FRONTLINE GOLD CORPORATION

NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING OF MEMBERS

NOTICE IS HEREBY GIVEN THAT the Annual and Special General Meeting of the shareholders of Frontline Gold Corporation (the “Corporation”) will be held at the corporate office of the Corporation at Suite 201, 1 Toronto Street, at 10:00 a.m. (Eastern Standard Time) on December 12, 2016 (the “Meeting”) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2015, together with the report of the auditors thereon;

2. to re-appoint Morgan & Company, Chartered Accountants, as the auditor of the Corporation and to authorize the directors to fix their remuneration;

3. to fix the number of directors at six (6) and to elect directors;

4. to consider and, if thought appropriate, to pass a resolution to re-approve the Corporation’s share incentive plan and to approve, confirm and ratify all unallocated options, rights and entitlements under the Corporation’s share incentive plan;

5. to consider and, if thought appropriate, to approve with or without variation an ordinary resolution to consolidate the Company’s issued and outstanding common shares on a ten for one basis, or by such lower consolidation ratio as may be determined by the Board of Directors of the Company and as may be required to obtain approval from the TSX Venture Exchange, as more particularly described in the accompanying Information Circular;

6. to transact such other business as may be properly transacted at such Meeting or at any adjournment thereof;

Reference is made to the attached management information circular dated November 11, 2016 (the “Management Information Circular”), which sets forth a description of the matters referred to in items (2) to (5) above.

Only holders of common shares of the Corporation of record on November 7, 2016 are entitled to notice of, and to vote at, the Meeting. A copy of the Management Information Circular and form of proxy accompany this notice of meeting.

As a substantial representation of the Corporation’s shareholders is desired, shareholders who are unable to attend the Meeting in person, are requested to date, sign and return the form of proxy in accordance with the instructions provided therein and in the Management Information Circular.

A proxy will not be valid unless it is deposited at the offices of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, facsimile within North America (866) 249-7775 and outside North America (416) 263-9524, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. If you are able to attend the Meeting or any adjournment thereof, sending your proxy will not prevent you from voting in person.

Dated this 11th day of November, 2016

BY ORDER OF THE BOARD OF DIRECTORS

“Walter Henry”

Walter Henry
President and CEO and Director

FRONTLINE GOLD CORPORATION

INFORMATION CIRCULAR
As at November 11, 2016

This Information Circular and the accompanying proxy is furnished in connection with the solicitation by the management of Frontline Gold Corporation (the “Corporation”) for use at the annual and special general meeting (the “Meeting”) of the shareholders of the Corporation to be held on December 12, 2016 at the time and place designated in the accompanying notice of the Meeting and at any adjournment thereof.

In this Information Circular, references to the following words have the meanings indicated:

(a) “the Corporation”, “we” and “our” refer to Frontline Gold Corporation;

(b) “Beneficial Shareholders” means shareholders who do not hold Common Shares registered in their own name;

(c) “intermediaries” refers to brokers, investment firms, clearing houses and similar entities that hold registered securities on behalf of Beneficial Shareholders; and

(d) “Shareholders” refers to registered holders of Common Shares or to shareholders of record.

GENERAL PROXY INFORMATION

SOLICITATION OF PROXIES

While the primary solicitation of proxies will be by mail, some of the directors, officers and regular employees of the Corporation or agents specifically retained by it for such purpose may solicit proxies personally and by telephone or facsimile as deemed necessary. The Corporation will reimburse banks, brokerage houses and other custodians, nominees or fiduciaries for reasonable expenses in sending proxies and proxy materials to principals to obtain authorization for the execution of proxies.

The expense of this solicitation by management will be paid by the Corporation.

The Corporation will also pay the fees and costs of intermediaries for their services in transmitting proxy-related material in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

APPOINTMENT AND REVOCATION OF PROXIES

Shareholders of the Corporation may be "Registered Shareholders" or "Non-Registered Shareholders". If common shares of the Corporation ("Common Shares") are registered in the name of an intermediary and not registered in the Shareholder's name, they are said to be owned by a "Non-Registered Shareholder". An intermediary is usually a bank, trust company, securities dealer or broker, or a clearing agency in which an intermediary participates. The instructions provided below set forth the different procedures for voting Common Shares at the Meeting to be followed by Registered Shareholders and Non-Registered Shareholders.

If any Shareholder receives more than one proxy or voting instruction form, it is because that Shareholder's shares are registered in more than one form. In such cases, Shareholders should sign and submit all proxies or voting instruction forms received by them in accordance with the instructions provided.

Where a choice is specified, the Common Shares represented by proxy will be voted for, withheld from voting or voted against, as directed, on any poll or ballot that may be called. Where no choice is specified, the proxy will confer discretionary authority and will be voted in favour of all matters referred to on the form of proxy. The proxy also confers discretionary authority to vote for, withhold from voting, or vote against amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters not specifically mentioned in the Notice of Meeting but which may properly come before the Meeting. Management has no present knowledge of any amendments or variations to matters identified in the Notice of Meeting or any business that will be presented at the Meeting other than that referred to in the Notice of Meeting. However, if any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed instrument appointing proxy to vote in accordance with the recommendations of Management of the Corporation.

APPOINTMENT AND REVOCATION OF PROXYHOLDER

A duly completed form of proxy will constitute the person named therein as the Shareholder's proxy. The persons whose names are printed in the enclosed form of proxy (the "Proxy") are officers and/or directors of the Corporation.

A shareholder has the right to appoint a person other than a member of management to represent the shareholder at the meeting by striking out the names of the management representative and by inserting the desired person's name in the blank space provided in the Proxy or by executing a proxy in a form similar to the enclosed Proxy. A proxyholder need not be a shareholder of the Corporation.

An instrument of proxy may be revoked at any time prior to the exercise thereof. An instrument of revocation must be executed by the member or by the member's attorney authorized in writing or, if the member is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized and deposited either at the head office of the Corporation at any time up to and including the last business day preceding the date of the Meeting, or at any adjournment thereof, at which the proxy is to be used or with the chairman of such Meeting on the day of the Meeting or any adjournment thereof.

VOTING BY PROXY

All properly executed Proxies received on or before 48 hours proceeding the time of the Meeting will be voted at the Meeting and, if a choice is specified with respect to any matter to be acted upon, will be voted in accordance with the instructions contained therein. **In the absence of any specification, management's designees, if named as proxy, will vote in favour of the matters set out therein**.

The enclosed form of Proxy also confers upon the person named therein as proxyholder discretionary authority with respect to amendments or variations to matters identified in the Notice of Meeting. As at the date of this Information circular management knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Each Proxy must be dated and signed by the shareholder or their attorney authorized in writing. In the case of a corporation the proxy must be dated and executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation and supported by an authorising resolution.

Completed forms of proxy must be returned by mail or delivery to the Corporation at Computershare Trust Company of Canada, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1. All proxies must be received not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the commencement of the Meeting, unless the Chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

ADVICE TO REGISTERED SHAREHOLDERS

Registered Shareholders have two methods by which they can vote their Common Shares at the Meeting, namely in person or by proxy. To assure representation at the Meeting, Registered Shareholders are encouraged to return the proxy included with this Management Information Circular. Sending in a proxy will not prevent a Registered Shareholder from voting in person at the Meeting should they later elect to attend. The vote will be taken and counted at the Meeting. Registered Shareholders who do not plan to attend the Meeting or do not wish to vote in person can vote by proxy.

Proxies must be received by the Corporation's transfer agent, **Computershare Investor Services Inc.,** not later than **Thursday, December 8, 2016 at 10:00 am (Eastern Standard Time)**. A Registered Shareholder must return the completed proxy to Computershare Investor Services Inc., as follows:

(a) by mail in the enclosed envelope; or

(b) by the Internet or telephone as described on the enclosed proxy; or

(c) by registered mail, by hand or by courier to the attention of Computershare Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1.

To exercise the right to appoint a person or company to attend and act for a Registered Shareholder at the Meeting, such Shareholder must strike out the names of the persons designated on the enclosed instrument appointing a proxy and insert the name of the alternate appointee in the blank space provided for that purpose.

To exercise the right to revoke a proxy, in addition to any other manner permitted by law, a Shareholder who has given a proxy may revoke it by instrument in writing, executed by the Shareholder or his attorney authorized in writing, or if the Shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited: (i) at the head office of the Corporation, 1 Toronto St., Suite 201, Toronto, ON, M5C 2V6, attention: Walter Henry, at any time up to and including the last business day preceding the Meeting at which the proxy is to be used, or at any adjournment thereof, or (ii) with the Chairman of the Meeting on the date of the Meeting, or at any adjournment thereof, and upon either of such deposits the proxy is revoked.

The proxy must be received at least 48 hours (excluding Saturdays, Sundays and holidays) before the Meeting or the adjournment thereof at which the proxy is to be used.

ADVICE TO NON-REGISTERED BENEFICIAL SHAREHOLDERS

Non-Registered Shareholders

There are two kinds of Beneficial Shareholders – those who object to their name being made known to the issuers of securities which they own (called "Objecting Beneficial Owners") and those who do not object (called "Non-Objecting Beneficial Owners").

These Meeting materials are being sent to both registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder and the Corporation 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 Corporation (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. Please return your voting instructions as specified in the request for voting instructions.

Non-Objecting Beneficial Owners

If you are a Non-Objecting Beneficial Owner, the Corporation will obtain your name and you will be treated as if you are a registered Shareholder. You will receive a Proxy from our transfer agent, Computershare Investor Services Inc. You may attend the Meeting and vote in person or you may appoint another person to represent you as proxyholder to vote your Common Shares at the Meeting. You are encouraged to complete and return the enclosed Proxy to ensure that your vote is counted should your plans to attend change. When you arrive at the Meeting, please register with the transfer agent, Computershare Investor Services Inc.

Objecting Beneficial Owners

Objecting Beneficial Owners can only exercise their rights as beneficial owners of Common Shares through the registered holder, which would usually be their broker or other intermediary. This means that in order for Objecting Beneficial Owners to exercise their right to vote their Common Shares at the Meeting, they must carefully review and follow the voting instructions provided by their broker or other intermediary.

Common Shares held by brokers or other intermediaries for an Objecting Beneficial Owner can only be voted or otherwise represented upon the instructions of the Objecting Beneficial Owner. Without specific instructions, the brokers or other intermediaries are prohibited from voting or otherwise representing Common Shares for their clients. Applicable regulatory policy requires brokers or other intermediaries to seek voting instructions from Objecting Beneficial Owners in advance of Shareholders' meetings. Every broker or other intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Objecting Beneficial Owners in order to ensure that their Common Shares are voted or otherwise represented at the Meeting. Often, the form of proxy supplied to an Objecting Beneficial Owners by its broker or other intermediary is identical to the Proxy provided to registered shareholders. However, its purpose is limited to instructing the broker or other intermediary how to vote on behalf of or otherwise represent the Objecting Beneficial Owner.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc ("Broadridge"). Broadridge typically applies a special sticker to the proxy forms or uses its own machine-readable form, mails those forms to the Objecting Beneficial Owners and asks Objecting Beneficial Owners to return the forms to Broadridge. Broadridge then tabulates the results of all instructions respecting the Common Shares to be represented at the Meeting. An Objecting Beneficial Owner receiving a proxy with a Broadridge sticker on it or other Broadridge form cannot use that proxy or form to vote or otherwise represent Common Shares in person at the Meeting as the proxy must be returned as directed by Broadridge well in advance of the Meeting in order to have the Common Shares voted or otherwise represented. Accordingly, it is strongly suggested that Objecting Beneficial Owners return their completed proxies or forms as directed by Broadridge well in advance of the Meeting.

Voting in Person by Objecting Beneficial Owners

An Objecting Beneficial Owner who receives a Proxy or a voting instruction form and wishes to vote at the Meeting in person should strike out the names of the persons designated in the Proxy and insert the Objecting Beneficial Owner's name in the blank space provided or, in the case of a voting instruction form, follow the corresponding directions on the form. In either case, the Objecting Beneficial Owner should carefully follow the instructions of their broker or other intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered. If you are an Objecting Beneficial Owner and wish to vote in person at the Meeting, we recommend that you contact your broker or other intermediary well in advance of the Meeting to confirm how you can do so.

RECORD DATE AND VOTING PROCEDURES

The Record Date for the Meeting is November 7th, 2016.

Only Shareholders of record and unregistered Beneficial Shareholders at the close of business on the Record Date will be entitled to receive Notice of the Meeting and, either by attending in person or by completing and delivering a form of proxy in the manner and subject to the provisions described herein, be entitled to vote or have their shares voted at the Meeting.

On a show of hands, every individual who is present as a Shareholder or as a representative of one or more corporate Shareholders, or who is holding a Proxy on behalf of a Shareholder who is not present and voting at the Meeting, shall be entitled to one vote per share on all matters placed before the Meeting, except to the extent that (a) where the Shareholder has transferred any of the Shareholder's shares after the day on which the notice of the Meeting is sent, and (b) the transferee, having produced properly endorsed certificates evidencing such shares or having otherwise established that the transferee owns such shares, has demanded not later than 10 days before the Meeting that the transferee's name be included on the member list, in which case the transferee shall be entitled to vote the transferred shares at the Meeting.

The regulatory requirements affecting the matters proposed for approval at shareholder's meetings may require different levels or kinds of shareholder approval, including approval by 'ordinary resolution', 'special resolution' or 'disinterested shareholder approval'. The following is an explanation of what these terms mean and how they apply to the voting which will occur at the Meeting.

(a) An ordinary resolution is one approved by a simple majority of the votes actually cast. This includes shareholders voting in person or by proxy. All shareholders are entitled to vote.

(b) A special resolution is one approved by not less than two-thirds of the votes actually cast. This includes shareholders voting in person or by proxy. All shareholders are entitled to vote.

(c) A resolution requiring disinterested shareholder approval requires either an ordinary or special resolution, as the case may be, but in either case will exclude all votes attaching to any shares held by persons with an interest in the subject matter of the resolution.

Each resolution will indicate what level or kind of shareholder approval is required.

A quorum for the transaction of business at the Meeting shall consist of not less than two (2) persons present holding or representing not less than five percent (5%) of the shares entitled to be voted at the Meeting.

INTERESTS OF CERTAIN PERSONS AND COMPANIES IN MATTERS TO BE ACTED UPON

Management of the Corporation is not aware of any material interest of any director or nominee for director, or senior officer or anyone who has held office as such since the beginning of the Corporation's last financial year or any associate or affiliate of any of the foregoing, in any matter to be acted upon at the meeting except as set forth in this circular.

INFORMATION CONCERNING THE CORPORATION

Voting Securities and the Principal Holders of Voting Securities

The Corporation has an unlimited authorized capital and has 140,463,361 Common Shares issued and outstanding as at the Record Date. Each Common Share entitles the holder thereof to one vote. No group of shareholders has any preferred right to elect any set number or percentage of the directors, nor are there any cumulative, weighted or similar voting rights attached to the Common Shares.

To the knowledge of the directors, officers and management of the Corporation, after making due inquiry, there are no persons or companies beneficially owning, directly or indirectly, or exercising control or direction over 10% or more of the voting shares of the Corporation other than Walter Henry President and C.E.O of Frontline Gold Corporation.

As of the Record Date, the directors and senior officers of the Corporation as a group owned beneficially, directly and indirectly, 27,567,727 Common Shares of the Corporation representing 19.62% of the presently issued and outstanding Common Shares of the Corporation**.**

PRESIDENT'S MESSAGE, AUDITED FINANCIAL STATEMENTS AND AUDITOR'S REPORT

The directors of the Corporation will table before the Shareholders at the Meeting the President's message, the audited comparative consolidated financial statements of the Corporation to December 31, 2015, the Auditor's Report thereon and the management discussion and analysis, all of which have been mailed to the Shareholders of record and required NOBOs with this Information Circular.

These documents have been filed with the securities commissions of British Columbia, Alberta, Ontario and Nova Scotia and are specifically incorporated into this Information Circular by reference. Those documents are also available through the Internet on SEDAR, which case be accessed at www.sedar.com.

The tabling of these documents at the Meeting will not constitute approval or disapproval of those documents or of any matters referred to therein.

RE-APPOINTMENT OF AUDITOR

The Corporation's auditor is Morgan & Company, Chartered Accountants. Morgan & Company were first appointed the Corporation's auditor on February 26, 2009. Unless otherwise instructed, or unless the member's instructions are uncertain as they relate to the appointment of the auditors, shares represented by proxies given pursuant to the solicitation by the management of the Corporation will be voted for the re-appointment of Morgan & Company and authorization for the directors to fix their remuneration.

Unless otherwise directed, the persons named in the accompanying proxy intend to vote FOR the appointment of Morgan & Company as auditors of the Corporation, to hold office until the next annual meeting of shareholders and to authorize the directors of the Corporation to fix the auditors' remuneration.

ELECTION OF DIRECTORS

The size of the board of directors of the Corporation is presently determined at six. At the Meeting, the shareholders will be asked to fix the number of directors of the Corporation at six (6). **Unless otherwise directed, the persons named in the accompanying proxy intend to vote FOR fixing the number of directors to be elected at the Meeting at six (6).**

The following table and the information set forth below details the names of management's nominees for election as directors, all major offices and positions with the Corporation and any of its significant affiliates each now holds, the period of time during which each has been a director of the Corporation and the number of Common Shares of the Corporation beneficially owned by each, directly or indirectly, or over which each exercised control or direction, as at the Record Date. In the case of director nominees who were not elected as directors pursuant to an information circular, details of their principal occupation, business or employment for the five preceding years is also disclosed.

Name, Municipality of Ordinary Residence	Date Appointed as a Director and Principal Occupation During the Past Five Years	Shares Beneficially Held
Gregory Isenor Bedford, Nova Scotia	Director since December 31, 2009 Professional geologist; President and CEO of Merrex Gold Inc.	1,772,138 14,465 indirect
James Patterson(1) (2) Qualicum Beach, British Columbia	Director since December 31, 2009 Professional Geologist, Consultant	119,496
Walter Henry(2) Toronto, Ontario	Director since December 31, 2009 President and CEO of Frontline Gold Inc. Formerly Vice-President Finance and CFO of Royal Nickel Inc.	23,763,628
Darryl Sittler(1) (2) Toronto, Ontario	Director since April 7, 2011 Director of Wallbridge Mining Company and Margaret Lake Diamonds Inc.	1,700,000 98,000 indirect
Tom Hussey(1) Orillia, Ontario	Director since August 23, 2011 Chartered Accountant Director of Folkstone Capital Corporation, Orillia Power Corporation and Platinex Inc. Formerly Vice-President and CFO of Brampton Engineering Inc. Formerly Vice-President and CFO of Wallbridge Mining Company	100,000

Notes:

(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.

All nominees have consented to serve as directors if elected.

Unless otherwise directed, the persons named in the accompanying proxy intend to vote FOR the election, as directors, of the five management nominees aforementioned. In the event any nominee named below should be unable to serve, the persons named in the accompanying proxy will vote for a substitute nominee or nominees in accordance with their best judgment.

An ordinary resolution is sought fixing the number of directors at seven directors and electing the aforementioned management slate of five nominees to serve as directors until the Corporation's next Annual Meeting or until their respective successors have been elected or appointed.

Backgrounds of the Nominees for the Board of Directors

Walter Henry

Walter Henry, is a Chartered Financial Analyst, has completed the ICD.D program, and is President and CEO of Frontline Gold Corp.

Mr. Henry has previously held the positions of President and CEO, Satori Resources Inc., Vice-President, Finance and Chief Financial Officer of Royal Nickel Corp.; CFO for Juno Special Situations Corp, Alturas Minerals Corp. and Tiberon Minerals Ltd

Mr. Henry is currently a Director of Merrex Gold Inc., Alturas Minerals Corp., Platinex Inc., Alexandria Minerals Corporation, Riverside Resources Inc. and Folkstone Capital, all TSX Venture listed companies.

Mr. Henry has extensive experience in the areas of International Project Financing, Capital Markets Financing, Commercial Bank Financing, Financial Reporting, Controls and Taxation Matters, Treasury and Financial Risk Management and Public Corporation Investor Relations. Mr. Henry has been a member of the Institute of

Corporate Directors (ICD) and received the ICD.D designation in May 2010. Mr. Henry is an associate member of AIMR/Toronto Society of Financial Analysts and an associate of the Institute of Canadian Bankers.

Gregory Isenor

Mr. Isenor is President and CEO of Merrex Gold Inc. and Vice-President, Exploration of Frontline Gold Corp. Mr. Isenor is a professional geologist, NI 43-101 'qualified person' and businessman with over 40 years experience in the mineral and oil and gas resource industries. He has worked throughout the world including North America, Asia, Africa, Australia and New Zealand.

Prior to its 2005 takeover by High River Gold Mines Ltd., Mr. Isenor was President, CEO and Director of Jilbey Gold Exploration Ltd. and was instrumental in the identification of the Bissa Gold Deposit in Burkina Faso, West Africa, which was the principal asset of Jilbey. He is a past director of Riverstone Resources Inc.

As President and CEO of Merrex, Mr. Isenor identified and developed the Siribaya Gold Project and attracted the interest of IAMGold, which optioned 50% of Siribaya for $12M in cash and work commitments. Mr. Isenor is a director of Atlantic Industrial Minerals Inc.

Mr. Isenor is a past 13 year Director of the PDAC and a Director and past president of the Nova Scotia Chamber of Mineral Resources.

Mr. Isenor holds a Bachelor of Science degree from Acadia University and is a member of the Association of Professional Geologists of Nova Scotia.

James M. Patterson

Jim Patterson is an independent economic/exploration geological consultant. Dr. Patterson has over fifty years experience in initiating, developing, conducting and supervising all phases of mineral exploration, ore reserve audits and valuations in numerous parts of the world including Canada, Ireland, Thailand, Malaysia and Indonesia. He was involved with the discovery of several mineral deposits in Ireland and immigrated to Canada in 1978 to bring a lead mine into production in Nova Scotia.

Dr. Patterson is currently a Director of International Millennium Mining Corp., Merrex Gold Inc., Southeast Asia Mining and Search Minerals Inc. Dr. Patterson was formerly a Director of Garson Gold Corp., Hornby Bay Exploration Ltd., Crowflight Minerals Inc., Jilbey Gold Exploration and Mispec Resources Inc.

Dr. Patterson is a past Exploration Vice-President of FNX Mining Inc. and assisted with the revival and building of FNX from a $20 million company to a $2.5 billion mining company. In addition, he has held numerous senior positions in various other mineral exploration companies during his career.

Dr. Patterson holds an Honours Geology Degree from Trinity College, Dublin, Ireland and a Ph.D. in Mining Geology from the Royal School of Mines, London University. In addition, Dr. Patterson has published numerous papers on mineral exploration and the development of mining environmental frameworks.

Darryl Sittler

Mr. Sittler is a former National Hockey League player and 1989 inductee to the Hockey Hall of Fame. Mr. Sittler is a self-employed business person in the areas of public relations, community relations and team building. In 2009, Mr. Sittler successfully completed the Institute of Corporate Directors Course and obtained the ICD.D.

Mr. Sittler is a director of Wallbridge Mining Company Limited and Margaret Lake Diamonds Inc., both are TSX listed companies. Mr. Sittler has served as a member of both the Audit and the Compensation Committees of the companies mentioned.

Tom Hussey

Tom Hussey CPA, CA is currently a member of the board of directors and chairman of the audit committee of Platinex Inc., a TSX listed company. He has also been and is currently a member of the board of directors of many organizations in both private companies and not-for-profit organizations. Tom has been a member of the Canadian Institute of Chartered Accountants for over 40 years and is a KPMG LLP alumnus. Over the last 30 years, Tom has held senior positions, including CFO, in many companies in the packaging industry and recently retired as Executive VP & CFO of a global equipment manufacturer. Tom was also the CFO of Wallbridge Mining Company prior to and after the company's initial public offering. Tom is currently CFO of a privately held company called N-Dimensions Solutions Inc.

Corporate Cease Trade Orders

To the knowledge of the Corporation, no a proposed director:

(a) is, or has been within 10 years before the date of the proxy circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

  (i) was subject to a cease trade order or similar order to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

  (ii) was subject to an order issued after a proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

  (iii) 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,

(b) has, within the 10 years before the date of this management proxy 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 director,

except as follows:

Mr. Sittler was a director of Randsburg International Gold Company which was issued a cease trade order for failure to file a technical report in the required form dated August 9, 2006 which was revoked on April 25, 2007.

Executive Committee

The Corporation does not have an executive committee of its Board of Directors.

Audit Committee and Relationship with Auditor

General

The Corporation has established an Audit Committee of its board of directors.

Multilateral Instrument 52-110 of the Canadian Securities Administrators ("MI 52-110") requires the Corporation to disclose annually in its information circular certain information concerning the constitution of it Audit Committee and its relationship with its independent auditor.

The Audit Committee's Charter

The Charter of the Audit Committee which defines its mandate and outlines its powers and responsibilities has been adopted by the audit committee and has been ratified by the board of directors of the Corporation. The Charter of the Audit Committee is attached hereto as Appendix A.

Composition of the Audit Committee

The members of the Corporation's Audit Committee are Jim Patterson (Chairman), Darryl Sittler and Tom Hussey. Each of the Audit Committee members is 'independent' and 'financially literate' as those terms are defined in MI 52-110 except for Tom Hussey, who is the Chief Financial Officer, Jim Patterson who is the former Chief Financial Officer and are therefore not 'independent'.

Relevant Education and Experience

Mr. Hussey is a member of the Canadian Institute of Chartered Accountants for over 40 years and is a KPMG LLP alumnus. Over the last 30 years, Tom has held senior positions, including CFO, in many companies in the packaging industry and recently retired as Executive VP & CFO of a global equipment manufacturer.

Dr. Patterson holds a Doctorate Degree in Mining Geology and is a Professional Geologist. Dr. Patterson is a director of three other junior companies and previously served as a Director of Jilbey Gold Exploration Ltd.

Mr. Sittler is a certified Corporate Director holding the ICD.D designation. Mr. Sittler is a director and member of the audit committee of four other junior companies

As a result of their education and experience, each member of the Audit Committee has familiarity with, an understanding of, or experience in:

- the accounting principles used by the Corporation to prepare its financial statements, and the ability to assess the general application of those principles in connection with estimates, accruals and reserves;

- reviewing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements; and

- an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

Since the commencement of the Corporation's most recently completed financial year, all recommendations of the audit committee to nominate or compensate an external auditor were adopted by the Corporation's board of directors.

Reliance on Certain Exemptions

Since the commencement of the Corporation's most recently completed fiscal year, the Corporation has not relied on the exemptions contained in section 2.4 or Part 8 of MI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee ordinarily recommends the nomination and engagement of the independent auditors to audit the financial statements, and approves all audit, audit-related services, tax services and other non-audit services provided by the Corporation's auditors.

Any services provided by the Corporation's auditors which are not specifically included within the scope of the audit are pre-approved by the Audit Committee prior to engagement.

External Auditor Service Fees

The Audit Committee has reviewed the nature and amount of the non-audit services provided by Morgan & Company to the Corporation to ensure auditor independence. Fees incurred with Morgan & Company for audit and non-audit services in the last two fiscal years for audit fees are outlined in the following table.

Audit Fees(1)	Fiscal 2014 Fiscal 2015	$25,755 $16,320
Audit Related Fees(2)	Fiscal 2014 Fiscal 2015	Nil Nil
Tax Fees(3)	Fiscal 2014 Fiscal 2015	Nil Nil
All Other Fees(4)	Fiscal 2014 Fiscal 2015	Nil Nil

Notes:

(1) "Audit Fees" include fees necessary to perform the annual audit of the Corporation's consolidated financial statements. Audit Fees include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements. Audit Fees also include audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.

(2) "Audit-Related Fees" include services that are traditionally performed by the auditor. These audit-related services include employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.

(3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This category includes fees for tax compliance, tax planning and tax advice. Tax planning and tax advice includes assistance with tax audits and appeals, tax advice related to mergers and acquisitions, and requests for rulings or technical advice from tax authorities.

(4) "All Other Fees" include all other non-audit services.

Compensation Committee

The Corporation has established a Compensation Committee of its board of directors.

The Compensation Committee is comprised of James Patterson (Chairman), Darryl Sittler and Walter Henry. The Compensation Committee makes recommendations to the board of directors for the remuneration of the officers and directors of the Corporation.

CORPORATE GOVERNANCE

General

The board of directors believes that good corporate governance improves corporate performance and ultimately enhances shareholder value. Effective June 30, 2005 the Canadian Securities Administrators (the "CSA") 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 section sets out the Corporation's approach to corporate governance and addresses the Corporation's compliance with NI 58-101.

Board of Directors

The board of directors is responsible for the establishment and of the overall corporate business plan and for the oversight of the implementation of that plan by the executive. Specifically, the board of directors approves significant operating plans, capital expenditures, acquisitions and dispositions, and equity financings. The board also oversees the management of the corporation by the executive officers.

All significant business matters are brought before the board of directors for approval. In addition to the aforementioned items, all significant financial commitments, appointments of officers, stock option grants, executive remuneration, financial statements, information circulars and proxy related materials are approved by the board of directors.

Directors' Independence

Directors are considered to be independent if they have no direct or indirect material relationship with the Corporation. A "material relationship" is a relationship which could, in the view of the Corporation's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

The board of directors facilitates its independent supervision over management in a number of ways including by holding meetings or portions of meetings at which members of management and non-independent directors are not in attendance and by retaining independent consultants where it deems necessary.

Other than the directors that also serve as executive officers, namely Walter Henry, Jim Patterson and Tom Hussey, the directors of the Corporation are independent.

Other Directorships

The Directors of the Corporation also serve as directors or officers of other reporting issuers, details of which are set forth below.

Other Reporting Issuer Positions		
Name of Director	**Name of Company**	**Position**
Gregory Isenor	Merrex Gold Inc. Atlantic Industrial Minerals Inc.	Director, Officer Director
James Patterson	Southeast Asia Mining Inc. Search Minerals Inc, International Millennium Mining Inc. Merrex Gold Inc.	Director Director Director Director
Walter Henry	Alturas Minerals Corporation Platinex Inc. Merrex Gold Inc. Alexandria Minerals Corporation Riverside Resource Inc. Folkstone Capital	Director Director Director Director Director Director
Darryl Sittler	Wallbridge Mining Company Limited Margaret Lake Diamonds Inc.	Director Director
Tom Hussey	Platinex Inc. Folkstone Capital Corporation Orillia Power Corporation	Director Director Director

Orientation and Continuing Education

When new directors are appointed, they receive orientation, commensurate with their previous experience, regarding the Corporation's properties, business plans, applicable technology and industry sector(s) and on the responsibilities of directors. Board of directors meetings may also include presentations or briefings by the Corporation's management and employees to give the directors additional insight into the Corporation's business activities. Directors are also encouraged to participate in the continuing professional education opportunities that their individual professions offer.

Ethical Business Conduct

The board of directors supports ethical business practices. To date, the board of directors has found that the fiduciary duties placed on individual directors by the Corporation's governing corporate legislation and the common law and, in particular, the restrictions placed by applicable corporate legislation on an individual director’s participation in decisions of the board of directors in which the director has an interest have been sufficient to ensure that the board of directors operates independently of management and in the best interests of the Corporation. The board of directors is considering adopting a formalized ethics policy but has not yet done so.

Nomination of Directors

The board of directors considers its size each year when it reviews its business plan and the progress made during the past year towards accomplishing the goals set forth in the business plan. In establishing the business goals for the coming year, the board has considered the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the board of director's duties effectively while maintaining a diversity of views, expertise and experience. For the forthcoming year the board of directors considers that its size and composition is appropriate for the Corporation at this stage of its development.

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 appears a need for change in this regard then this policy will be reviewed.

Compensation

The Corporation has a Compensation Committee which recommends to the board of directors the remuneration of the executive officers and determines the remuneration of the directors in their capacities as such.

Other Board Committees

The board of directors has not established other committees beyond the Audit Committee and the Compensation Committee.

Assessments

The board of directors monitors the adequacy of information given to directors, communication between the board of directors and management and the strategic directions and processes within and amongst the board of directors and its committees. The board of directors and its committees has considered self-assessment tools and may formalize procedures to accommodate this in the future. Overall, the board of directors is satisfied with the project and corporate achievements of the Corporation and believes this reflects well on the board of directors and its governance practices.

EXECUTIVE COMPENSATION

In this section "Named Executive Officer" means the Chief Executive Officer, the Chief Financial Officer and each of the three most highly compensated executive officers, other than the Chief Executive Officer and Chief Financial Officer, who were serving as executive officers at the end of the most recently completed fiscal year and whose compensation including bonus exceeds $150,000 as well as any additional individuals for whom disclosure would have been provided except that the individual was not serving as an officer of the Corporation at the end of the most recently completed financial year end.

Named Executive Officer Compensation Table

NEO Name and Principal Position	Year	Salary ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)		Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
					Annual Incentive Plans ($)	Long-term Incentive Plans ($)			
Walter Henry [1] Chief Executive Officer	2013	Nil[7]	–	-	–	–	–	-	Nil
	2014	Nil[7]	-	6,480[5]	-	-	-	-	6,480
	2015	Nil	-	-	-	-	-	-	Nil
Gregory Isenor[2] Former Chief Executive Officer	2013	Nil[6]	–	-	–	–	–	–	Nil
	2014	Nil[6]	-	6,480[5]	-	-	-	-	6,480
	2015	Nil	-		-	-	-	-	Nil
Tom Hussey[3][4] Chief Financial Officer	2013	Nil[8]	-	-	-	-	-	-	Nil
	2014	Nil[8]	-	6,480[5]	-	-	-	-	6,480
	2015	Nil	-	-	-	-	-	-	Nil

Notes:

(1) Walter Henry was appointed as Chief Executive Officer on June 29, 2010.
(2) Gregory Isenor ceased being Chief Executive Officer on June 29, 2010.
(3) Tom Hussey was appointed to the board on August 23, 2011.
(4) Tom Hussey was appointed as Chief Financial Officer on April 24, 2012.
(5) The fair value of options granted during fiscal 2013 was [$0.0162/option]. And was estimated on the date of the grant using the Black-Scholes option pricing model using the following assumptions: share price CAD$0.10; dividend yield 0%; expected volatility of 193%; risk-free interest rate of 1.53% and an expected average life of 3 years.
(6) At December 31, 2014 fees booked were written-off for the years 2013 - $50,000, and 2014 - $50,000.
(7) At December 31, 2015 fees booked were written-off for the years 2013 - $100,000, and 2014 - $100,000.
(8) At December 31, 2015 fees booked were written-off for the years 2013 - $22,000, and 2014 - $22,000.

Employment/Consulting Agreements of Named Executive Officers

Walter Henry, President and CEO of the Corporation, has an employment agreement which pays him an aggregate of $100,000 per annum.

Outstanding Share-Based Awards and Option-Based Awards

The following table summarizes all share-based and option-based awards granted by the Corporation to its Named Executive Officers which are outstanding as of December 31, 2015.

Option based award				Share based award		
Name	Number of securities underlying unexercised options			Value of unexercised In the Money Options	Number of shares or units of shares that have not vested	Market or payout value of share based awards that have not vested
	(#)	($)	Option expiration date	($)		($)
Walter Henry	Nil	Nil	N/A	Nil	Nil	Nil
Greg Isenor	Nil	Nil	N/A	Nil Nil	Nil Nil	Nil Nil
Tom Hussey	Nil	Nil	N/A	Nil Nil	Nil Nil	Nil Nil

Note:

(1) Based on the closing price of the Common Shares on the TSX Venture Exchange on December 31, 2015 of $0.01 per Common Share.

Incentive Plan Awards – Value Vested or Earned During The Year

The following table summarizes the value vested or earned by Named Executive Officers in respect of option-based awards, share-based awards and non-equity incentive plan compensation during the year ended December 31, 2015.

Name	Option-Based Awards-Value Vested During the Year ($)	Share-Based Awards-Value Vested During the Year ($)	Non-Equity Incentive Plan Compensation - Value Earned During the Year ($)
Walter Henry	Nil	Nil	Nil
Greg Isenor	Nil	Nil	Nil
Tom Hussey	Nil	Nil	Nil

Termination and Change of Control Benefits

None of the Named Executive Officers have a contract, agreement, plan or arrangement that provides for payments to a Named Executive Officer at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Corporation, or change in a Named Executive Officer's responsibilities.

Director Compensation Table

Director Name	Fees Earned ($)	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($)	Pension Value ($)	All Other Compensation ($)	Total ($)
Darryl Sittler[1]	NIL		NIL				NIL
James Patterson[2] [3]	NIL		NIL				NIL

Notes:
(1) Darryl Sittler was appointed to the board on April 7, 2011
(2) James Patterson was appointed as Chief Financial Officer on November 29, 2010.
(3) James Patterson ceased being Chief Financial Officer on April 24, 2012.

Outstanding Share-Based Awards and Option-Based Awards

The following table summarizes all share-based and option-based awards granted by the Company to its directors (other than directors who are Named Executive Officers whose share-based and option-based awards outstanding as of December 31, 2015 are detailed above) which are outstanding as of December 31, 2015.

Option based award				Share based award		
Name	Number of securities underlying unexercised options			Value of unexercised In the Money Options	Number of shares or units of shares that have not vested	Market or payout value of share based awards that have not vested
	(#)	($)	Option expiration date	($)		($)
James Patterson	Nil	Nil	N/A	Nil	Nil	Nil
Darryl Sittler	Nil	Nil	N/A	Nil	Nil	Nil

Note:

(1) Based on the closing price of the Common Shares on the TSX Venture Exchange on December 31, 2015 of $0.01 per Common Share.

Incentive Plan Awards – Value Vested or Earned During The Year

The following table summarizes the value vested or earned during the year ended December 31, 2015 by directors of the Company (other than directors who are Named Executed Officers whose value vested or earned during the year ended December 31, 2015 under option-based awards, share-based awards and non-equity incentive plan compensation is detailed above) in respect of option-based awards, share-based awards and non-equity incentive plan compensation.

Name	Option-Based Awards- Value Vested During the Year ($)	Share-Based Awards- Value Vested During the Year ($)	Non-Equity Incentive Plan Compensation - Value Earned During the Year ($)
James Patterson	Nil	Nil	Nil
Darryl Sittler	Nil	Nil	Nil

Indebtedness of Directors and Officers

No director or officer of the Corporation or proposed nominee for election as a director of the Corporation is or has been indebted to the Corporation since the beginning of the last completed fiscal year of the Corporation.

Interest of Insiders in Material Transactions

No insider of the Corporation, nominee for election as a director, or associate or affiliate of them, has or had any material beneficial interest in any transaction since the beginning of the last fiscal year of the Corporation or has any such interest in any proposed transaction, which has or will materially affect the Corporation.

Management Contracts

The management functions of the Corporation are not performed by a person or company other than the directors and officers of the Corporation. During the financial year ending December 31, 2015 there were no management services or employment agreements with any executive officers.

Equity Compensation Plan

Plan Category	Column A Number of common shares to be issued upon exercise of outstanding options, warrants and rights	Column B Weighted-average exercise price of outstanding options, warrants and rights	Column C Number of common shares remaining available for future issuance under equity compensation plans [excluding securities reflected in column (A)
Equity compensation plans approved by securityholders	Nil	N/A	14,046,336(1)
Equity compensation plans not approved by securityholders	Nil(2)	N/A	N/A
TOTAL:	Nil	N/A	14,046,336

Notes:

(1) The number of common shares remaining available for future issuance under the Corporation's 10% rolling Stock Option Plan as at the end of the Corporation's most recent completed financial year is calculated on the basis of the Corporation's issued and outstanding shares (e.g. 140,463,361 x 10% =14,046,336)

(2) Under Exchange policies, a "rolling" stock option plan which sets the number of common shares available for granting under the plan at a maximum of 10% of the issued and outstanding common shares must be approved and ratified by shareholders on an annual basis.

RE-APPROVAL OF THE SHARE INCENTIVE PLAN

The Frontline 2010 Share Incentive Plan

The Frontline 2010 Share Incentive Plan (the "Share Incentive Plan" see Appendix B) was approved by the shareholders of the Corporation at the Annual and Special Meeting of the Corporation held on September 30, 2010 and re-approved on July 12, 2011, June 28, 2012, May 28, 2013, August 28, 2014 and November 6, 2015. The Share Incentive Plan provides for the acquisition of Common Shares by the Share Incentive Plan's participants for the purpose of advancing the interests of the Corporation through the motivation, attraction and retention of key officers, directors, employees (including prospective employees) and consultants and to secure for Frontline and its shareholders the benefits inherent in the ownership of Common Shares of Frontline by key officers, directors, employees and consultants. The purpose of the Share Incentive Plan is to significantly strengthen the link between the interests of the eligible directors, officers and employees and the interests of Frontline's shareholders by providing key officers, directors, employees (including prospective employees) and consultants of the Corporation with long-term incentives tied to long-term corporate performance as reflected in the increased value of the Common Shares. It is also generally recognized that share incentive plans can aid in attracting, retaining and encouraging officers, directors, employees and consultants due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

The Share Incentive Plan provides for the grant of

(a) Incentive stock options under the Stock Option Plan, and

(b) Awards, under the Other Rewards Plan, which may include

- (i) share appreciation rights;
- (ii) restricted shares;
- (iii) restricted share units;
- (iv) deferred share units;
- (v) performance shares;
- (vi) performance share units; and
- (vii) other equity-based or equity related awards.

<u>Summary of the Share Incentive Plan</u>

The Share Incentive Plan provides for the issuance of share purchase options ("Options") and Common Shares in satisfaction for any amounts owing for services. The Share Incentive Plan may be administered by either the board of directors or by a committee established by the board of directors. The material provisions of the Share Incentive Plan are as follows:

Eligible Participants

Employees, directors, officers and consultants of the Corporation and its subsidiaries, as well as any other person or company engaged to provide ongoing management or consulting services for the Corporation or a subsidiary, or any employee of such person or company (the "Participants"), are eligible to participate in the Share Incentive Plan.

Common Shares Subject to the Stock Option Plan

The Stock Option Plan is a ‘rolling’ stock option plan reserving for issuance upon the exercise of options granted pursuant to the Plan a maximum of 10% of the issued and outstanding shares of the Corporation at any time and is consistent with the policies of the TSX Venture Exchange.

Common Shares Subject to Other Awards Plan

The maximum number of Common Shares to be made available as awards pursuant to the Other Awards Plan (“Awards”) shall be determined from time to time by the administrator of the Share Incentive Plan but, in any case, shall not exceed 10% of the outstanding Common Shares from time to time.

Maximum Percentage of Available Securities to Insider Under All Share Compensation Arrangements

The aggregate number of Common Shares issuable to Insiders (as defined in the Share Incentive Plan) under the Share Incentive Plan and any other share compensation arrangement shall not exceed 10% of the Common Shares then outstanding. Insiders shall not be issued, pursuant to the Share Incentive Plan and any other share compensation arrangement, within any one year period, a number of Common Shares which exceeds 10% of the Common Shares then outstanding.

Method of Determining Exercise Price

The Compensation Committee shall fix the price per Common Share issued pursuant to the Option or Award at the time the Option or Award is granted, provided that the price per Common Share fixed by the Compensation Committee is in Canadian dollars and shall not be less than the fair market value of the Common Shares as many be determined by the Compensation Committee on the day immediately preceding the date of grant.

Calculation of Market Appreciation of Share Appreciation Rights

The Share Incentive Plan allows the granting of share appreciation rights if the Common Shares are listed on a stock exchange. Market appreciation of share appreciation rights shall be calculated as an amount equal to (a) the excess of the Fair Market Value (which is defined as, with respect to a Common Share on any day, the market price (as defined in the company manual of a TSX Venture Exchange) of a Common Share on the date of exercise of the share appreciation right, over (b) the exercise price of such right as set forth in the award agreement governing the share appreciation right, multiplied by (c) the number of Common Shares with respect to which the share appreciation right is exercised.

Vesting of Options and Option Period

At the time of the grant of an Option the Compensation Committee may determine when any Option will become exercisable and may determine that the Option shall be exercisable in instalments on such terms as to vesting or otherwise, as the Compensation Committee deems advisable. Unless otherwise determined by the Compensation Committee, Options will vest, as to one-third of Options granted, on each of the first, second and third anniversaries date of grant, provided that the grantee is still a Participant at that time. The option period may not exceed ten years from the time of grant.

Term of Options

The Compensation Committee may set the term of the Options, so long as such term is not more than ten years from the date of the grant of the Option.

Causes of Cessation of Entitlement

If a Participant's employment terminates or a Participant who is Eligible Director, Consultant or Other Participant (as defined in the Share Incentive Plan) ceases to be so, Options and Awards granted under the Share Incentive Plan will be treated as follows:

(i) If the Participant ceases to be a Participant by reason of retirement, early retirement at the request of the Corporation, death or disability all Options and Awards that would have vested in the 12 months following the effective termination date shall vest immediately and shall be exercisable or receivable during the period which is the shorter of (x) the remainder of the option period (or other applicable vesting period in respect to awards), and (y) 180 days after the effective date of termination.

(ii) For any reason other than those specified in item (i), then the Options and Awards that have vested (but not yet expired) before the effective date of termination shall be exercisable or receivable, as the case may be, during the period which is the shorter of (x) the remainder of the option period (or other applicable vesting period in respect to awards), and (y) 90 days after the effective termination date.

Amendments, Suspension or Termination of the Share Incentive Plan

The Compensation Committee may amend, suspend or terminate the Share Incentive Plan, at any time, provided that no such amendment, suspension or termination may be made without obtaining any required regulatory approvals or adversely affect the rights of any optionee or award holders who holds an Option or Award at the time of such amendment, without the consent of that optionee or award holder.

Amendments Without Shareholder Approval

The Compensation Committee may make the following amendments to the Share Incentive Plan or any Option or Award granted under the Share Incentive Plan without shareholder approval:

(a) an amendment to the purchase price of any Option or Award, unless the amendment is a reduction in the purchase price of an Option or Award held by an Insider;

(b) an amendment to the date upon which an Option or Award may expire, unless the amendment extends the expiry of an Option or Award held by an Insider;

(c) an amendment to the vesting provisions of the Share Option Plan and Other Awards Plan and any option agreement or award agreement granted under the Share Incentive Plan;

(d) an amendment to provide a cashless exercise feature to an Option or the Share Option Plan, provided that such amendment ensures the full deduction of the number of underlying Common Shares from the total number of Common Shares subject to the Share Option Plan;

(e) an addition to, deletion from or alteration of the Share Incentive Plan or an Option or Award that is necessary to comply with applicable law or the requirements of any regulatory authority or a stock exchange;

(f) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of this Share Incentive Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of this Share Incentive Plan that is inconsistent with any other provision of this Share Incentive Plan, correcting grammatical or typographical errors and amending the definitions contained within this Share Incentive Plan respecting the administration of the Share Incentive Plan,

(g) any amendment respecting the administration of this Share Incentive Plan,

(h) any amendment required by a regulatory authority of competent jurisdiction, and

(i) any other amendment that does not require shareholder approval under as set out in the section below.

Amendments Requiring Shareholder Approval

Shareholder approval will be required for the following amendments to the Share Incentive Plan:

(a) any increase in the maximum number of Common Shares issuable as a fixed percentage of the Corporation's outstanding Common Shares;

(b) to remove or exceed the Insider participation limit;

(c) to an amending provision within the Stock Option Plan or Other Awards Plan;

(d) any reduction in the purchase price or the extension of the expiry of an Option or Award held by Insiders; and

(e) any change which would materially modify the requirements as to eligibility for participation in the Share Incentive Plan.

A complete copy of the Share Incentive Plan is available at www.sedar.com.

Following is the proposed form of resolution.

BE IT RESOLVED THAT

1. the Corporation's share incentive plan (the "**Share Incentive Plan**") be and is hereby re-approved as the share incentive plan of the Corporation and the directors of the Corporation are hereby authorized to reserve for issuance, from time to time, such number of common shares of the Corporation as may be issuable pursuant to the terms of the Share Incentive Plan, subject to any limitations imposed by applicable regulations, laws, rules and policies.

2. any one director or officer of the Corporation be and is hereby authorized to execute, deliver and file such documents, and do all such other things, as such person considers necessary or advisable to give effect to the foregoing resolutions.

The directors of the Corporation believe the Share Incentive Plan is in the Corporation's best interests and recommend that the shareholders re-approve the Share Incentive Plan. **Unless otherwise directed, the persons named in the accompanying proxy intend to vote FOR the re-approval of the Share Incentive Plan**. An ordinary resolution of shareholders is sought.

Share Consolidation

Shareholders are being asked to consider, and if deemed appropriate, to approve an ordinary resolution to consolidate the Company's issued and outstanding Common Shares (the "Share Consolidation") on the basis of one

(1) post-consolidation Common Share for every ten (10) pre-consolidation Common Shares (the "Consolidation Ratio"). Subject to the approval of the Exchange, approval of the ordinary resolution by holders of Common Shares would give the Board of Directors authority to implement the Share Consolidation at any time prior to the next annual meeting of shareholders. Notwithstanding approval of the proposed Share Consolidation by the shareholders, the Board of Directors, in its sole discretion, may revoke the resolution and abandon the Share Consolidation without further approval or action by or prior notice to the shareholders.

The background to and reasons for the Share Consolidation, and certain risks associated with the Share Consolidation and related information, are described below.

Background to and reasons for the Share Consolidation

The Board of Directors believes that it is in the best interests of the Company to reduce the number of outstanding Common Shares by way of the Share Consolidation. The potential benefits of the Share Consolidation include:

- *Greater investor interest* – a higher post-consolidation Common Share price could help generate interest in the Company among investors, as a higher anticipated Common Share price may meet investing guidelines for certain institutional investors and investment funds that may be prevented under their investing guidelines from investing in the Common Shares at the current price;

- *Improved trading liquidity* – an increased interest from investors may ultimately improve the trading liquidity of the Common Shares; and

- *Raise additional capital at a higher price per share* – the higher anticipated price of the post-consolidation Common Shares will allow the Company to raise additional capital through the sale of additional Common Shares at a higher price per Common Share than would be possible in the absence of the Share Consolidation.

The Share Consolidation is subject to the approval of the Exchange. As a condition to the approval of a consolidation of shares listed for trading on the Exchange, the Exchange requires, among other things, that an Exchange-listed issuer continue to meet the Exchange's "Continued Listing Requirements" after the share consolidation. In order for the Company to continue to meet the applicable Continued Listing Requirements, the Company must have at least 150 "public shareholders" (as defined under Exchange policies) holding a certain minimum number of Common Shares, each free of "resale restrictions" (as defined under Exchange policies), after completion of the Share Consolidation. As a result, the Board of Directors may determine that it is necessary to implement a lower Consolidation Ratio in order to satisfy the applicable Continued Listing Requirements and obtain approval of the Share Consolidation from the Exchange. The Board of Directors may also determine to implement a lower Consolidation Ratio for other reasons, such as to adjust to a higher stock price for the Company's shares or to reflect an increase in the actual or expected value of the Company's assets.

If the ordinary resolution is approved, the Share Consolidation would be implemented, only upon a determination by the Board of Directors that it is in the best interests of the Company at that time. In connection with any determination to implement the Share Consolidation, the Board of Directors will set the timing for the Share Consolidation to become effective, which the Board currently anticipates will be as soon as practicable following the Meeting. No further action on the part of shareholders would be required in order for the Board to implement the Share Consolidation.

If the Board does not implement the Share Consolidation prior to the next annual meeting of shareholders, the authority granted by the ordinary resolution to implement the Share Consolidation on these terms would lapse and be of no further force or effect. The ordinary resolution also authorizes the Board of Directors to elect not to proceed with, and abandon, the Share Consolidation at any time if it determines, in its sole discretion, to do so.

Certain Risks associated with the Share Consolidation

- *The Company's total market capitalization immediately after the proposed Share Consolidation may be lower than immediately before the proposed Share Consolidation* - There are numerous factors and contingencies that could affect the Common Share price prior to or following the Share Consolidation, including the status of the market for the Common Shares at the time, the status of the Company's reported financial results in future periods, and general economic, geopolitical, stock market and industry conditions. Accordingly, the market price of the Common Shares may not be sustainable at the direct arithmetic result of the Share Consolidation (for example, based on the closing price of the Common Shares on November 7, 2016 of $0.025 per Common Share, the direct arithmetic result of the Share Consolidation would be a post-consolidation market price of $0.25 per Common Share), and may be lower. If the market price of the Common Shares is lower than it was before the Share Consolidation on an arithmetic equivalent basis, the Company's total market capitalization (the aggregate value of all Common Shares at the then market price) after the Share Consolidation may be lower than before the Share Consolidation.

- *A decline in the market price of the Common Shares after the Share Consolidation may result in a greater percentage decline than would occur in the absence of the Share Consolidation, and the liquidity of the Common Shares could be adversely affected following the Share Consolidation* - If the Share Consolidation is implemented and the market price of the Common Shares declines, the percentage decline may be greater than would occur in the absence of the Share Consolidation. The market price of the Common Shares will, however, also be based on the Company's performance and other factors, which are unrelated to the number of Common Shares outstanding. Furthermore, the liquidity of the Common Shares could be adversely affected by the reduced number of Common Shares that would be outstanding after the Share Consolidation.

- *The Share Consolidation may result in some shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis, which may be more difficult to sell, or require greater transaction costs per Common Share to sell* - The Share Consolidation may result in some shareholders owning "odd lots" of less than 100 Common Shares on a post-consolidation basis. "Odd lots" may be more difficult to sell, or require greater transaction costs per Common Share to sell, than Common Shares held in "board lots" of even multiples of 100 Common Shares.

Procedure for Implementing the Share Consolidation, Notice of Consolidation and Letter of Transmittal

If the ordinary resolution is approved by shareholders and the Board of Directors decides to implement the Share Consolidation, the Company will in conjunction with the Exchange determine the effective date for the Share Consolidation, provided that, in any event, such date will be prior to the next annual meeting of shareholders.

On or prior to the effective date of the Share Consolidation, the Company will give written notice thereof to all registered shareholders and will provide them with a form of a letter of transmittal to be used for the purpose of surrendering their certificates representing the currently outstanding Common Shares to the Company's registrar and transfer agent in exchange for new shares representing whole post-consolidation Common Shares. After the Share Consolidation, current issued share certificates representing pre-consolidation Common Shares will: (a) constitute good delivery for the purposes of trades of post-consolidation Common Shares; and (b) be deemed for all purposes to represent the number of post-consolidation Common Shares to which the shareholder is entitled as a result of the Share Consolidation. No delivery of a new shares to a shareholder will be made until the shareholder has surrendered his, her or its current issued share certificates.

Effect on Non-Registered Holders

Non-Registered Holders holding their Common Shares through a bank, broker or other nominee should note such banks, brokers or other nominees may have different procedures for processing the Share Consolidation than those that will be put in place by the Company for registered shareholders. All Non-Registered Holders who hold Common Shares with a bank, broker or other nominee are encouraged to contact their nominees to obtain instructions for processing the Share Consolidation.

No Fractional Shares to be Issued

No fractional Common Shares will be issued in connection with the Share Consolidation and, in the event that a shareholder would otherwise be entitled to receive a fractional Common Share upon the Share Consolidation, such fraction will be rounded down to the nearest whole number of Common Shares.

Effects of the Share Consolidation on the Common Shares

If approved and implemented, the Share Consolidation will occur simultaneously for all of the Common Shares and the Consolidation Ratio will be the same for all of such Common Shares.

Except for any variances attributable to fractional shares, the change in the number of issued and outstanding Common Shares that will result from the Share Consolidation will cause no change in the capital attributable to the Common Shares and will not materially affect any shareholder's percentage ownership in the Company, even though such ownership will be represented by a smaller number of Common Shares.

In addition, the Share Consolidation will not materially affect any shareholder’s proportionate voting rights. Each Common Share outstanding after the Share Consolidation will be entitled to one vote and will be fully paid and non-assessable.

The principal effects of the Share Consolidation will be that the number of Common Shares issued and outstanding will be reduced from 140,463,361 Common Shares as of November 7, 2016 to approximately 14,046,336 Common Shares. The implementation of the Share Consolidation would not affect the total shareholders’ equity of the Company or any components of shareholders’ equity as reflected on the Company’s financial statements except: (i) to change the number of issued and outstanding Common Shares; and (ii) to change the stated capital of the Common Shares to reflect the Share Consolidation.

No Dissent Rights

Under the Act, shareholders do not have dissent and appraisal rights with respect to the proposed Share Consolidation.

Following is the proposed form of resolution to approve the Share Consolidation is as follows:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Subject to the approval of the TSX Venture Exchange (the “Exchange”), the Company is hereby authorized to consolidate all of the issued and outstanding common shares without par value of the Company (the “Shares”) on the basis of one (1) post-consolidation Share for every ten (10) pre-consolidation Shares, or such other consolidation ratio that the Board of Directors of the Company deem necessary in order for the Company to meet its public distribution requirements on a post-consolidation basis pursuant to the policies of the Exchange, provided that such ratio shall be no greater than one (1) post-consolidation Share for every ten (10) pre-consolidation Shares (the “Share Consolidation”).

2. Upon the Share Consolidation, no fractional Share will be issued and the number of Shares to be received by a shareholder of the Company shall be rounded down to the nearest whole Share in the event that such shareholder would otherwise be entitled to receive a fractional Share;

3. Any officer or director of the Company is hereby authorized to execute and deliver all such other documents and to do all acts and things necessary or desirable to give effect to this ordinary resolution, including, without limitation, the determination of the effective date of the Consolidation, the execution of any such document or the doing of any such other act or thing being conclusive evidence of such determination; and

4. Notwithstanding any of the foregoing, the Board of Directors of the Company is hereby authorized, at its sole discretion and without further approval of or notice to the shareholders of the Company, to revoke this ordinary resolution at any time before it is acted upon and for greater certainty, this ordinary resolution shall be revoked if the Exchange does not consent to the proposed Share Consolidation or if the Share Consolidation is not implemented prior to the next annual meeting of shareholders of the Company."

A simple majority of the votes cast at the Meeting in person or by proxy is required in order to pass the above resolution.

VARIATIONS ON MATTERS CONTAINED IN THE NOTICE OF MEETING AND OTHER MATTERS

The management has no present knowledge that any matters will be brought before the Meeting other than those set forth in items one to seven of the notice hereof. If other matters are properly brought before the Meeting and there are variations to the matters set out in the notice of meeting, it is the intention of the persons named in the enclosed proxy to vote the proxy on such matters in accordance with their best judgment and the proxy confers such discretionary authority.

APPROVAL OF CIRCULAR

The contents and the sending of this Information Circular have been approved by the board of directors of the Corporation.

DATED the 11th day of November, 2016.

BY ORDER OF THE
BOARD OF DIRECTORS

"Walter Henry"

Walter Henry
President and Chief Executive Officer

Appendix A

Charter of the Audit Committee
of the Board of Directors

Frontline Gold Corp.

An audit committee (the "Committee") of the board of directors (the "Board") of Frontline Gold Corp. (the "Corporation") has been established by resolution of the Board. It shall be composed of not less than three directors of the Corporation, all of whom are not officers or employees of the Corporation or any of its affiliates. One member of the Committee shall be appointed by the Board to be the Committee's chairman, provided that the chairman shall at all time be an independent director. All members of the Committee shall satisfy the independence and qualification requirement under Multilateral Instrument 52-110 Audit Committees and any requirement of any stock exchange on which the shares of the Corporation are listed and posted for trading.

The Committee's general responsibilities shall be to advise and assist the Board in fulfilling its financial responsibilities for the Corporation by monitoring all of the integrity of the Corporation's financial statements, financial and accounting practices, internal controls, performance of internal and external auditors, independence and qualification of external auditors, business ethics, and compliance with all laws, regulations and policies that may have an impact on the consolidated financial statements of the Corporation. The Committee shall oversee these areas for the Corporation, all of its controlled subsidiaries and affiliates, and to the extent practicable, for subsidiaries and affiliates, if any, that the Corporation does not control, if any. The Committee shall be directly responsible for the appointment, replacement, compensation and oversight of the external auditor and the external auditor shall report directly to the Committee.

Concerning the External Auditor

A. The Committee's specific responsibilities concerning the external auditor shall be to:

1. Recommend to the Board each year both the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, and the compensation to be paid to the external auditor;

2. Review, evaluate and satisfy itself as to the independence, qualifications, and performance of the Corporation's external auditor including:

   (a) reviewing formal written statements submitted periodically by the external auditor delineating all relationships between themselves and the Corporation;

   (b) discussing with the external auditor any disclosed relationships or services that may impact their objectivity and independence;

   (c) reviewing not less than once per year the external auditor's quality control procedures including any material issues raised by internal quality control, peer reviews, inquiries or investigations by governmental or professional authorities, and the steps to be taken to address such issues;

   (d) reviewing and evaluating the lead partner of the external auditor; and

   (e) assuring the regular rotation of the lead audit partner as may be considered either necessary or advisable.

3. Recommend to the Board the results of such evaluation of the external auditor and any action the Committee deems appropriate based on the evaluation, including considering whether, to assure continuing auditor independence, there should be a regular rotation of the audit firm itself;

4. Review and act upon reports by the external auditor including the external audit, the terms of engagement and compensation of the external auditor, and pre-approve all audit and non-audit services to be provided by the external auditor. Any such pre-approval may be delegated by the Committee to any member of the Committee;

5. Oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;

6. Review and approve of the Corporation's hiring policies regarding partners, employees and former partners and employees of the Corporation's present and former external auditors.

Concerning the Corporation's Financial Matters

B. The Committee's specific responsibilities concerning the Corporation's Financial Matters shall be to:

1. Monitor and review from time to time, but not less than once annually, the Corporation's:

   (a) internal financial controls and internal audit functions;

   (b) appointment and/or replacement of the chief financial officer, the senior internal auditor and any key executives involved in the Corporation's financial reporting process;

   (c) policies on risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures;

   (d) compliance with securities laws, regulations and policies concerning the Corporation's financial statements, audits and public disclosure;

   (e) compliance with tax laws, regulations and policies concerning the Corporation;

   (f) expense reimbursements paid to the Chairman of the Board, the Chief executive Officer, the chief Financial Officer and such other directors or senior officers as the committee may deem appropriate; and

   (g) charter for the Committee and perform an annual evaluation of the Committee's performance

all in consultation with the Corporation's senior internal auditor, the external auditor and such other advisors and the Committee may select.

2. Hold regularly scheduled meetings with management, the senior internal auditor, and the external auditor and keep minutes of all such meetings;

3. Review and discuss with management and the external auditor:

   (a) the Corporation's audited financial statements, interim financial statements and "Management Discussion and Analysis" before approval by the Board or public disclosure;

(b) reports from the Corporation's internal auditor and management's response;

(c) the types of information to be disclosed and the types of presentation to be made in connection with the Corporation's earnings press releases and financial information and guidance provided to analysts and rating agencies (if any); and

(d) any proposed related party transactions involving the Corporation before approval by the Board or public disclosure.

4. Discuss with management and the external auditor any significant financial reporting, accounting and audit issues and judgments (including reports or analysis rendered by management or the external auditor in connection with the Corporation's financial statements) pertinent to the preparation of the Corporation's financial statements (including the quality of the Corporation's accounting principles, any audit problems or difficulties, any significant changes in the Corporation's selection or application of accounting principles, any off-balance sheet structures, and special audit steps adopted or taken in light of material control deficiencies, any major disputes between management and the external auditor);

5. Establish procedures for:

(a) reviewing all of the Corporation's public disclosure of audited or unaudited financial information extracted or derived from the Corporation's financial statements;

(b) receipt, retention or treatment of complaints received by the corporation regarding accounting, internal accounting controls or auditing matters, and

(c) confidential, anonymous submission by any of the Corporation's employees of concerns regarding questionable accounting or auditing matters;

and to periodically re-assess those procedures;

Advising the Board

C. The Committee's specific responsibilities concerning advising the Board shall be to:

1. Review and consider:

(a) Major changes and questions of choice respecting appropriate accounting principles and auditing standards to be used in preparing and presenting the Corporation's financial statements; and

(b) Legal, accounting and regulatory matters (including initiatives) that may have a material impact on the Corporation's reporting obligations, financial statements, conflicts of interest and general business ethics;

2. Review reports form the Corporation's internal or external auditors and legal counsel (either that represent or have represented the Corporation) about any credible evidence of material violations of securities laws or material breach of duty by the Corporation, any member of the Board or any officer, employee or agent of the Corporation; and

3. Serve as a channel of communication between the external auditor and the Board and between the senior internal auditor and the board, and report regularly to the Board on the Committee's deliberations and actions taken, and any issues that arise concerning the quality or integrity of the Corporation's financial

statements, compliance with legal or regulatory requirements, performance and independence of the external auditor, or performance of the internal auditor; and

The Committee has the irrevocable authority to obtain advice and assistance from outside legal, accounting or other such advisors and the Committee deems necessary, appropriate or advisable in its sole discretion, without notice to or approval from the Board. The Corporation shall provide adequate funding to the Committee, as determined by the Committee, for payment of compensation to any external auditor, compensation to any advisor, and ordinary administrative expenses that are necessary or appropriate for carrying out its duties.

The Committee shall fix its own time and place of meetings and shall prescribe its own rules and directors of the Corporation who are not members of the Committee shall attend meetings of the Committee only upon the written invitation of the Chair of the Committee.

Confirmation

This Charter of the Audit Committee of the Board of Directors made by resolution of the board of directors of Frontline Gold Corp. as at the 11th day of November, 2016.

Appendix B

STOCK OPTION PLAN
FRONTLINE GOLD CORPORATION

ARTICLE I
PURPOSE OF PLAN

1.1 **Purpose**. The purpose of this incentive stock option plan ("Plan") of Frontline Gold Corporation ("Corporation") is to advance the interests of the Corporation and its Affiliates by encouraging the Directors, Officers, Employees, Consultants and Management Company Employees to acquire Shares thereby increasing their proprietary interest in the Corporation, encouraging them to remain associated with the Corporation, rewarding significant performance achievements and furnishing them with additional incentive in their efforts on behalf of the Corporation and its Affiliates in the conduct of their affairs.

ARTICLE II
DEFINED TERMS

2. **Definitions**. Where used herein, the following terms shall have the following meanings, respectively:

2.1 "Affiliate" means an affiliate entity to the Corporation as determined under the *Securities Act* (Nova Scotia) as amended from time to time.

2.2 "Black-Out Period" means a time when, pursuant to any policies of the Corporation, any securities of the Corporation may not be traded by certain persons as designated by the Corporation, including any holder of an Option.

2.3 "Black-Out Expiration Term" means the period of time that commences with the end of a Black-Out Period and ends ten business days following the end of the Black-Out Period.

2.4 "Board" means the board of directors of the Corporation or, if established and duly authorized to act in respect of the Plan, a committee of the board of directors of the Corporation.

2.5 "Business Day" means any day, other than a Saturday or a Sunday, on which the TSXV is open for trading.

2.6 "Common Shares" means the common shares without par value of the Corporation as currently constituted.

2.7 "Consultant" means an individual or Consultant Company, other than an Employee, a Director or an Officer that:

(i) is engaged to provide on an on-going bona fide basis, consulting, technical, management or other services to the Corporation or an Affiliate, other than services provided in relation to a distribution of securities;

(ii) provides the services under a written contract between the Corporation or the Affiliate and the individual or the Consultant Company;

(iii) in the reasonable opinion of the Corporation, spends or will spend, a significant amount of time and attention on the affairs and business of the Corporation or an Affiliate; and

(iv) has a relationship with the Corporation or an Affiliate that enables the individual to be knowledgeable about the business and affairs of the Corporation.

2.8 "Consultant Company" means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner.

2.9 "Corporation" means FRONTLINE Gold Corporation and includes all Affiliates, and any successor corporation thereto.

2.10 "Director" means a director of the Corporation or its Affiliates.

2.11 "Discounted Market Price" means the Market Price less a discount, which shall not exceed the amount set forth below; provided, however, the Discounted Market Price shall not be less than $0.10:

Market Price	Discount
up to $0.50	25%
$0.51 to $2.00	20%
Above $2.00	15%

2.12 "Disinterested Shareholder Approval" means disinterested shareholder approval as defined in the policies inthe Exchange.

2.13 "Eligible Person" means any Director, Officer, Employee, Consultant or Management Company Employee, orany other person or entity engaged to provide on-going services to the Corporation or any Affiliate, determined by the Board as eligible for participation in the Plan.

2.14 "Employee" means:

(a) an individual who is considered an employee of the Corporation or any of its subsidiaries under the *Income Tax Act* (Canada);

(b) an individual who works full-time for the Corporation or any of its subsidiaries providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source; or

(c) an individual who works for the Corporation or any of its subsidiaries on a continuing and regular basis for the minimum amount of time per week specified by the Board, providing services normally provided by an employee and who is subject to the same control and direction by the Corporation over the details and methods of work as an employee of the Corporation, but for whom income tax deductions are not made at source.

2.15 "Exchange" means the TSXV or, if the Shares are not then listed and posted for trading on the TSXV, on such stock exchange in Canada on which such Shares are listed and posted for trading as may be selected for such purpose by the Board.

2.16 "Fixed Term" means the period of time during which the Options must be exercised, pursuant to the terms of the Plan.

2.17 "Investor Relations Activities" shall have the meaning attributed thereto in Section 1.2 of The TSX Venture Exchange Policy 1.1 – "Interpretation", as amended from time to time.

2.18 "Insider" means:

(a) a director or senior officer of the Corporation;

(b) a director or senior officer of a company that is an Insider or an Affiliate of the Corporation;

(c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the Corporation; or

(d) the Corporation itself if it holds any of its own securities.

2.19 "Management Company Employee" means an individual employed by a person providing management services to the Corporation which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities.

2.20 "Market Price" means, at any date in respect of Shares, the closing price of such Shares on the Exchange on the last Business Day preceding the date on which the Option is approved by the Board. In the event that such Shares did not trade on such Business Day, the Market Price shall be the average of the bid and ask prices in respect of such Shares at the close of trading on such date. In the event that such Shares are not listed and posted for trading on any stock exchange, the Market Price in respect thereof shall be the fair market value of such Shares as determined by the Board, in good faith.

2.21 "Officer" means a senior officer of the Corporation or its Affiliates.

2.22 "Option" means an option to purchase Shares granted under the Plan.

2.23 "Option Price" means the price per share at which Shares may be purchased under the Option, as the same may be adjusted from time to time in accordance with Article VIII hereof.

2.24 "Optionee" means an Eligible Person to whom an Option has been granted under the terms of the Plan.

2.25 "Plan" means this incentive stock option plan.

2.26 "Shares" means the Common Shares, or, in the event of an adjustment contemplated by Article VIII hereof, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment.

2.27 "TSXV" means the TSX Venture Exchange.

ARTICLE III
ADMINISTRATION OF THE PLAN

3.1 **General**. This Plan shall be administered by the Board which shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan, to:

(a) establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of the Plan;

(b) interpret and construe the Plan and determine all questions arising out of the Plan and any Option granted pursuant to the Plan, and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;

(c) determine to which Eligible Persons Options are granted and to grant Options;

(d) determine the number of Shares covered by each Option;

(e) determine the Option Prices;

(f) determine the time or times when Options will be granted and exercisable;

(g) determine if the Shares that are subject to an Option will be subject to any restrictions upon the exercise of such Option; and

(h) prescribe the form of the instruments relating to the grant, exercise and other terms of Options.

The power described in this section shall be exercised in accordance with applicable securities laws and the rules and policies of the Exchange.

3.2 **Stock Option Agreement**. Each Optionee shall execute a stock option agreement, the terms of which shall conform to and be governed by this Plan. In the event of any inconsistency between the terms of any option agreement and this Plan, the terms of this Plan shall govern.

ARTICLE IV
SHARES SUBJECT TO PLAN

4.1 **10% Rolling Plan**. Subject to adjustment as provided in Article VIII, the Shares to be offered under the Plan shall consist of the Corporation's authorized but unissued Shares. The aggregate number of Shares to be delivered upon the exercise of all Options granted under the Plan shall not exceed the greater of ten percent (10%) of the issued and outstanding Shares of the Corporation at the time of granting of options (on a nondiluted basis) or such other number as may be approved by the Exchange and the shareholders of the Corporation from time to time.

4.2 **Options to Insiders**. The aggregate number of Shares to be delivered upon the exercise of all Options granted to Insiders under the Plan shall not exceed ten percent (10%) of the issued and outstanding Shares of the Corporation at the time of granting of options (on a non-diluted basis).

4.3 **Options That Expire or Terminate**. If any Option granted hereunder shall expire or terminate for any reason without having been exercised in full, the unpurchased Shares subject thereto shall again be available for the purpose of the Plan.

ARTICLE V
ELIGIBILITY, GRANT AND TERMS OF OPTIONS

5.1 **Eligible Persons**. Options may only be granted to Eligible Persons.

5.2 **Option Exercise Term**. Options shall be for a Fixed Term and exercisable from time to time as determined in the discretion of the Board at the time of grant, provided that, subject to Section 5.3, no Option shall have a term exceeding ten (10) years (or such shorter or longer period as is permitted by the Exchange).

5.3 **Black-Out Period**. Except where not permitted by the Exchange, where a Fixed Term for an Option expires during a Black-Out Period or during the Black-Out Expiration Term, the term of such Option shall be extended to the end of the applicable Black-Out Expiration Term.

5.4 **Terms of Options**. Subject to this Article, the number of Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option shall be determined by the Board; provided, however, if no specific determination is made by the Board with respect to any of the following matters, each Option shall, subject to any other specific provisions of the Plan, contain the following terms and conditions:

(a) the Fixed Term shall be ten (10) years from the date the Option is granted to the Optionee;

(b) subject to section 5.5, the Option Price shall be the Discounted Market Price; and

(c) the Option shall be exercisable in whole or in part at any time after the date of grant.

5.5 **Restriction on Option Price**. The Option Price shall in no circumstances be lower than the greater of: (i) the Discounted Market Price at the date of the grant of the Option, and (ii) the price permitted by the Exchange.

5.6 **Legend**. Options issued under this Plan and any Shares issued on the exercise of such Options shall bear such restrictive legend as may be required by applicable securities legislation and the Exchange.

5.7 **Restrictions on Option Grants**. The total number of Shares to be optioned to Optionees under this Plan shall be subject to the following restrictions:

(a) no more than five percent (5%) of the issued and outstanding Shares of the Corporation may be granted to any one individual in any twelve (12) month period (unless the Corporation is a Tier 1 Issuer, as defined in the policies of the TSXV, and has obtained Disinterested Shareholder Approval);

(b) no more than two percent (2%) of the issued and outstanding Shares of the Corporation may be granted to any one Consultant in any twelve (12) month period;

(c) no more than an aggregate of ten percent (10%) of the issued and outstanding Shares of the Corporation may be granted to Insiders of the Corporation in any twelve (12) month period; and

(d) no more than an aggregate of two percent (2%) of the issued and outstanding Shares of the Corporation may be granted to persons employed to conduct Investor Relations Activities in any twelve (12) month period, and such options, if issued to a Consultant must vest in stages over a period of no less than twelve (12) months with no more than twenty-five (25%) of the Options vesting in any three (3) month period.

5.8 **<u>Non-Assignable</u>**. An Option is personal to the Optionee and is non-assignable and non-transferable. Where an option is granted to a Corporation wholly owned by an Optionee, the corporate entity must agree, at the time of the grant, not to effect or permit any transfer of ownership of Options or shares of such corporation, nor issue any additional shares to any individual or entity for so long as Options remain outstanding to the credit of that Corporation, except with the prior written consent of the Exchange.

5.9 **<u>Representation by Optionee</u>**. For Options granted to Employees, Consultants or Management Company Employees, the Corporation must give a representation to the Exchange (and the Optionee must give a representation to the Corporation as a condition of any grant of Options) that the Optionee is a bona fide Employee, Consultant or Management Company Employee, as the case may be.

5.10 **<u>Non-Residents of Canada</u>**. No non-resident of Canada may participate in the Plan unless such participation can be accomplished pursuant to or in accordance with and without violating any securities or other legislation of the jurisdiction of residence of such person, and the Corporation may require, as a condition of the grant of Options, that the potential Optionee provide a written acknowledgement that the grant of the Options does not violate any such laws.

ARTICLE VI
CEASING TO BE AN ELIGIBLE PARTICIPANT

6.1 **<u>General</u>**. Subject to Sections 6.2, 6.3 and 6.4 or any express resolution passed by the Board or the terms of any option agreement with the Optionee, if an Optionee ceases to be an Eligible Person for any reason except death, such Optionee may exercise his Options to the extent that the Optionee was entitled to exercise them at the date of such cessation, provided that such exercise must occur within twelve (12) months after the individual ceased to be an Eligible Person.

6.2 **<u>Clarification</u>**. Notwithstanding Section 6.1, if an Optionee who ceased to be an Eligible Person again becomes an Eligible Person before the expiration of the applicable period referred to in Section 6.1, any of the Optionee's unexercised Options shall continue to be exercisable under the same terms and conditions as though the Optionee had never ceased to be an Eligible Person.

6.3 **<u>Death of an Optionee</u>**. Notwithstanding Section 6.1, in the event of the death of an Optionee, his unexercised Options shall be exercisable within twelve (12) months after the death of the Optionee and then only:

(a) by the heirs of the deceased or by legal personal representative(s) of the estate of the deceased Optionee; and

(b) if and to the extent that the Optionee was entitled to exercise such Options at the date of his death.

ARTICLE VII
EXERCISE OF OPTIONS

7.1 **General**. Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the President of the Corporation specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full in cash of the Option Price for the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment.

7.2 **Restrictions on Exercise**. Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to:

(a) completion of such registration or other qualification of such Shares or obtaining approval of such stock exchange or regulatory authority or governmental authority as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(b) the admission of such Shares to listing on the Exchange; and

(c) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection, the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange. If any Shares cannot be issued to any Optionee for any reason including, without limitation, the failure to obtain necessary shareholder, regulatory or Exchange approval, then the obligation of the Corporation to issue such Shares shall terminate and any Option Price paid to the Corporation by the Optionee shall be returned to the Optionee.

ARTICLE VIII
CERTAIN ADJUSTMENTS

8.1 **Offer for Shares**. If a bona fide offer ("Offer") for Shares is made to the Optionee or to shareholders generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror exercising control over the Corporation within the meaning of subsection 1(3) of the *Securities Act* (Ontario) (as amended from time to time), then the Corporation shall, immediately upon receipt of notice of the Offer, notify each Optionee currently holding an Option of the Offer, with full particulars thereof, whereupon, notwithstanding the terms of the Option, such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Shares received upon such exercise (the "Optioned Shares") pursuant to the Offer. If:

(a) the Offer is not completed within the time specified therein; or

(b) the Optionee does not tender the Optioned Shares pursuant to the Offer; or

(c) any of the Optioned Shares tendered by the Optionee pursuant to the Offer are not taken up and paid for by the offeror in respect thereof, then the Optioned Shares or, in the case of paragraph (c) above, the Optioned Shares that are not taken up and paid for, shall be returned by the Optionee to the Corporation and reinstated as authorized but unissued Shares and the terms of the Option applicable prior to the Offer shall again apply to the Option. If any Optioned Shares are returned to the Corporation under this Section, the Corporation shall refund the exercise price to the Optionee for such Optioned Shares. In no event shall the Optionee be entitled to sell the Optioned Shares otherwise than pursuant to the Offer.

8.2 **Amalgamation or Merger**. If the Corporation amalgamates or merges with or into another company, any Shares receivable on the exercise of an Option shall be converted into the securities, property or cash which the Optionee would have received upon such amalgamation or merger if the Optionee had exercised his Option immediately prior to the record date applicable to such amalgamation or merger, and the Option Price shall be adjusted appropriately by the Board and such adjustment shall be binding for all purposes of the Plan.

8.3 **Changes in Shares**. If there is any change in the Shares through the declaration of stock dividends of Shares or consolidations, subdivisions or reclassification of Shares, or otherwise, the number of Shares available under the Plan, the Shares subject to any Option, and the Option Price shall be adjusted appropriately by the Board and such adjustment shall be effective and binding for all purposes of the Plan.

8.4 **No Fractional Shares**. The Corporation shall not be obligated to issue fractional shares in satisfaction of any of its obligations hereunder.

ARTICLE IX
AMENDMENTS TO PLAN

9.1 **Amendment Procedure**. Where permissible, the Corporation retains the right to amend or terminate the terms and conditions of the Plan by resolution of the Board (the "Amendment Procedure"). If required, any amendments shall be subject to the prior consent of any applicable regulatory bodies, including the Exchange. Any amendments to the Plan shall take effect with respect to all outstanding Options on the date of, and all Options granted after, the effective date of such amendment, provided that in the event any amendment materially and adversely affects any outstanding Options, it may apply to such outstanding Options only with the mutual consent of the Corporation and the Optionees to whom such Options have been granted. Without limiting the generality of the foregoing, the Board may, unless prevented by the Exchange, use the Amendment Procedure without seeking shareholder approval when:

(a) altering, extending or accelerating the terms and conditions of vesting of any Options;

(b) extending the term of Options held by a person other than a person who, at the time of the extension, is an Insider of the Corporation, provided that the term does not extend beyond ten (10) years from the date of grant;

(c) accelerating the expiry date of Options;

(d) determining adjustments pursuant to Article IX hereof;

(e) amending the definitions contained within the Plan, including but not limited to the definition of "Eligible Person" under the Plan;

(f) amending or modifying the mechanics of exercise of Options as set forth in Article VII, provided however, payment in full of the Option Price for the Shares shall not be so amended or modified;

(g) effecting amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error, inconsistency or omission in or from the Plan;

(h) effecting amendments necessary to comply with the provisions of applicable laws (including, without limitation, the rules, regulations and policies of the Exchange);

(i) effecting amendments respecting the administration of the Plan;

(j) effecting amendments necessary to suspend or terminate the Plan; and

(k) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law (including, without limitation, the rules, regulations, and policies of the Exchange).

9.2 **Shareholder Approval**. Shareholder approval will be required for the following types of amendments:

(a) amendments that increase the number of Shares issuable under the Plan, except such increase by operation of Section 4.1 and in the event of an adjustment contemplated by Article VIII;

(b) amendments to the Plan that could result at any time in the number of Shares reserved for issuance under the Plan exceeding 10% of the issued Shares; and

(c) amendments required to be approved by shareholders under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

In the event of any conflict between Sections 9.1 and 9.2, the latter shall prevail to the extent of the conflict.

9.3 **Disinterested Shareholder Approval**. Disinterested Shareholder Approval will be required for the following types of amendments:

(a) amendments to the Plan that could result at any time in the number of Shares reserved for issuance under the Plan to Insiders exceeding 10% of the issued Shares;

(b) amendments to the Plan that could result at any time in the granting to Insiders, within a 12 month period, of a number of options exceeding 10% of the issued Shares;

(c) any reduction in the Option Price of an Option if the Optionee is an Insider at the time of the proposed amendment; and

(e) amendments requiring Disinterested Shareholder Approval under applicable law (including, without limitation, pursuant to the rules, regulations and policies of the Exchange).

ARTICLE X
ANNUAL APPROVAL OF INCENTIVE STOCK OPTION PLAN

10.1 **Annual Approval**. The Plan is a 10% rolling plan and must be approved by the shareholders of the Corporation as required by TSXV rules.

ARTICLE XI
GENERAL

11.1.1 **No Rights as Shareholder**. The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Shares covered by such Option until such holder shall have exercised such Option in accordance with the terms of the Plan (including tendering payment in full of the Option Price of the Shares in respect of which the Option is being exercised) and the Corporation shall issue such Shares to the Optionee in accordance with the terms of the Plan in those circumstances.

11.2 **No Rights Conferred**. Nothing contained in this Plan or any Option shall confer upon any Optionee any right with respect to continuance as a Director, Officer, Employee, Consultant or Management Company Employee of the Corporation or any Affiliate.

11.3 **Gender**. Reference herein to any gender includes all genders.

11.4 **No Representation**. The Corporation makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of this Plan.

11.5 **Governing Law**. This Plan shall be governed by and construed in accordance with the laws of Nova Scotia.

11.6 **Severance**. If any provision of this Plan or any agreement entered into pursuant to this Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or Exchange having authority over the Corporation or this Plan than such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

ARTICLE XII
SHAREHOLDER AND REGULATORY APPROVAL

12.1 This Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolutionpassed at a meeting of the shareholders of the Corporation, and to acceptance by the Exchange and any other relevant regulatory authority. Any Options granted prior to such approval and acceptance shall be conditional upon such approval and acceptance being given, and no such Options may be exercised unless and until such approval and acceptance is given.