ELORO RESOURCES LTD.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that the Annual and Special Meeting (the "**Meeting**") of shareholders of ELORO RESOURCES LTD. (the "**Corporation**") will be convened on Friday, September 30, 2016, at 1:00 p.m., Toronto time, at the offices of the Corporation, Suite 200, 20 Adelaide Street East, Toronto, Ontario M5C 2T6, and at any adjournment thereof for the following purposes:

1. to elect as directors for the forthcoming year the nominees proposed by management of the Corporation in the enclosed management information circular (the "**Information Circular**");

2. to pass, with or without variation, an ordinary resolution re-appointing Collins Barrow Toronto LLP as the auditors of the Corporation and authorizing the directors to fix the terms of engagement and remuneration for such auditors;

3. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution to ratify the Corporation's existing stock option plan; and

4. to transact such further or other business as may properly come before the Meeting or any adjournment thereof.

The details of the matters proposed to be put before the Meeting are set forth in the Information Circular accompanying this Notice, which is supplemental to and expressly made a part of this Notice. Shareholders of record as of the close of business on August 24, 2016 (the "**Record Date**") will be entitled to vote at the Meeting and at any adjournment or adjournments thereof.

DATED at the City of Toronto, in the Province of Ontario, as of August 29, 2016.

By Order of the Board of Directors of
ELORO RESOUCES LTD.

(signed) "Thomas G. Larsen"

Thomas G. Larsen
Chairman and Chief Executive Officer

SHAREHOLDERS WHO ARE UNABLE TO ATTEND THE MEETING ARE REQUESTED TO COMPLETE, DATE AND SIGN THE ENCLOSED FORM OF PROXY OR OTHER APPROPRIATE FORM OF PROXY AND RETURN IT TO THE CORPORATION'S TRANSFER AGENT, *EQUITY FINANCIAL TRUST COMPANY, 200 UNIVERSITY AVENUE, SUITE 300, TORONTO ON M5H 4H1, FACSIMILE: (416) 595-9593, ATTENTION: PROXY DEPARTMENT, SUCH THAT IT IS RECEIVED AT LEAST 48 HOURS (EXCLUDING SATURDAYS, SUNDAYS AND STATUTORY HOLIDAYS IN THE PROVINCE OF ONTARIO) PRIOR TO THE COMMENCEMENT OF THE MEETING OR ANY ADJOURNMENT THEREOF, IN DEFAULT OF WHICH IT MAY BE TREATED AS INVALID, ALTHOUGH THE CHAIRMAN OF THE MEETING HAS THE DISCRETION TO ACCEPT PROXIES FILED LESS THAN 48 HOURS PRIOR TO THE COMMENCEMENT OF THE MEETING, OR ANY ADJOURNMENT THEREOF. IN ORDER TO BE REPRESENTED BY PROXY, SHAREHOLDERS MUST COMPLETE AND SUBMIT THE ENCLOSED FORM OF PROXY OR OTHER APPROPRIATE FORM OF PROXY.

**Note: TSX Trust Company is operating the transfer agency and corporate trust business in the name of Equity Financial Trust Company for a transition period.*

ELORO RESOURCES LTD.

20 Adelaide Street East, Suite 200, Toronto, ON, M5C 2T6

MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS
to be held on September 30, 2016

PURPOSE OF SOLICITATION

THIS INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF ELORO RESOURCES LTD. (THE "CORPORATION") FOR USE AT THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS OF THE CORPORATION TO BE HELD ON FRIDAY, THE 30th DAY OF SEPTEMBER, 2016 AT 1:00 P.M., TORONTO TIME (THE "MEETING"), AT THE OFFICES OF THE CORPORATION, SUITE 200, 20 ADELAIDE STREET EAST, TORONTO, ONTARIO, M5C 2T6, AND AT ANY ADJOURNMENT THEREOF FOR THE PURPOSES SET OUT IN THE ACCOMPANYING NOTICE OF MEETING. Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone by directors or officers of the Corporation. Arrangements will also be made with brokerage houses and other custodians, nominees, and fiduciaries to forward proxy solicitation material to the beneficial owners of the common shares of the Corporation (the "**Common Shares**") pursuant to the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"). The cost of any such solicitation will be borne by the Corporation.

The information contained herein is given as of August 29, 2016, unless otherwise stated.

This Circular describes the matters to be acted on at the Meeting and the procedures for attending or appointing proxies to vote at the Meeting.

PART ONE

VOTING INFORMATION

APPOINTMENT AND REVOCABILITY OF PROXIES

Registered Shareholders

If you are a registered shareholder, you can vote your shares at the Meeting in person or by proxy. If you wish to vote in person at the Meeting, do not complete or return the form of proxy included with this Circular. Your vote can be cast by you in person and counted at the Meeting. If you do not wish to attend the Meeting or do not wish to vote in person, complete and deliver a form of proxy in accordance with the instructions given below.

Appointment of Proxy

A form of proxy is enclosed and, if it is not your intention to be present in person at the Meeting, you are asked to sign, date and return the form of proxy in the envelope provided. The persons named in the enclosed form of proxy are directors or officers of the Corporation. **A shareholder has the right to appoint a person (who need not be a shareholder of the Corporation), other than the persons designated in the enclosed form of proxy, to attend and vote for and on behalf of the shareholder at**

the Meeting. Such right may be exercised by striking out the names of the persons designated in the enclosed form of proxy and by inserting in the blank space provided for that purpose the name of the person to be appointed or by completing another proper form of proxy.

The form of proxy must be executed in writing or by electronic signature by the shareholder or his attorney duly authorized in writing or, if the shareholder is a corporation, by instrument in writing executed (under corporate seal if so required by the rules and laws governing the corporation) by a duly authorized signatory of such corporation. If the proxy is executed by a duly authorized attorney or authorized signatory of the shareholder, the proxy should reflect such person's capacity following his or her signature and should be accompanied by the appropriate instrument evidencing such person's qualifications and authority to act (unless such evidence has been previously filed with the Corporation or the Corporation's registrar and transfer agent, ***Equity Financial Trust Company**.

* *TSX Trust Company is operating the transfer agency and corporate trust business in the name of Equity Financial Trust Company for a transition period.*

Depositing Proxy

Proxies to be exercised at the Meeting must be mailed to or deposited with **TSX Trust Company**, Suite 300, 200 University Avenue, Toronto, Ontario M5H 4H1, facsimile (416) 595-9593, Attention: Proxy Department, such that they are received at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) prior to the commencement of the Meeting or any adjournment thereof, in default of which they may be treated as invalid, although the Chairman of the Meeting has the discretion to accept proxies filed less than 48 hours prior to the commencement of the Meeting, or any adjournment thereof.

A proxy is valid only at the meeting in respect of which it is given or any adjournment of that meeting.

Non-Registered or Beneficial Shareholders

Your shares may not be registered in your name but in the name of an intermediary (which is usually a bank, trust company, securities dealer or stock broker, or a clearing agency in which such an intermediary participates). If shares are listed in an account statement provided to you by a broker, then it is likely that those shares will not be registered in your name but under the broker's name or under the name of an agent of the broker such as CDS & Co. (the registration name for The Canadian Depository for Securities Limited), the nominee for many Canadian brokerage firms.

If your shares are registered in the name of an intermediary or a nominee, you are a non-registered or beneficial shareholder (a "**beneficial shareholder**"). Beneficial shareholders should be aware that only shareholders whose names appear on the share register of the Corporation are entitled to vote in person or by proxy at the Meeting.

The Corporation has distributed copies of this Circular, and the accompanying Notice of Meeting (the "**Notice of Meeting**") to intermediaries for distribution to beneficial shareholders together with the intermediary's form of proxy or voting instruction form. Unless you have waived your rights to receive these meeting materials, intermediaries are required to deliver them to you as a beneficial shareholder of the Corporation and to seek your instructions as to how to vote your shares.

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

By choosing to send these materials to you directly, the issuer (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions.

If you have received the Issuers Voting Instruction Form, you may return it to TSX Trust Company:

1. By regular mail in the return envelope provided,
2. By fax at 416.595.9593
3. By voting online at www.voteproxyonline.com and entering your control number as instructed on the log on page.

Objecting Beneficial Owners ("OBOs") and other beneficial holders receive a Voting Instruction Form ("VIF") from an Intermediary by way of instruction of their Financial Institution. Detailed instructions of how to submit your vote will be on the VIF.

In either case, the purpose of this procedure is to permit non-registered holders to direct the voting of the shares they beneficially own. Should a non-registered holder who receives either form of proxy wish to vote at the Meeting in person, the non-registered holder should strike out the persons named in the form of proxy and insert the non-registered holder's name in the blank space provided. Non-registered holders should carefully follow the instructions of their Intermediary including those regarding when and where the form of proxy or Voting Instruction Form is to be delivered.

Every broker or agent has its own mailing procedure and provides its own instructions. Typically, a beneficial shareholder will be given a voting instruction form which must be completed and signed by the beneficial shareholder in accordance with the instructions provided by the intermediary. The purpose of this form is to seek permission from the beneficial shareholder on how to vote on behalf of or otherwise represent the beneficial shareholder. A beneficial shareholder cannot use this form to vote or otherwise represent shares in person at the Meeting. If you are a beneficial shareholder, you *must* follow the instructions provided by the intermediary in order to ensure that your shares are voted or otherwise represented at the Meeting.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions ("**Broadridge**"). Broadridge mails the voting instruction form to the beneficial shareholders and asks beneficial shareholders to return the instruction forms to Broadridge. Broadridge then tabulates the results of all instructions respecting the shares to be represented at the Meeting. The instruction form must be returned to Broadridge well in advance of the Meeting in order to have the shares voted or otherwise represented at the Meeting.

Occasionally, a beneficial shareholder may be given a proxy that has already been signed by the intermediary. This form of proxy is restricted to the number of shares owned by the non-registered shareholder but is otherwise not completed. This form of proxy does not need to be signed by you. In this case, you can complete and deliver the proxy as described above under the heading "Registered Shareholders".

If a beneficial shareholder who receives a voting instruction form wishes to attend and vote at the meeting in person (or have another person attend and vote on their behalf), the beneficial shareholder should strike out the names of the persons designated in the form of proxy as the proxy holder and insert the name of the beneficial shareholder (or of such other person who will attend and vote on their behalf) in the blank space provided or, in the case of a voting instruction form, follow the corresponding instructions provided by the intermediary. A beneficial shareholder has the right to demand and to receive from an intermediary holding shares on behalf of the beneficial shareholder a proxy enabling the beneficial shareholder to attend the Meeting and to vote the shares.

Beneficial shareholders should follow the instructions on the forms they receive and contact their intermediaries promptly if they need assistance.

Revocation of Proxies and Voting Instruction Forms

Any shareholder who executes and returns a proxy may revoke it to the extent it has not been exercised by depositing a written instrument executed by the shareholder or his, her or its attorney duly authorized in writing or by electronic signature or by transmitting by facsimile or electronic means, a revocation that is signed by electronic signature, or, if the shareholder is a corporation, by written instrument executed (under corporate seal if so required by the rules and laws governing the corporation) by a duly authorized signatory of such corporation:

(a) with **TSX Trust Company**, Suite 300, 200 University Avenue, Toronto, Ontario M5H 4H1, facsimile (416) 595-9593, Attention: Proxy Department, at any time up to the close of business on the last business day prior to the Meeting, or any adjournment thereof;

(b) with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof, at any time prior to a vote being taken in reliance on such proxy; or

(c) in any other manner permitted by law.

A beneficial shareholder may revoke a voting instruction form or may revoke a waiver of the right to receive meeting materials or a waiver of the right to vote given to an intermediary at any time by written notice to the intermediary, except that an intermediary is not required to act on any such revocation that is not received by the intermediary well in advance of the Meeting.

VOTING AND DISCRETIONARY AUTHORITY

The proxyholders named in the accompanying form of proxy shall and will vote the shares represented thereby on any ballot in accordance with the shareholder's direction set forth in the proxy. **IN THE ABSENCE OF SUCH DIRECTION, THE SHARES REPRESENTED THEREBY WILL BE VOTED (i) FOR THE ELECTION OF THE MANAGEMENT NOMINEES NAMED IN THIS CIRCULAR AS DIRECTORS, (ii) FOR THE RE-APPOINTMENT OF COLLINS BARROW TORONTO LLP, AS THE AUDITORS OF THE CORPORATION AND THE AUTHORIZATION OF THE DIRECTORS TO FIX THE AUDITORS' REMUNERATION AND TERMS OF ENGAGEMENT, AND (iii) FOR THE ANNUAL RATIFICATION OF THE STOCK OPTION PLAN,** all as discussed below.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters as may properly come before the Meeting or any adjournments thereof. At the date of this Circular, management of the Corporation knows of no amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice of Meeting. **If amendments, variations to matters identified in the Notice of Meeting or if other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote in accordance with their judgment on such matters.**

RECORD DATE

The board of directors of the Corporation (the "**Board of Directors**") has determined that the holders of Common Shares at the close of business on August 24, 2016 (the "**Record Date**") shall be entitled to receive notice of the Meeting and to vote at the Meeting, and any adjournment thereof. Accordingly, only shareholders of record on such Record Date are entitled to vote at the Meeting.

OUTSTANDING VOTING SHARES, VOTING AT MEETINGS AND QUORUM

The authorized capital of the Corporation consists of an unlimited number of Common Shares without par value. As at the date hereof, the Corporation had 22,727,721 Common Shares outstanding, each of which carries one vote per share. Holders of Common Shares as of the Record Date shall be entitled to vote their shares personally or by proxy at the Meeting. Unless otherwise required by law, every question coming before the Meeting shall be determined by a majority of votes duly cast on the matter.

Proxies returned by intermediaries as "non-votes" because the intermediary has not received instructions from the beneficial shareholder with respect to the voting of certain shares or, under applicable regulatory rules, the intermediary does not have the discretion to vote those shares on one or more of the matters that come before the Meeting, will be treated as not entitled to vote on any such matter and will not be counted as having been voted in respect of any such matter. Shares represented by such intermediary "non-votes" will, however, be counted in determining whether there is a quorum.

A quorum for the Meeting and any adjournments thereof is two persons present in person or represented by proxy and entitled to vote thereat.

PRINCIPAL SHAREHOLDERS

To the knowledge of the directors and senior officers of the Corporation, as at the date hereof, no person or company beneficially owns, directly or indirectly, controls or directs Common Shares carrying 10% or more of the voting rights attached to the outstanding Common Shares except for:

(a) Cartier Iron Corporation (5,010,000 Common Shares representing 22.0% of the outstanding Common Shares); and

(b) Thomas Larsen (2,295,814 – 817,122 held directly, 1,281,667 held indirectly, 197,025 controlled, representing in aggregate 10.1% of the outstanding Common Shares)

As at the date hereof, the directors and officers of the Corporation own or control, directly or indirectly, in the aggregate 6,208,186 Common Shares representing approximately 27.3% of the outstanding Common Shares as of August 29, 2016.

PART TWO

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors, the only matters to be dealt with at the Meeting are those matters set forth in the accompanying Notice of Meeting and more fully described below:

I. Election of Directors

The Articles of the Corporation currently provide for a minimum of three (3) and a maximum of nine (9) directors. The Board of Directors currently consists of five (5) directors, all of whom are elected annually. It is proposed that the number of directors for the ensuing year continue to be fixed at five (5).

It is proposed that the persons named below will be nominated at the Meeting. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation unless his office is earlier vacated in accordance with the provisions of the *Business Corporations Act* (Ontario) or the Corporation's by-laws. **IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF SAID PERSONS TO THE BOARD OF DIRECTORS. MANAGEMENT**

DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON ANY OF THE PROPOSED NOMINEES DOES NOT STAND FOR ELECTION OR IS UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS OR HER PROXY THAT HIS OR HER COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

The following information relating to the nominees as directors is based on information received by the Corporation from said nominees:

Name of Proposed Nominees, Place of Residence and Position with the Corporation	Principal Occupation for Past Five Years and Positions with other Reporting Issuers	Director Since	Common Shares Beneficially Owned(2)
Thomas Larsen Burlington, Ontario Director, Chairman, President and Chief Executive Officer	Chairman and Chief Executive Officer of the Corporation since 1997; Cartier Iron Corporation from 1997 to 2012 and from 2014 to present; Champion Iron Mines Limited (from March 31, 2014 – a wholly-owned subsidiary of Champion Iron Limited) from 2006 to 2014; Chief Executive Officer of Champion Iron Limited from April 2014 to August 2014; (all resource exploration corporations). Mr. Larsen is a director of the Corporation and Cartier Iron Corporation.	2002	817,122 (3) 1,281,667 (4)
Francis Sauve(1) Tilbury, Ontario Director	Entrepreneur. Director of the Corporation and Cartier Iron Corporation (resource exploration corporations).	2002	723,575
Alexander S. Horvath (1) L'Orignal, Ontario Director	Professional Engineer. President of A.S. Horvath Engineering Inc. (a geological engineering services company). Presently the Chief Operating Officer of Champion Iron Limited (since April 2014), Executive Vice President of Exploration and Project Development of Champion Iron Mines Limited since 2008, and a director of the Corporation since 2010; Champion Iron Mines Limited from 2007 to 2014; and Cartier Iron Corporation from 2013 to 2014 (all resource exploration corporations).	2010	200,000
Dusan Berka (1) Vancouver, BC Director	Professional Engineer. Director of the Corporation since 2011; President and CEO of Megastar Development Corp. since 2003; Director of Aquila American Gold Ltd. since 2011; and 92 Resources Corp. (formerly Rio Grande Mining Corp.) since March 2012 (all resource exploration corporations). Former Director of Lateegra Gold Corp. from 1991 to 2011; Director of Belmont Resources since May 2015; Voltaic Minerals Corp. since July 2015; and King's Bay Gold Corp. since January 2016 (all resource exploration corporations).	2011	2,550 (3) 200,836(5)
Richard Roy Montreal, Quebec Director	Professional Geologist. Director of the Corporation since 2011; President of NordQuest Inc., (a geological consulting firm) since 1998; Exploration Manager for SEMAFO Inc., (a resource exploration and development corporation); Technical Superintendent for Scorpio Mining Corporation from 2007 to 2009 (resource exploration corporation).	2011	18,901 (3) 7,477 (6)

Notes:

(1) Member of the Audit Committee of the Corporation. The Corporation does not have a Compensation Committee, Reserves Committee or an Executive Committee of the Board of Directors.
(2) Not including stock options or warrants of the Corporation.
(3) Held directly.
(4) Held indirectly through corporations controlled by Mr. Larsen.
(5) Held indirectly through a corporation controlled by Mr. Berka.
(6) Held indirectly through a corporation controlled by Mr. Roy.

The current directors and officers of the Corporation, as a group, own directly or indirectly or control in aggregate 6,208,186 Common Shares representing approximately 27.3% of the outstanding Common Shares, and prior to giving effect to the exercise of any stock options or warrants of the Corporation.

To the knowledge of the Corporation, no proposed director is, at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days, or (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation, for a period of more than 30 consecutive days.

To the knowledge of the Corporation, no proposed director is, as at the date of this Circular, or has been within 10 years before the date of this Circular, a director or executive officer of any company (including the Corporation) 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, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

To the knowledge of the Corporation, no proposed director has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

To the knowledge of the Corporation, no proposed director (a) has been subject to any penalties or sanctions imposed by a court relating to securities legislation, or by a securities regulatory authority; or (b) since December 31, 2000, has entered into a settlement agreement with a securities regulatory authority or, before January 1, 2001, entered into a settlement agreement with a securities regulatory authority which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director; or (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Directors will be elected by the affirmative vote of a majority of the votes cast on the resolution and will hold office until the next annual meeting of shareholders or until the directors' respective successors are duly elected or appointed.

II. Appointment of Auditors

The Corporation is proposing to reappoint Collins Barrow Toronto LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix the terms of engagement and remuneration of the auditors. Collins Barrow Toronto LLP was first appointed as auditors of the Corporation on March 27, 2008.

The management designees, if named as proxy, intend to vote the shares represented by any such proxy FOR the reappointment of Collins Barrow Toronto LLP, as auditors of the Corporation, at a remuneration and on terms of engagement to be fixed by the Board of Directors, unless a shareholder has specified on his or her proxy that his or her shares are to be withheld from voting on the appointment of auditors.

III. Annual Ratification of Stock Option Plan

The Board and management have recommended that the Corporation's stock option plan (the "**Plan**"), being a "rolling" 10% stock option plan, be approved and ratified, subject to such amendments, additions or deletions as may be necessary or desirable in the opinion of the directors within the authority granted to the directors under the Plan or otherwise to meet the requirements of the TSX Venture Exchange ("**TSXV**"). In this regard the following resolution will be proposed:

"BE IT RESOLVED THAT:

1. the Plan, substantially in the form summarized and described in this information circular, is hereby approved and ratified by the shareholders of the Corporation, subject to such amendments, additions or deletions as may be necessary or desirable in the opinion of the directors within the authority granted to the directors under the Plan or otherwise to meet the requirements of the TSXV; and

2. Any one director or officer of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation (whether under its corporate seal or otherwise), at such time as the directors may determine, to execute all documents and instruments and to take all such other actions as such officer or director may deem necessary or desirable to implement the foregoing resolution and the matters authorized hereby, such determinations to be conclusively evidenced by the execution and delivery of such documents or other instruments or the taking of any such action."

To be approved, the foregoing resolution requires the affirmative vote of at least the majority of the votes cast on the resolution. Proxies received in favour of management will be voted FOR the resolution to approve and ratify the Plan, unless the shareholder has specified in a proxy that his, her or its shares are to be voted against the resolution.

PART THREE

STATEMENT OF EXECUTIVE COMPENSATION (FORM 51-102F6)

In accordance with the requirements of applicable securities legislation in Canada, the section below entitled *"Compensation Discussion and Analysis"* sets out the *"Summary Compensation Table"* and related tables and narrative disclosures, all as required under Form 51-102F6. The stated objective of Form 51-102F6 is to provide insight into executive compensation as a key aspect of the overall stewardship and governance of a corporation and to help investors understand how decisions about executive compensation are made.

Compensation Discussion and Analysis

All matters relating specifically to senior executive compensation are reviewed and approved by the full Board of Directors. The Board of Directors has elected not to appoint a Compensation Committee. The Chief Executive Officer makes recommendations to the Board of Directors with respect to compensation of the Corporation's executive officers, including base salaries, annual bonuses and long-term equity participation levels. The CEO also plays a major role in setting performance objectives and outlining progress in meeting corporate objectives. The Board of Directors gives final approval on compensation matters.

The Corporation's overall policy regarding compensation of the Corporation's executive officers is structured to provide competitive salary levels and compensation incentives that support both the short-term and long-term goals of the Corporation, attract and retain suitable and qualified executive management and establish a compensation framework which is industry competitive. The Corporation's policy is to recognize and reward individual performance as well as to place executive compensation within the range of compensation levels in the industry.

Summary Compensation Table

The "*Summary Compensation Table*" below details all of the compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly for the fiscal year ended March 31, 2016 to the Chief Executive Officer, the Chief Financial Officer and the other individuals (to a maximum of three) who were the most highly compensated executive officers of the Corporation and its subsidiaries and whose total compensation from the Corporation and its subsidiaries exceeded $150,000 in 2015, (collectively, with the Chief Executive Officer and the Chief Financial Officer, the **"Named Executive Officers"** or the **"NEOs"** of the Corporation). During the financial year ended March 31, 2016, the Company had two Named Executive Officers: Thomas Larsen and Miles Nagamatsu.

The following table sets forth particulars concerning the compensation paid for services rendered to the Corporation by its NEOs in all capacities during the most recently completed financial year ended March 31, 2016:

Name and principal position	Year	Salary (1) ($)	Share-based awards ($)	Option-based award (2) ($)	Non-equity incentive plan compensation ($)		Pension value ($)	All other compensation ($)	Total compensation ($)
					Annual incentive plans	Long-term incentive plans			
Thomas Larsen President and CEO	2016 2015 2014	98,500 78,000 60,000	Nil Nil Nil	Nil 22,200 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	98,500 100,200 60,000
Miles Nagamatsu CFO	2016 2015 2014	61,000 54,000 48,000	Nil Nil Nil	Nil 7,400 Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	61,000 61,400 48,000

Notes:

(1) Compensation paid or payable as consulting fees to a corporation controlled by the NEO.

(2) The amount shown in the column represents the grant date fair value of options and may not represent the amount the NEO will actually receive from the awards. The grant date fair value of these options has been calculated using the Black-Scholes option pricing model.

Long-Term Incentive Plans

The Corporation has no long-term incentive plans, other than stock options granted from time to time by the Board under the provisions of the existing stock option plan of the Corporation (the "**Existing Plan**").

Equity Compensation Plan Information

The Board and Management have recommended that the shareholders of the Corporation approve and ratify the Plan, as set forth in greater detail below.

The Plan was approved by the Board on September 14, 2012 and subsequently approved by the Corporation`s shareholders. The Plan was ratified by the Corporation's shareholders at the last annual and special meeting of shareholders which was held on September 30, 2015. The purpose of the Plan is to encourage ownership of Common Shares by directors, officers, employees and consultants of the Corporation and thereby provide additional incentive for them to promote the success of the Corporation.

Stock Option Plan

The purpose of the Plan is to attract, retain and motivate Eligible Persons (as defined below) by affording such persons the opportunity to acquire an equity interest in Eloro through rights granted to purchase Common Shares.

Under the Plan, stock options ("**Options**") may be granted in favour of directors, officers, key employees (part-time or full-time) or consultants or corporations that are wholly-owned by any of the foregoing, or consultant companies of Eloro or any Eloro subsidiary (any of the foregoing, an "**Eligible Person**").

The Plan is an "evergreen" stock option plan reserving for issuance a maximum number of Common Shares equal to 10% of the issued and outstanding Common Shares at the applicable time (on a non-diluted basis). Under the Plan, the maximum number of Common Shares reserved shall be approximately 2,272,772 and, being a "rolling" 10% plan, such maximum number shall increase or decrease automatically in accordance with the terms of the Plan such that the maximum number shall be 10% of the Common Shares outstanding from time to time.

Subject to the provisions of the Plan, the directors may receive recommendations of management or any committee of the Board and shall determine from time to time those Eligible Persons to whom Options should be granted, the number of Options which will be granted from time to time and the terms and conditions of each such grant of Options, including the term and any vesting provisions. The Board will comply with all TSXV and other regulatory requirements in granting Options and otherwise administering the Plan.

The following is a summary of the Plan:

Under the terms of the Plan, the Board of Directors of the Corporation may, at its discretion, grant options to purchase Common Shares to directors, officers, employees and consultants of the Corporation, provided that: (i) no individual may be granted options for Common Shares exceeding 5% of the issued and outstanding Common Shares in a twelve (12) month period; (ii) the maximum aggregate number of Common Shares which may be reserved for issuance under the Plan at any time may not exceed 10% of the number of the issued and outstanding Common Shares; (iii) the maximum number of Common Shares which may be reserved for issuance under options granted to insiders may not exceed, in the aggregate, 10% of the outstanding Common Shares at the date of the grant; (iv) the maximum number of options which may be granted to insiders within a 12-month period may not exceed, in the aggregate, 10% of the issued shares; (v) the maximum number of Common Shares which may be issued to any one optionee in any twelve (12) month period is 5% of the outstanding Common Shares at the date of issuance; (vi) the maximum number of Common Shares which may be reserved for issuance under options granted to any consultant in a twelve (12) month period is 2% of the outstanding Common Shares at the date of the grant; and (vii) the maximum number of Common Shares which may be reserved for issuance under options granted to any person engaged in investor relations activities in a 12-month period is 2% of the outstanding Common Shares at the date of the grant.

Options granted under the Plan are non-assignable and non-transferable. The option price per share granted under the Plan may not be less than the closing market price for the Common Shares on the TSXV on the last day of trading immediately preceding the date on which the option is granted, less any applicable discount permitted by the rules and policies of the TSXV. The maximum term of any option is five years from the date on which the option is granted. Subject to an express resolution of the Board of

Directors, all options expire ninety (90) days after a person ceases to be at least one of an officer, director or employee of the Corporation and its subsidiaries or leaves the employ of the Corporation and its subsidiaries, other than for "just cause" which options expire immediately and other than options granted to the optionee in relation to its performance of investor relations activities, which options must be exercised within thirty (30) days of the close of any such transaction). Entitlements of consultants upon termination shall be in accordance with the terms of the consulting agreement with the Corporation. In the event of the death of an optionee, his or her legal representative may exercise the outstanding vested options within twelve (12) months of the death but prior to the expiry of the options in accordance with the terms thereof, after which all of such options will expire. In the event of a change in control of the Corporation or in the event of a sale by the Corporation of all or substantially all of the property or assets of the Corporation, all optionees under the Plan become entitled to exercise all options held by such optionee, whether or not vested at such time, within ninety (90) days of the close of any such transaction (other than options granted to the optionee in relation to its performance of investor relations activities, which options must be exercised within thirty (30) days of the close of any such transaction).

Compensation Policy and Key Compensation Components

The Corporation does not have a compensation program other than paying base salaries, incentive bonuses, and incentive stock options to the NEOs. The Corporation recognizes the need to provide a compensation package that will attract and retain qualified and experienced executives, as well as align the compensation level of each executive to that executive's level of responsibility.

The Corporation has no other forms of compensation, although payments may be made from time to time to individuals or companies they control for the provision of consulting services. Such consulting services are paid for by the Company at competitive industry rates for work of a similar nature by reputable arm's length services providers.

Base Salary

The objectives of base salary are to recognize market pay, and acknowledge the competencies and skills of individuals. The base salary paid to the NEOs shall be reviewed annually by the Board of Directors as part of the annual review of executive officers. The decision on whether to grant an increase to the executive's base salary and the amount of any such increase shall be in the sole discretion of the Board of Directors.

Incentive Bonuses

The objectives of incentive bonuses in the form of cash payments are designed to add a variable component of compensation, based on corporate and individual performances for executive officers and employees. No incentive bonuses were paid to NEOs, other executive officers or employees during the most recently completed fiscal year.

Stock Option Plan

The objectives of the Corporation's stock option plan are to reward achievement of long-term financial and operating performance and focus on key activities and achievements critical to the ongoing success of the Corporation. As of the date hereof, 1,550,000 Options are currently outstanding and no stock options were granted to NEOs, other executive officers or employees and 300,000 stock options were granted to consultants during the most recently completed fiscal year.

Incentive Plan Awards

Outstanding share-based awards and option-based awards

No stock options were granted to the NEOs to purchase or acquire securities of the Corporation outstanding at the end of the most recently completed financial year ended March 31, 2016. The following table set forth the options granted to the NEOs to purchase or acquire securities of the Corporation which were outstanding on March 31, 2016:

	Option-based Awards				**Share-based Awards**		
Name	**Number of securities underlying unexercised options (#)**	**Option Exercise price[3] ($)**	**Option expiration date**	**Value of unexercised in-the-money options [1] ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed**
Thomas Larsen President and CEO	300,000	0.10	Jan. 29, 2020	33,000	Nil	Nil	Nil
Miles Nagamatsu CFO	100,000	0.10	Jan. 29, 2020	11,000	Nil	Nil	Nil

Notes:

(1) This amount is based on the difference between the closing market price of the Common Shares on the TSXV of $0.21 per share on March 31, 2016, and the exercise price of the option.

Incentive plan awards - value vested or earned during the year

The following table sets forth the value vested or earned during the year of option-based awards, share-based awards and non-equity incentive plan compensation paid to NEOs during the most recently completed financial year ended March 31, 2016:

Name	**Option-based awards - Value vested during the year (1) ($)**	**Share-based awards - Value vested during the year ($)**	**Non-equity incentive plan compensation - Value earned during the year ($)**
Thomas Larsen President and CEO	33,000	N/A	N/A
Miles Nagamatsu CFO	11,000	N/A	N/A

Notes:

(1) This amount is based on the difference between the closing market price of the Common Shares on the TSXV of $0.21 per share on March 31, 2016, and the exercise price of all "in-the-money" options.

Pension Plan Benefits

No pension plan or retirement benefit plans have been instituted by the Corporation and none are proposed at this time.

NEO Employment Contracts, Termination and Change of Control Benefits

The Corporation does not have written employment contracts with the NEOs. There are no estimated payments, payables and benefits triggered by a termination without cause or as a result of a change of control for each of the NEOs, assuming the triggering event took place on March 31, 2016.

Name and principal position	Salary ($)	Performance Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	All other compensation ($)	Total compensation ($)
Thomas Larsen President and CEO	Nil	N/A	Nil	N/A	Nil	Nil
Miles Nagamatsu CFO	Nil	N/A	Nil	N/A	Nil	Nil

Under the Plan, subject to an express resolution of the Board of Directors, all options expire ninety (90) days after a person ceases to be at least one of an officer, director or employee of the Corporation and its subsidiaries or leaves the employ of the Corporation and its subsidiaries, other than for "just cause" which options expire immediately and other than options granted to the optionee in relation to its performance of investor relations activities, which options must be exercised within thirty (30) days of the close of any such transaction). Entitlements of consultants upon termination shall be in accordance with the terms of the consulting agreement with the Corporation. In the event of the death of an optionee, his or her legal representative may exercise the outstanding options within twelve (12) months within which to exercise the outstanding options but prior to the expiry of the options in accordance with the terms thereof, after which all of such options will expire. In the event of a change in control of the Corporation or in the event of a sale by the Corporation of all or substantially all of the property or assets of the Corporation, all optionees under the Plan become entitled to exercise all options held by such optionee, whether or not vested at such time, within ninety (90) days of the close of any such transaction (other than options granted to the optionee in relation to its performance of investor relations activities, which options must be exercised within thirty (30) days of the close of any such transaction).

Director's Compensation

During the year ended March 31, 2016, one of the directors who was not an NEO of the Corporation was compensated for the provision of consulting services to the Corporation.

The following table sets forth the value of all compensation paid to the directors of the Corporation who are not NEOs during the most recently completed financial year ended March 31, 2016:

Name	Fees Earned ($)	Share-based awards ($)	Option-based awards ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other Compensation ($)	Total ($)
Francis Sauve	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Alexander Horvath[(1)]	30,000	N/A	Nil	N.A	N/A	Nil	30,000
Dusan Berka	Nil	N/A	Nil	N/A	N/A	Nil	Nil
Richard Roy	Nil	N/A	Nil	N/A	N/A	Nil	Nil

Notes:
(1) Compensation paid or payable for geological consulting services to a corporation controlled by the director.

Share-based awards and option-based awards

There were no options granted to the directors of the Corporation who are not NEOs to purchase or acquire securities of the Corporation outstanding at the end of the most recently completed financial year ended March 31, 2016. The following table set forth the options granted to the NEOs to purchase or acquire securities of the Corporation which were outstanding on March 31, 2016:

	Option-based Awards				Share-based Awards	
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options (1) ($)**	**Number of shares or units of shares that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**
Francis Sauve	100,000	0.10	Jan. 29, 2020	11,000	N/A	N/A
Alexander Horvath	100,000	0.10	Jan. 29, 2020	11,000	N/A	N/A
Dusan Berka	100,000	0.10	Jan. 29, 2020	11,000	N/A	N/A
Richard Roy	100,000	0.10	Jan. 29, 2020	11,000	N/A	N/A

Notes:

(1) Based on a closing price of the common shares on the TSXV of $0.21 on March 31, 2016.

Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Corporation's equity compensation plan, which is the Corporation's stock option plan.

Plan Category	**(A) Number of securities to be issued upon exercise of outstanding options, warrants and rights (#)**	**(B) Weighted average option price of outstanding options, warrants and rights ($)**	**(C) Number of securities available for future issuance under equity compensation plans (excluding securities reflected in column A) (#)**
Equity compensation plans approved by security holders	1,550,000	0.11	722,772(1)
Equity compensation plans not approved by security holders	N/A	N/A	Nil
Total	1,550,000	0.11	722,772 (1)

Notes: (1) Based on a maximum number reserved for issuance of 2,272,772 Common Shares as at August 29, 2016.

The maximum number of Common Shares reserved under the Plan as of the date of this Circular is 2,272,772 and, being a "rolling" 10% plan, such maximum number shall increase or decrease automatically in accordance with the terms of the Plan such that the maximum number shall be 10% of the Common Shares outstanding from time to time.

Stock Option Plan

Details of the Corporation's Plan can be found under the heading *"Equity Compensation Plan Information"* above.

Indebtedness of Directors and Officers

No director or senior officer of the Corporation or associate of the foregoing persons, was indebted to the Corporation at any time during the most recently completed financial year ended March 31, 2016.

<u>Interest Of Informed Persons In Material Transactions and Matters to be Acted Upon</u>

Management is not aware of any material interest, direct or indirect, of any “informed person” of the Corporation, insider of the Corporation, proposed director, or any associate or affiliate of any informed person or proposed director, in any transaction since the commencement of the Corporation’s most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation, except as set out below. An “informed person” means (i) a director or executive officer of the Corporation or of a subsidiary of the Corporation, (ii) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, (iii) a director or officer of a company that is itself an informed person of the Corporation or of a subsidiary of the Corporation, and (iv) any person who has been a director or officer of the Corporation at any time since the beginning the Corporation’s last fiscal year.

Certain corporate entities that are related to the Corporation’s officers and directors provide consulting services to the Corporation. Such transactions were conducted in the normal course of operations and are measured at the exchange amounts. Details are available in the Corporation’s financial statements for the year-ended March 31, 2016.

Directors and officers of the Corporation are eligible, at the discretion of the Board of Directors, to be granted stock options under the Plan in accordance with its terms.

PART FOUR

CORPORATE GOVERNANCE AND OTHER INFORMATION

<u>General</u>

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

The focus of the Board of Directors is to provide objective, prudent guidance to the Corporation’s management. In developing and supervising implementation of the Corporation’s strategic plan, the Board of Directors sets objectives for the Chief Executive Officer and the Corporation’s senior management. In the financial year ended March 31 2016, the Board of Directors continued to further its commitment to corporate governance through reviewing existing processes, and where appropriate, developing new ones. The Board of Directors will continue to ensure an effective process and structure for the management of the Corporation at all levels.

<u>Board of Directors</u>

Composition of the Board

NI 58-101, when taken with section 1.4 of National Instrument 52-110 *Audit Committees*, (“**NI 52-110**”) provides that a member is “independent” if the member has no direct or indirect material relationship with the Corporation, a “material relationship” being one which could, in the view of the Corporation’s Board of Directors, reasonably interfere with the exercise of a member’s independent judgment.

Based on the foregoing, the Corporation has determined that the following individuals are independent within the meaning of NI 58-101 and NI 52-110:

Francis Sauve - Independent Director
Dusan Berka – Independent Director
Richard Roy – Independent Director

The Corporation has determined that the following individuals are not independent based on the guidelines set forth in NI 58-101 and NI 52-110:

Thomas Larsen is not independent as a result of having served as the President and Chief Executive Officer of the Corporation since 1997 and as Chairman of the Board of Directors since 2002.

Alexander Horvath is not independent as a result of his role as a technical consultant to the Corporation.

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

Director	**Other Reporting Issuers**
Thomas Larsen	Cartier Iron Corporation
Francis Sauve	Cartier Iron Corporation
Alexander Horvath	N/A
Dusan Berka	92 Resources Corp. (formerly Rio Grande Mining Corp.), Megastar Development Corp., Aquila American Gold Limited, Belmont Resources Inc., Prima Diamond Corp. and King's Bay Gold Corp.
Richard Roy	N/A

Mandate of the Board of Directors

The Board of Directors approved a mandate which includes, among other duties and responsibilities, the following objectives: to approve and monitor the strategic, business and financial plans of the Corporation; to supervise performance and succession planning of senior officers; to assess the principal risk factors relating to the business of the Corporation; and to monitor and oversee the integrity of the financial reporting and disclosure practices of the Corporation. Every Director is required to act honestly and in good faith and in the best interests of the Corporation and to exercise the care, diligence and skill of a reasonably prudent person. Responsibilities not delegated to senior management or to a committee of the Board of Directors remain those of the full Board of Directors.

Orientation and Continuing Education of Board Members

New members to the Board of Directors receive an orientation package which includes company policies and public disclosure filings by the Corporation. Meetings of the Board of Directors are held at the Corporation's facilities and are combined with presentations by the Corporation's management and employees to give the directors additional insight into the Corporation's business. In addition, management of the Corporation makes itself available for discussion with all members of the Board of Directors.

Measures to Encourage Ethical Business Conduct

The Board of Directors has adopted a written code of business conduct and ethics that encourages and promotes a culture of ethical business conduct. A whistle blower policy has also been implemented whereby employees are encouraged to report unethical behaviour directly to the Board of Directors.

Nomination of Members to the Board of Directors

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

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

Board Composition and Committees

The Board of Directors is currently comprised of five (5) members of which three are independent directors. The Board of Directors has also appointed an Audit Committee.

Audit Committee

The Board of Directors has developed written terms of reference outlining the Audit Committee's roles and responsibilities and providing appropriate guidance to Audit Committee members as to their duties. The Audit Committee reviews the annual and interim financial statements of the Corporation and makes recommendations to the Board of Directors with respect to such statements. The Audit Committee also reviews the nature and scope of the annual audit as proposed by the auditors and management, and the adequacy of the internal accounting control procedures and systems within the Corporation. The Audit Committee is responsible for ensuring that management has implemented an effective system of internal control and has oversight responsibility for management reporting on internal control. The full text of the Audit Committee Charter is attached as Schedule "A" hereto.

Composition of the Audit Committee

The Audit Committee is currently comprised of Francis Sauve, Dusan Berka and Alexander Horvath. Messrs. Berka and Sauve are independent and all of the members of the Audit Committee are financially literate within the meaning of NI 52-110. Mr. Horvath is not considered independent, but the Board believes that Mr. Horvath, as an experienced director and officer of public companies, is sufficiently versed in the expectation of an independent director and fully capable of exercising independent judgment.

Relevant Education and Experience

The following relevant education and experience of the members of the Audit Committee have been used in assessing their financial literacy:

> *Francis Sauve* owns his own business and in such capacity has experience in the preparation, analysis and/or evaluation of financial statements generally and an understanding of internal control and procedures for financial reporting. Over the past 20 years, Mr. Sauve has been, and is currently, a director of a number of publicly traded resource exploration companies.
>
> *Dusan Berka* has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.
>
> *Alexander Horvath* has obtained significant financial experience and exposure to accounting and financial issues in past positions as an officer and/or director of a number of publicly traded resource exploration companies.

Audit Committee Oversight

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

Reliance on Certain Exemptions

As the Corporation is a venture issuer on the TSXV, it relies on the exemptions provided by Section 6.1 of NI 52-110, which exempts venture issuers from the requirements of Part 3 *Composition of the Audit Committee* and Part 5 *Reporting Obligations* of NI 52-110. Specifically, Part 3 of NI 52-110 requires that an audit committee be composed of a minimum of three members, who must all be directors of the Corporation, independent (subject to a few exceptions) and financially literate. Since venture issuers are not required to file an annual information form, Part 5 of the NI 52-110 does not apply to the Corporation.

Pre-approval Policies and Procedures

The Audit Committee pre-approves all audit services and all permitted non-audit services in excess of $5,000.

External Auditor Service Fees (By Category)

The following table provides information about the fees billed to the Corporation for professional services rendered by Collins Barrow Toronto LLP, during the financial years ended March 31, 2016 and March 31, 2015 and paid or estimated to be payable for services rendered in the year indicated:

	2016 ($)	2015 ($)
Audit Fees(1)	17,000	17,000
Audit-Related Fees(2)	Nil	Nil
Tax Fees(3)	4,500	6,000
All Other Fees	Nil	Nil
Total:	21,500	23,000

Notes:

(1) Audit fees were for professional services rendered by Collins Barrow Toronto LLP, Chartered Accountants, for the audit of the Corporation's annual consolidated financial statements.

(2) Audit-related fees are for services related to performance of limited procedures performed by the Corporation's auditors related to interim reports and attendance at due diligence sessions.

(3) Tax fees are for tax compliance.

The Audit Committee met four (4) times in the year ended March 31, 2016 to fulfill its mandate. The Audit Committee meets with the Corporation's auditors regularly, independent of management, and has direct communication channels with the external auditors to discuss and review specified issues as appropriate.

ADDITIONAL INFORMATION

Financial information is provided in the Corporation's audited financial statements and accompanying managements' discussion and analysis ("**MD&A**") for the year ended March 31, 2016 available under the Corporation's profile on SEDAR at www.sedar.com.

Under NI 54-101, any person or company who wishes to receive interim financial statements from the Corporation may deliver a written request for such material to the Corporation or the Corporation's registrar and transfer agent, together with a signed statement that the person or company is the owner of securities of the Corporation. Shareholders who wish to receive interim financial statements are encouraged to send the enclosed mail card, together with the completed form of proxy, in the addressed envelope provided, to the Corporation's registrar and transfer agent, **TSX Trust Company Services**, 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1. The Corporation will maintain a supplemental mailing list of persons or companies wishing to receive interim financial statements.

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

GENERAL

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

The contents and sending of this information circular have been approved by the Board of Directors.

Unless otherwise stated, the information provided herein is given as of the 29th day of August, 2016.

By Order of the Board of Directors

(signed) "*Thomas G. Larsen*"

Thomas G. Larsen
Chairman and Chief Executive Officer

SCHEDULE “A”

ELORO RESOURCES LTD.
(the “Corporation”)

Audit Committee Charter

OVERALL ROLE AND RESPONSIBILITY

The Audit Committee shall:

(a) assist the Board of Directors in its oversight role with respect to:

  (i) the quality and integrity of financial information;

  (ii) the independent auditor’s performance, qualifications and independence;

  (iii) the performance of the Corporation’s internal audit function, if applicable; and

  (iv) the Corporation’s compliance with legal and regulatory requirements; and

(b) prepare such reports of the Audit Committee required to be included in the Circular in accordance with applicable laws or the rules of applicable securities regulatory authorities.

MEMBERSHIP AND MEETINGS

The Audit Committee shall consist of three or more Directors appointed by the Board of Directors, the majority of whom shall be independent and unrelated to the Corporation and as such shall not be officers (other than a non-executive Chairman or Corporate Secretary who is not an employee of the Corporation) or employees of or have a meaningful business relationship with the Corporation or any of the Corporation’s affiliates or be an immediate family member of any of the foregoing. Each of the members of the Audit Committee shall satisfy the applicable independence and financial literacy of the laws governing the Corporation, the applicable stock exchanges on which the Corporation’s securities are listed and applicable securities regulatory authorities.

The Board of Directors shall designate one member of the Audit Committee as the Committee Chair. Each member of the Audit Committee shall be financially literate as such qualification is interpreted by the Board of Directors in its business judgment.

STRUCTURE AND OPERATIONS

The affirmative vote of a majority of the members of the Audit Committee participating in any meeting of the Audit Committee is necessary for the adoption of any resolution.

The Audit Committee shall meet as often as it determines, but not less frequently than quarterly. The Committee shall report to the Board of Directors on its activities after each of its meetings at which time minutes of the prior Committee meeting shall be tabled for the Board of Directors.

The Audit Committee shall review and assess the adequacy of this Charter periodically and, where necessary, will recommend changes to the Board of Directors for its approval.

The Audit Committee is expected to establish and maintain free and open communication with management and the independent auditor and shall periodically meet separately with each of them.

SPECIFIC DUTIES

Oversight of the Independent Auditor

- Make recommendations to the Board of Directors for the appointment and replacement of the independent auditor.

- Responsibility for the compensation and oversight of the work of the independent auditor (including resolution of disagreements between management and the independent auditor regarding financial reporting) for the purpose of preparing or issuing an audit report or related work. The independent auditor shall report directly to the Audit Committee.

- Authority to pre-approve all audit services and permitted non-audit services (including the fees, terms and conditions for the performance of such services) to be performed by the independent auditor.

- Evaluate the qualifications, performance and independence of the independent auditor, including (i) reviewing and evaluating the lead partner on the independent auditor's engagement with the Corporation, and (ii) considering whether the auditor's quality controls are adequate and the provision of permitted non-audit services is compatible with maintaining the auditor's independence.

- Obtain from the independent auditor and review the independent auditor's report regarding the management internal control report of the Corporation to be included in the Corporation's annual proxy circular, as required by applicable law.

- Ensure the rotation of the lead (or coordinating) audit partner having primary responsibility for the audit and the audit partner responsible for reviewing the audit as required by law (currently at least every 5 years).

Financial Reporting

- Review and discuss with management and the independent auditor:

    - prior to the annual audit the scope, planning and staffing of the annual audit,

    - the annual audited financial statements,

    - the Corporation's annual and quarterly disclosures made in management's discussion and analysis,

    - approve any reports for inclusion in the Corporation's Annual Report, as required by applicable legislation,

    - the Corporation's quarterly financial statements, including the results of the independent auditor's review of the quarterly financial statements and any matters required to be communicated by the independent auditor under applicable review standards,

    - significant financial reporting issues and judgments made in connection with the preparation of the Corporation's financial statements,

- any significant changes in the Corporation's selection or application of accounting principles,
  - any major issues as to the adequacy of the Corporation's internal controls and any special steps adopted in light of material control deficiencies, and
  - other material written communications between the independent auditor and management, such as any management letter or schedule of unadjusted differences.

- Discuss with the independent auditor matters relating to the conduct of the audit, including any difficulties encountered in the course of the audit work, any restrictions on the scope of activities or access to requested information and any significant disagreements with management.

AUDIT COMMITTEE'S ROLE

The Audit Committee has the oversight role set out in this Charter. Management, the Board of Directors, the independent auditor and the internal auditor (if any) all play important roles in respect of compliance and the preparation and presentation of financial information. Management is responsible for compliance and the preparation of financial statements and periodic reports. Management is responsible for ensuring the Corporation's financial statements and disclosures are complete, accurate, in accordance with generally accepted accounting principles and applicable laws. The Board of Directors in its oversight role is responsible for ensuring that management fulfills its responsibilities. The independent auditor, following the completion of its annual audit, opines on the presentation, in all material respects, of the financial position and results of operations of the Corporation in accordance with Canadian generally accepted accounting principles.

FUNDING FOR THE INDEPENDENT AUDITOR AND RETENTION OF OTHER INDEPENDENT ADVISORS

The Corporation shall provide for appropriate funding, as determined by the Audit Committee, for payment of compensation to the independent auditor for the purpose of issuing an audit report and to any advisors retained by the Audit Committee. The Audit Committee shall also have the authority to retain such other independent advisors as it may from time to time deem necessary or advisable for its purposes and the payment of compensation therefor shall also be funded by the Corporation.

Approval of Audit and Remitted Non-Audit Services Provided by External Auditors

Over the course of any year there will be two levels of approvals that will be provided. The first is the existing annual Audit Committee approval of the audit engagement and identifiable permitted non-audit services for the coming year. The second is in-year Audit Committee pre-approvals of proposed audit and permitted non-audit services as they arise.

Any proposed audit and permitted non-audit services to be provided by the External Auditor to the Corporation or its subsidiaries must receive prior approval from the Audit Committee, in accordance with this Protocol. The CFO shall act as the primary contact to receive and assess any proposed engagements from the External Auditor.

Following receipt and initial review for eligibility by the primary contacts, a proposal would then be forwarded to the Audit Committee for review and confirmation that a proposed engagement is permitted.

In the majority of such instances, proposals may be received and considered by the Chair of the Audit Committee (or such other member of the Audit Committee who may be delegated authority to approve audit and permitted non-audit services), for approval of the proposal on behalf of the Audit Committee. The Audit Committee Chair will then inform the Audit Committee of any approvals granted at the next scheduled meeting.