. The CGNC will also ensure that each director understands the role of the Board, its committees and its directors, and the basic procedures and operations of the Board. Board members are also given access to management and other employees and advisors, who can answer any questions that may arise.

### **Ethical Business Conduct**

The Board has adopted a written Code of Business Conduct and Ethics (the "Code") for its directors, officers, employees, consultants and service providers, a copy of which may be obtained on the Company's website at [www.MasonResources.com](http://www.MasonResources.com) or on SEDAR at [www.sedar.com](http://www.sedar.com).

The CGNC is responsible for assisting the Board in dealing with conflict of interest issues as contemplated by the Code, reviewing and updating the Code periodically, ensuring that management has established a system to enforce the Code and reviewing management's monitoring of the Company's compliance with the Code.

Under the Code, members of the Board are required to disclose any conflict of interest or potential conflict of interest to the entire Board as well as any committee on which they serve. Directors are to excuse themselves from participation in any decision of the Board or a committee thereof in any matter in which there is a conflict of interest or potential conflict of interest. However, if the Board determines that a potential conflict of interest cannot be cured, the individual will be asked to resign from his or her position with the Company.

Directors are also required to comply with the relevant provisions of the Business Corporations Act regarding conflicts of interest.

The Board is committed to best practices in making timely and accurate disclosure of all material information and providing fair and equal access to material information. The Board has adopted a written Corporate Disclosure and Trading Policy to ensure that the Company and its directors, officers, employees, consultants and service providers satisfy the legal and ethical obligations related to the proper and effective disclosure of corporate information and the trading of securities with that information.

### **Standing Committees**

The Board has three standing committees, namely the Audit Committee, the Compensation Committee and the CGNC.

Their mandates and memberships are outlined below.

### ***Audit Committee***

The Audit Committee meets with the CEO and CFO of the Company and the independent auditors to review and inquire into matters affecting financial reporting, the system of internal accounting and financial controls and procedures and the audit procedures and audit plans. The Audit Committee also recommends to the Board the auditors to be appointed, subject to shareholder approval. In addition, the Audit Committee reviews and recommends to the Board for approval the annual financial statements, annual MD&A and certain other documents required by regulatory authorities. The Audit Committee is composed of Geoff Chater (chair), Mark Bailey and James Harris, all of whom are independent (as defined in NI 52-110) and financially literate (as defined in NI 52-110).

The Board has adopted a written position description for the chair of the Audit Committee. The chair is generally responsible for overseeing the Audit Committee in its responsibilities as outlined in the Audit Committee Charter. The chair's duties and responsibilities include presiding at each meeting of the Audit Committee, referring specific matters to the Board in the case of a deadlock on any matter or vote, receiving and responding to all requests for information from the Company or the independent auditors, leading the Audit Committee in discharging its tasks and reporting to the Board on the activities of the Audit Committee.

The Company's annual information form for its financial year ended December 31, 2017 dated March 16, 2018 (the "AIF") contains additional disclosure regarding the Audit Committee. Please refer to the section of the AIF entitled "Standing Committees of the Board" on page 63 for further information.

### ***Compensation Committee***

The primary objective of the Compensation Committee is to discharge the responsibilities of the Board relating to compensation and benefits of the executive officers and directors of the Company.

The Board has adopted a written position description for the chair of the Compensation Committee. The chair is generally responsible for overseeing the Compensation Committee in its responsibilities. The chair's duties and responsibilities include presiding at each meeting of the Compensation Committee, leading the Compensation Committee in discharging its tasks and reporting to the Board on the activities of the Compensation Committee.

For additional information regarding the Compensation Committee, please see "Compensation Governance" above.

### ***Corporate Governance and Nominating Committee (CGNC)***

The CGNC is composed of James Harris (chair), Alan Edwards and Geoff Chater, all of whom are independent directors.

The primary objective of the CGNC is to assist the Board in fulfilling its oversight responsibilities by: (a) developing and recommending to the Board corporate governance guidelines for the Company and making recommendations to the Board with respect to corporate governance guidelines; (b) reviewing the performance of the Board, Board members and Board committees; and (c) identifying individuals qualified to become Board and Board committee members and recommending such nominees to the Board for election or appointment. Pursuant to the written Corporate Governance and Nominating Committee Charter, all members must have a working familiarity with corporate governance practices. The CGNC may form and delegate authority to subcommittees when appropriate, and must meet not less frequently than one time per year.

The Board has adopted a written position description for the chair of the CGNC. The chair is generally responsible for overseeing the CGNC in its responsibilities. The chair's duties and responsibilities include ensuring the independence of the Board in the discharge of its responsibilities, presiding at each meeting of the CGNC, leading it in discharging its tasks and reporting to the Board on its activities.

## Nomination of Directors

The CGNC examines the size and composition of the Board and recommends adjustments from time to time to ensure that the Board is of a size and composition that facilitates effective decision making, having due regard for the benefits of diversity. It also identifies and assesses the necessary and desirable competencies and characteristics for Board membership and regularly assesses the extent to which those competencies and characteristics are represented on the Board. The CGNC identifies individuals qualified to become members of the Board, actively seeks out such individuals when there is a vacancy or when so directed by the Board, and makes recommendations to the Board for the appointment or election of director nominees and for membership on other committees of the Board.

## Director Skills Matrix

In identifying and considering potential new candidates for the Board when vacancies arise and as part of the Company's ongoing Board succession plan, and when evaluating directors, the CGNC has access to a skills matrix it has developed to identify and assess the Board's skills. The director nominees have the skills and experience shown in the following matrix.

<b>BOARD OF DIRECTORS EXPERTISE MATRIX</b>	<b>Number of Directors (/5)</b>
<b>Skill/Experience</b>	
<b>Public Company Board Experience</b> Prior experience as a board member of a publicly listed company (other than Mason) and knowledge of public company regulatory compliance.	5
<b>Mining Industry Experience</b> Knowledge of the mining industry, market and business imperatives, international regulatory environment and stakeholder management.	5
<b>Mergers &amp; Acquisitions</b> Experience in mergers and acquisitions.	5
<b>Mining Finance</b> Experience in finance for the mining industry.	5
<b>Joint Ventures</b> Experience negotiating and operating in a joint venture environment.	5
<b>Dealing with Governments</b> Experience in, or a good understanding of, the workings of governments and public policy domestically and internationally.	4
<b>Executive Experience</b> Experience working as a senior officer of a publicly listed company or major organization.	4
<b>Legal</b> Experience on legal matters with a publicly listed company or major organization including drafting and negotiating contracts, conducting financings, dealing with regulatory bodies on securities, corporate or other regulatory matters.	2
<b>Corporate Governance</b> Knowledge of good corporate governance practices and policies and experience in implementing them.	5
<b>Financial Literacy</b> The ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues faced by the Company, or experience in financial accounting and reporting and corporate finance (familiarity with internal financial controls, Canadian or US GAAP and/or IFRS).	5

<b>Risk Management</b> Experience in overseeing policies and processes to identify a resource company's principal business risks and to confirm that appropriate systems are in place to mitigate these risks.	5
<b>U.S. Compliance</b> Knowledge of U.S. compliance issues.	3
<b>Business Judgment</b> Track record of leveraging own experience and wisdom in making sound strategic and operational business decisions, demonstrates business acumen and a mindset for risk oversight.	5
<b>Corporate Responsibility and Sustainable Development</b> Understanding and experience with corporate responsibility practices and the constituents involved in sustainable development policies.	4
<b>Media Relations</b> Experience in dealing with the media on matters relating to operations and public relations issues.	4
<b>Human Resources</b> Prior or current experience in executive compensation and the oversight of succession planning, talent planning and retention programs.	4

### **Representation of Women on the Board and in Executive Officer Positions**

On March 14, 2017, the Company adopted a Board Diversity Policy, which confirms the Company's commitment to achieving and maintaining diversity on the Board, with a specific emphasis on gender diversity. The Company recognizes and embraces the benefits of having a diverse Board that may draw on a variety of perspectives, skills, experience and expertise to facilitate effective decision making. The Company also views diversity at the Board level as an important element in strong corporate governance.

The Company recognizes that gender diversity is a significant aspect of diversity, and acknowledges the important role that women with appropriate and relevant skills and experience can play in contributing to the diversity of perspective on the Board. However, the Board Diversity Policy does not specifically call for the identification and nomination of women directors. Candidates will be recommended for appointment or election as directors based on merit considered against objective criteria, having due regard for the benefits of diversity. The Company believes other aspects of diversity must also be considered, including skills, experience, education, age, ethnicity, and geographical and cultural background, in order to ensure that the Board, as a whole, reflects a range of viewpoints, background, skills, experience and expertise.

New members of the Board are nominated, or recommended for the Board's selection, by the CGNC. In fulfilling its responsibilities to identify individuals qualified to become members of the Board, the CGNC will consider (i) the independence of each nominee; (ii) the experience and background of each nominee; (iii) having a balance of skills for the Board and its committees to meet their respective mandates; (iv) the benefits of diversity on the Board, including gender diversity, as outlined in the Company's Board Diversity Policy; (v) the level of representation of women on the Board, in order to support the specific objective of gender diversity; (vi) the past performance of directors being considered for re-election; (vii) applicable regulatory requirements; and (viii) such other criteria as may be established by the Board or the CGNC from time to time. No fixed targets or quotas relating to the representation of women on the Board have been adopted, although the CGNC is responsible for setting measurable objectives for promoting diversity, with a particular emphasis on gender diversity, and recommending them to the Board for approval on an annual basis. None of the five directors on the Board is a woman (0%).

Under the Administrative Services Agreement between Entrée and the Company, Entrée provides personnel necessary for the Company to fulfill its basic day-to-day head office and executive responsibilities, including the Company's executive officers. Neither the Company nor Entrée consider the level of women in executive officer positions when making executive officer appointments, and no fixed targets or quotas relating to the representation of women in executive officer positions have been adopted by either company. Both the Company and Entrée will consider candidates who have been selected based on the primary considerations of experience, skills, ability, education and



compatibility with corporate vision, values and principles, including a commitment to diversity. One of the Company's four executive officers, namely the Chief Legal Officer and Corporate Secretary, is a woman (25%).

### **Board Assessment and Renewal**

The Board undertakes a robust annual assessment process that includes director reviews conducted through completion of an annual assessment questionnaire regarding the performance and effectiveness of the Board, each committee and each director, and one-on-one conversations between the Non-Executive Chair of the Board and the chair of the CGNC. The Non-Executive Chair of the Board will have informal discussions with directors on a selective basis, as required, to fully understand any concerns raised or recommendations advanced in the assessment process, before reporting to and leading a discussion among the full Board. Based on the results of the questionnaire and the skills matrix identified above, the CGNC may recommend adjustments from time to time to ensure necessary and desirable competencies and characteristics are represented on the Board and the Board is of a size and composition that facilitates effective decision making.

The Company has not adopted a mandatory retirement age for directors or imposed any restrictions on a director's ability to stand for re-election. The Company is of the opinion that imposing such restrictions could put the Company at risk of losing longer serving directors who have an in-depth knowledge and understanding of the Company and its business. This loss of knowledge and understanding would not necessarily be in the best interests of the Company or its shareholders. However, to balance the benefits of experience with the need for new perspective, the Board Diversity Policy provides that periodically, but at least once every three years, the Board will consider the need for and, if deemed necessary, implement a renewal program intended to achieve what the Board believes to be a desirable balance of skills, experience, expertise, gender, age and other diversity criteria. In considering and identifying new directors for nomination, the CGNC will meet to identify the particular skills needed of new recruits. Among other things, the CGNC uses the skills matrix identified above and the results of the assessment questionnaire and, together with input from the Non-Executive Chair of the Board and, if appropriate, the CEO, determines the necessary attributes and experience required of a new member which would represent the best fit for the Board and future needs of the Company. Once a list of key attributes, skills and competencies for a potential new director is identified, the CGNC then creates a list of possible candidates for consideration and evaluation, which are then presented to the full Board for further discussion and evaluation. Only after rigorous discussion by the CGNC and the Board is a short-list of potential Board candidates created, following which the Board works together with the CGNC to develop the best plan to recruit the preferred candidate(s).

### **APPOINTMENT OF AUDITOR**

Shareholders will be asked to approve the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as the auditor of the Company to hold office until the next annual general meeting of the shareholders at a remuneration to be fixed by the directors. Davidson & Company LLP, Chartered Professional Accountants were first appointed on February 24, 2017.

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

No Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors. For the purpose of this paragraph, "Person" shall include each person or company: (a) who has been a director or executive officer of the Company at any time since the commencement of the Company's last financial year; (b) who is a proposed nominee for election as a director of the Company; or (c) who is an associate or affiliate of a person or company included in subparagraphs (a) or (b).

### **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on the SEDAR website at [www.sedar.com](http://www.sedar.com) under "Mason Resources Corp."

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year. Shareholders may request copies of the Company's financial statements and MD&A by e-mailing [info@MasonResources.com](mailto:info@MasonResources.com) or by contacting the Corporate Secretary at 604.673.2001.

**OTHER BUSINESS**

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

**APPROVALS**

The contents of this Information Circular and the sending of it to each shareholder entitled to receive notice of the Annual General Meeting, to each director of the Company, to the auditor of the Company, and to the appropriate governmental agencies, have been approved by the Company's Board.

**BY THE ORDER OF THE BOARD OF DIRECTORS OF**

**MASON RESOURCES CORP.**

"Alan Edwards"

Alan Edwards, Non-Executive Chair of the Board

"Stephen Scott"

Stephen Scott, President and Chief Executive Officer

Vancouver, British Columbia

April 19, 2018

## **APPENDIX 1**

### **MASON RESOURCES CORP.**

#### **MANDATE OF THE BOARD OF DIRECTORS**

As adopted by the Board of Directors on March 14, 2017.

#### **I. ROLE AND RESPONSIBILITIES**

1. The Board of Directors (the “Board”) is responsible for the stewardship of Mason Resources Corp. (the “Company”). This requires the Board to oversee the conduct of the business and supervise management, which is responsible for the day-to-day conduct of the business.
2. The Board is responsible for the adoption of a strategic planning process and the approval and review, at least annually, in an all-day in person strategy session to review the Company’s strategic business plan proposed by management, including a statement of the vision, mission and values, and to adopt such a plan with such changes as the Board deems appropriate. The plan and discussion which takes into account, among other things, the opportunities and risks of the business must be presented to the Board so as to provide enough time for management to resubmit and review the plan and incorporate a budget that takes into account the strategic objectives of the Company.
3. The Board shall hold meetings at least four times a year.
4. The Board shall review and measure corporate performance against strategic plans, senior management objectives, financial plans and quarterly budgets.
5. The Board is responsible for the identification of the principal risks of the Company’s business and overseeing the implementation of appropriate systems to manage these risks.
6. The Board is responsible for succession planning, including appointing, training and monitoring senior management and, in particular, the CEO.
7. The Board is responsible for satisfying itself as to the integrity of the CEO and other senior officers and that the CEO and the other senior officers create a culture of integrity throughout the Company.
8. The Board is responsible for the Company’s communication policies, which:
  - (a) address how the Company interacts with analysts, investors, other key stakeholders and the public;
  - (b) contain measures for the Company to comply with its continuous and timely disclosure obligations and to avoid selective disclosure; and

- (c) are reviewed at least annually.
9. The Board is responsible for the integrity of the Company's internal control and management information systems.
10. The Board is responsible for acting in accordance with all applicable laws, the Company's Articles and the Company's Code of Business Conduct and Ethics.
11. The Board and each individual director is responsible for acting in accordance with the obligations imposed by the *Business Corporations Act* (British Columbia). In exercising their powers and discharging their duties, each director shall:
- (a) act honestly and in good faith with a view to the best interests of the Company;
  - (b) exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances;
  - (c) exercise independent judgement regardless of the existence of relationships or interests which could interfere with the exercise of independent judgement;
    - (i) disclose to the Company, in writing or by having it entered in the minutes of meetings of directors, the nature and extent of any interest that the director has in a material contract or material transaction, whether made or proposed, with the Company if the director is a party to the contract or transaction, is a director or officer, or an individual acting in a similar capacity, of a party to the contract or transaction, or, has a material interest in a party to the contract or transaction; and
    - (ii) such director shall refrain from voting on any resolution to approve such contract or transaction unless it relates to the directors' remuneration in that capacity, is for the directors' indemnity or insurance or is a contract or transaction with an affiliate; and
  - (d) demonstrate a willingness to listen as well as to communicate their opinions, openly and in a respectful manner.
12. The Board and each individual director is responsible for making all reasonable efforts to attend meetings of the Board as required, and to review in advance all meeting materials distributed in connection therewith.
13. The Board has the authority to appoint a managing director or to establish committees and appoint directors to act as managing director or to be members of these committees. The Board may not delegate to such managing director or committees the power to:
- (a) submit to the shareholders any question or matter requiring the approval of the shareholders;
  - (b) fill a vacancy among the directors or in the office of auditor, or appoint additional directors;
  - (c) issue securities, except as specifically authorized by the directors;
  - (d) issue shares of a series, except as specifically authorized by the directors;

- (e) declare dividends;
  - (f) purchase, redeem or otherwise acquire shares issued by the Company;
  - (g) pay a commission to any person in consideration of his purchasing or agreeing to purchase shares of the Company from the Company or from any other person, or procuring or agreeing to procure purchasers for any such shares;
  - (h) approve a management proxy circular, take-over bid circular or directors' circular;
  - (i) approve financial statements to be put before an annual meeting of shareholders; and
  - (j) adopt, amend or repeal bylaws.
14. The matters to be delegated to committees of the Board and the constitution of such committees are to be assessed annually or more frequently, as circumstances require. From time to time the Board may create an ad hoc committee to examine specific issues on behalf of the Board. The following are the current committees of the Board:
- (a) the Audit Committee, consisting of not less than three directors, each of whom must be an "unrelated or "independent" director under applicable securities laws and stock exchange rules. The role of the Audit Committee is to provide oversight of the Company's financial management and of the design and implementation of an effective system of internal financial controls as well as to review and report to the Board on the integrity of the financial statements of the Company, its subsidiaries and associated companies;
  - (b) the Corporate Governance and Nominating Committee, consisting of not less than three directors, each of whom must be an "unrelated" or "independent" director under applicable securities laws and stock exchange rules. The role of the Corporate Governance and Nominating Committee is to:
    - (i) develop and monitor the effectiveness of the Company's system of corporate governance;
    - (ii) establish procedures for the identification of new nominees to the Board and lead the candidate selection process;
    - (iii) develop and implement orientation procedures for new directors;
    - (iv) assess the effectiveness of directors, the Board and the various committees of the Board;
    - (v) ensure appropriate corporate governance and the proper delineation of the roles, duties and responsibilities of management, the Board, and its committees; and
    - (vi) assist the Board in setting the objectives for the CEO and evaluating CEO performance; and
  - (c) the Compensation Committee, consisting of not less than three directors, each of whom must be an "unrelated or "independent" director under applicable securities laws and stock exchange rules. The role of the Compensation Committee is to:

- (i) establish a remuneration and benefits plan for directors, senior management and other key employees;
- (ii) review the adequacy and form of compensation of directors and senior management;
- (iii) establish a plan of succession;
- (iv) undertake the performance evaluation of the CEO in consultation with the Chair of the Board, if not the CEO; and
- (v) make recommendations to the Board.

## **II. COMPOSITION**

1. From time to time the Board or an appropriate committee of the Board shall review the size of the Board to ensure that the size facilitates effective decision-making.
2. The Board shall be composed of a majority of directors who qualify as “unrelated” or “independent” directors under applicable securities laws and applicable stock exchange rules. The determination of whether an individual director is “unrelated” or “independent” is the responsibility of the Board.
3. If at any time the Company has a shareholder with the ability to exercise a majority of the votes for the election of the Board, such as a control person (a “Significant Shareholder”), the Board will include a number of directors who do not have interests in or relationships with either the Company or such Significant Shareholder and who fairly reflects the investment in the Company by shareholders other than such Significant Shareholder.
4. The Board should, as a whole, have the following competencies and skills:
  - (a) knowledge of the mining industry;
  - (b) knowledge of current corporate governance standards;
  - (c) technical and market knowledge sufficient to understand the challenges and risks associated with the development of the Company; and
  - (d) financial and accounting expertise.

## **III. PROCEDURES TO ENSURE EFFECTIVE OPERATION**

1. The Board recognizes the importance of having procedures in place to ensure the effective and independent operation of the Board.
2. If the Chair of the Board is not a member of management, the Chair shall be responsible for overseeing that the Board discharges its responsibilities. If the Chair is a member of management, responsibility for overseeing that the Board discharges its responsibility shall be assigned to a non-management director.
3. The Board has complete access to the Company’s management. The Board shall require timely and accurate reporting from management and shall regularly review the quality of management’s reports.

4. An individual director may engage an external adviser at the expense of the Company in appropriate circumstances. Such engagement is subject to the approval of the Corporate Governance and Nominating Committee.
5. The Board shall provide an orientation and education program for new recruits to the Board as well as continuing education on topics relevant to all directors.
6. The Board shall institute procedures for receiving shareholder feedback.
7. The Board requires management to run the day-to-day operations of the Company, including internal controls and disclosure controls and procedures.
8. The non-management directors shall meet at least twice yearly without any member of management being present.
9. The Board sets appropriate limits on management's authority. Accordingly, the following decisions require the approval of the Board:
  - (a) the approval of the annual and quarterly (unless delegated to the Audit Committee) financial statements;
  - (b) the approval of the annual budget;
  - (c) any equity or debt financing, other than debt incurred in the ordinary course of business such as trade payables;
  - (d) entering into any license, strategic alliance, partnership or other agreement outside the ordinary course of business;
  - (e) the acquisition and assignment of material assets (including intellectual property and fixed assets) outside of the ordinary course of business;
  - (f) payment of dividends;
  - (g) the approval of all proxy solicitation material;
  - (h) projected issuances of securities from treasury by the Company as well as any projected redemption of such securities;
  - (i) any material change to the business of the Company;
  - (j) the appointment of members on any committee of the Board;
  - (k) capital expenditures in excess of CAD\$250,000 outside of the annual budget;
  - (l) entering into any professional engagements where the fee is likely to exceed CAD\$250,000 outside of the annual budget;
  - (m) entering into any arrangements with banks or other financial institutions relative to borrowing (either on a term or revolving basis) of amounts in excess of CAD\$250,000 outside the annual budget;
  - (n) entering into any guarantee or other arrangement (other than with a subsidiary of the Company) such that the Company is contingently bound financially or

otherwise in excess of CAD\$50,000 other than product guarantees outside the annual budget;

- (o) the appointment or discharge of any senior officer of the Company;
  - (p) entering into employment contracts with any senior officers; and
  - (q) initiating or defending any law suits or other legal actions.
10. The Board, together with the CEO and with the assistance of the Corporate Governance and Nominating Committee, shall develop position descriptions for the CEO. The Board, together with the CEO, shall also approve or develop the corporate objectives that the CEO is responsible for meeting and the Board shall assess the CEO against these objectives.