
CASSIAR GOLD CORP.

**NOTICE OF ANNUAL AND SPECIAL
MEETING OF SHAREHOLDERS**

and

MANAGEMENT INFORMATION CIRCULAR

with respect to

the Annual and Special Meeting of Shareholders

to be held on August 19, 2021

July 15, 2021

CASSIAR GOLD CORP.

**NOTICE OF THE ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS TO BE HELD
THURSDAY, AUGUST 19, 2021**

TO THE SHAREHOLDERS OF CASSIAR GOLD CORP.

Notice is hereby given that the annual and special meeting (the “**Meeting**”) of the holders (the “**Shareholders**”) of common shares (“**Common Shares**”) of Cassiar Gold Corp. (“**Cassiar**” or the “**Company**”) will be held at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 850 – 2nd Street S.W., Calgary, Alberta T2P 0R8 on August 19, 2021 at 9:00 a.m. (Calgary time).

The conference number below has been provided to enable Shareholders to participate in a voice only conference call for the Meeting:

Dial-in toll-free: 855-703-8985 (Canada); 877-853-5247 (United States);
International Dial In Numbers: <https://dentons.zoom.us/j/ab7M29YKyA>
Meeting ID: 931 6690 4318
Participant Code: 263456

The Meeting is to be held for the following purposes, namely:

- (a) to receive and consider the financial statements of the Company for the year ended September 30, 2020 and the auditor's report thereon;
- (b) to fix the number of directors to be elected at the Meeting at six (6);
- (c) to elect directors of the Company for the ensuing year;
- (d) to appoint MNP LLP, Chartered Accountants, as the auditors of the Company for the ensuing year and to authorize the directors to fix the auditors' remuneration as such;
- (e) to ratify the Company's rolling share option plan which allows for the issuance of that number of common shares as is equal to 10% of the Company's issued and outstanding Common Shares at any given time;
- (f) to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, as more particularly described in the accompanying management information circular (“**Circular**”), relating to the approval of the restricted share unit plan of the Company;
- (g) to transact such further and other business as may be properly brought before the Meeting or any adjournment thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying management information circular. **Please read the accompanying Circular carefully.**

The record date for the determination of Shareholders entitled to receive notice of and to vote at the Meeting is July 8, 2021 (the “**Record Date**”). Shareholders of the Company whose names have been entered in the register of Shareholders at the close of business on that date will be entitled to receive notice of and to vote at the Meeting, provided that, to the extent a shareholder transfers the ownership of any of such Shareholder's shares after such date and the transferee of those shares establishes that the transferee owns the shares and requests, not later than 10 days before the Meeting, to be included in the list of shareholders eligible to vote at the Meeting, such transferee will be entitled to vote those shares at the Meeting.

At the date of this Notice and the accompanying Circular, it is the intention of Management of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of

the current COVID-19 pandemic. In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not to attend the meeting in person. A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who do wish to attend the Meeting in person are asked to follow the instructions of the federal Public Health Agency of Canada, and all regional health authorities of the Province of Alberta. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact with has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All Shareholders are encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the management information circular accompanying this Notice. Shareholders are invited to listen to the Meeting via teleconference if they wish (call in details above).

To be effective, the enclosed proxy must be mailed so as to reach or be deposited with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions using the 15 digit control number located at the bottom of your proxy or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America).

The instrument appointing a proxy ("Instrument of Proxy") shall be in writing and shall be executed by the Shareholder or the Shareholder's attorney authorized in writing or, if the Shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the enclosed form of proxy are directors and/or officers of the Company. Each Shareholder has the right to appoint a proxyholder other than such persons, who need not be a Shareholder, to attend and to act for such Shareholder and on such Shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the Shareholder's appointee should be legibly printed in the blank space provided.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a Shareholder should be delivered by facsimile to Computershare Trust Company of Canada at 1-866-249-7775.

DATED at Calgary, Alberta this 15th day of July, 2021.

**BY ORDER OF THE BOARD OF DIRECTORS OF
CASSIAR GOLD CORP.**

(signed) "*Marco Roque*" _____

Marco Roque

President, Chief Executive Officer and a Director

CASSIAR GOLD CORP.

MANAGEMENT INFORMATION CIRCULAR for the Annual and Special Meeting of Shareholders to be Held on Thursday, August 19, 2021

This management information circular is furnished in connection with the solicitation of proxies by the management of Cassiar Gold Corp. (“**Cassiar**” or the “**Company**”) for use at the annual and special meeting (the “**Meeting**”) of the holders of common shares (“**Common Shares**”) of the Company (the “**Shareholders**”), to be held at the offices of Dentons Canada LLP, 15th Floor Bankers Court, 850 – 2nd Street S.W., Calgary, Alberta T2P 0R8 on August 19, 2021 at 9:00 a.m. (Calgary time) for the purposes set forth in the accompanying Notice of Annual and Special Meeting.

At the date of this Notice and the accompanying management information circular, it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of the current COVID-19 pandemic. In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider coting heir shares by proxy and not to attend the meeting in person. The conference number provided below has been provided to enable Shareholders to participate in a voice only conference call for the Meeting:

Dial-in toll-free: 855-703-8985 (Canada); 877-853-5247 (United States);
International Dial In Numbers: <https://dentons.zoom.us/j/ab7M29YKyA>
Meeting ID: 931 6690 4318
Participant Code: 263456

Unless otherwise stated, the information contained in this management information circular is given as at July 15, 2021.

No person has been authorized by the Company to give any information or make any representations in connection with the transactions herein described other than those contained in this management information circular and, if given or made, any such information or representation must not be relied upon as having been authorized by the Company.

GENERAL PROXY INFORMATION

General Meeting Requirements

As at the date hereof, there are 54,346,435 Common Shares issued and outstanding. Each outstanding Common Share is entitled to one vote on any ballot at the Meeting. The board of directors (the “**Board**”) of the Company has fixed the record date for the Meeting at the close of business on July 8, 2021 (the “**Record Date**”). The Company will prepare, as of the Record Date, a list of Shareholders entitled to receive the Notice of Annual and Special Meeting and showing the number of Common Shares held by each such Shareholder. Each Shareholder named in the list is entitled to vote the Common Shares shown opposite such Shareholder's name at the Meeting except to the extent that such holder transfers ownership of the Common Shares after the Record Date, in which case the transferee shall be entitled to vote such Common Shares upon establishing ownership and requesting, by 4:30 p.m. (Calgary time) not later than 10 days before the Meeting, to be included in the list of shareholders entitled to vote at the Meeting.

A quorum for the transaction of business at the Meeting shall be present if two Shareholders holding in the aggregate five (5%) percent of the Common Shares entitled to vote at the Meeting are present in person or represented by proxy.

Appointment of Proxies

Those Shareholders who desire to be represented at the Meeting by proxy must deposit their proxy with Computershare Trust Company of Canada, Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or by facsimile at 1-866-249-7775, so that it is received no later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment or postponement thereof. Registered Shareholders may also use the internet site at www.investorvote.com to transmit their voting instructions using the 15 digit control number located

at the bottom of your proxy or vote by phone at 1-866-732-VOTE (8683) (toll free within North America) or 1-312-588-4290 (outside North America). A proxy must be executed by the shareholder or his or her attorney authorized in writing, or if the shareholder is a Company, under its seal by an officer or attorney thereof duly authorized.

The persons named in the accompanying proxy are directors and officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act on such Shareholder's behalf at the Meeting other than the persons named in the proxy.** To exercise this right, the Shareholder must strike out the name of the persons named in the proxy and insert the name of his or her nominee in the space provided or complete another appropriate form of proxy and, in either case, deposit the proxy with the Company at the place and within the time specified above for deposit of proxies.

Persons Making the Solicitation

The solicitation is made on behalf of the management of the Company. The costs incurred in the preparation and mailing of the Instrument of Proxy, Notice of Annual and Special Meeting and this management information circular will be borne by the Company. In addition to solicitation by mail, proxies may be solicited by personal interviews, telephone or by other means of communication and by directors and officers of the Company, who will not be specifically remunerated therefore. While no arrangements have been made to date by the Company, the Company may contract for the distribution and solicitation of proxies for the Meeting. The costs incurred by the Company in soliciting proxies will be paid by the Company.

Voting by Internet

Shareholders may use the internet site at www.investorvote.com to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the web site and will be prompted to enter their Control Number, which is located on the form of proxy. If Shareholders vote by internet, their vote must be received not later than 48 hours (excluding Saturdays, Sundays and holidays) before the day of the Meeting or any adjournment of the Meeting. **The website may be used to appoint a proxy holder to attend and vote on a Shareholder's behalf at the Meeting and to convey a Shareholder's voting instructions. Please note that if a Shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a Shareholder may resubmit their proxy and/or voting direction, prior to the deadline noted above. When resubmitting a proxy, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted by the deadline noted above.**

Exercise of Discretion by Proxy

The Common Shares represented by the Instrument of Proxy enclosed with this Notice of Annual and Special Meeting and management information circular will be voted in accordance with the instructions of the Shareholder. **In the event that no specification is made, the Common Shares will be voted in favour of the matters set forth in the proxy.** If any amendments or variations are proposed at the Meeting or any adjournment thereof to matters set forth in the proxy and described in the accompanying Notice of Annual and Special Meeting and this management information circular, or if any other matters properly come before the Meeting or any adjournment thereof, the proxy confers upon the Shareholder's nominee discretionary authority to vote on such amendments or variations or such other matters according to the best judgment of the person voting the proxy at the Meeting. At the date of this management information circular, management of the Company knows of no such amendments or variations or other matters to come before the Meeting.

Revocation of Proxies

A Shareholder who has given a proxy has the power to revoke it. If a person who has given a proxy attends personally at the Meeting at which the proxy is to be voted, such person may revoke the proxy and vote in person. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing signed by the shareholder or its attorney authorized in writing, or, if the shareholder is a Company, under its corporate seal and signed by a duly authorized officer or attorney for the Company, and deposited at the registered office of the Company

at any time up to and including the last day (other than Saturdays, Sundays and holidays) preceding the day of the Meeting at which the proxy is to be used, or any adjournment or adjournments thereof, or with the chairman of the Meeting on the day of the Meeting, or on the day of any adjournment thereof, prior to the commencement of the Meeting.

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to many public Shareholders, as a substantial number of the public Shareholders do not hold shares in their own name. Shareholders who do not hold their shares in their own name (referred to in this management information circular as “**Beneficial Shareholders**”) should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Shareholder by a broker, then in almost all cases those shares will not be registered in the Shareholder's name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, brokers/nominees are prohibited from voting Common Shares for their clients. The directors and officers of the Company do not know for whose benefit the Common Shares registered in the name of CDS & Co. are held.

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to registered Shareholders. However, its purpose is limited to instructing the registered Shareholders how to vote on behalf of the Beneficial Shareholder. 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, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy with a Broadridge sticker on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to Broadridge well in advance of the Meeting in order to have the shares voted.

COVID-19 Meeting Protocol

At the date of this Notice and the accompanying management information circular, it is the intention of the Company to hold the Meeting at the location stated above in this Notice. We are continuously monitoring development of the current COVID-19 pandemic. In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their shares by proxy and not to attend the meeting in person. A Shareholder may attend the Meeting in person or may be represented by proxy. Shareholders who do wish to attend the Meeting in person are asked to follow the instructions of the federal Public Health Agency of Canada, and all regional health authorities of the Province of Alberta. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact with has travelled to/from outside of Canada within the 21 days immediately prior to the Meeting. All Shareholders are encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the management information circular accompanying this Notice.

MATTERS TO BE ACTED UPON AT THE MEETING

Presentation of Financial Statements

At the Meeting, Shareholders will receive and consider the financial statements of the Company for the fiscal year ended September 30, 2020 and the auditors' report on such statements.

Fixing the Number of Directors

At the Meeting, Shareholders will be asked to fix the number of directors for the present time at six (6) as may be adjusted between Shareholders' meetings by way of resolution of the Board. Accordingly, unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of fixing the number of directors to be elected at the Meeting at six (6).

Election of Directors

At the Meeting, Shareholders will be asked to elect each of the proposed directors set forth below to hold office until the next annual meeting or until their successors are elected or appointed. There are presently six (6) directors of the Company whose term on the board expires at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies in the accompanying form in favour of the election as directors of each of the nominees hereinafter set forth to hold office until the next annual meeting, or until their successors are elected or appointed:

Marco Roque
 Stephen Letwin
 Wenhong Jin
 Christopher Stewart
 Stephen Robertson
 Michael Wood

The names and places of residence of the persons either nominated for or presently holding office as directors, the number of Common Shares beneficially owned, controlled or directed, directly or indirectly, the period served as director and the principal occupation during the last five years of each are as follows:

<u>Name and Place of Residence</u>	<u>Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly</u>	<u>Director Since</u>	<u>Principal Occupation for Past Five Years</u>
Marco Roque Hong Kong, Hong Kong	620,785	July 1, 2020	Chief Executive Officer of the Company since June 2020. Mr., Roque has also served as a Director at Emerging Markets Capital and Reyna Silver Corp.
Stephen Letwin ⁽²⁾ Alberta, Canada	2,860,507	March 2, 2020	Mr. Letwin is currently President and Chief Executive Officer of Mancal Corporation. Prior to Mancal, Mr. Letwin was President and Chief Executive Officer of IAMGOLD Corporation for over nine years and was also a member of their Board of Directors.
Wenhong Jin ⁽¹⁾ BC, Canada	11,640,000 ⁽³⁾	June 1, 2020	Mr. Jin is currently the CEO and a Director of Wildsky Resources, CEO and Director of Transcontinental Gold Corp. and an independent director at Parallel Mining Corp.

Name and Place of Residence	Number of Common Shares Beneficially Owned or Controlled, Directly or Indirectly	Director Since	Principal Occupation for Past Five Years
Christopher Stewart ⁽¹⁾⁽²⁾ Port Perry, Ontario, Canada	83,000	July 11, 2018	Mr. Stewart is the President and CEO of Minto Explorations Ltd. He was the former President and COO of McEwen Mining Inc. and former President, CEO and a Director of Treasury Metals Inc. and brings more than 28 years of senior management experience in the mining industry. Mr. Stewart was the Vice President of Operations for Kirkland Lake Gold Inc. from 2014 to 2016 and was the President and CEO of Liberty Mines Inc. from 2011 to 2013, and previously, Project Manager-Shafts for BHP Billiton's Jansen Project in Saskatoon. He also was Vice President Operations for Lake Shore Gold Corporation from 2008 to 2009.
Stephen Robertson ⁽²⁾ BC, Canada	15,000	March 23, 2021	Mr. Robertson is the President and CEO of Infinitum Copper. Mr. Robertson was President and CEO of Sun Metals Corp. from November 2017 to March 2021 and was Vice President of Corporate Affairs at Imperial Metals Corp from May 2013 to Oct 2017.
Michael Wood ⁽¹⁾ Hong Kong, Hong Kong	284,514	N/A	Mr. Wood is the co-founder, director and chief financial officer of Reyna Silver Corp. Michael is also a director at Emerging Markets Capital, a Hong Kong based private investment and advisory firm focused on natural resources. Mr. Wood is originally from the UK and holds a BSc. in Economics from Cardiff University as well as an MBA from the Hong Kong University of Science and Technology.

Notes:

- (1) Members of the Audit Committee.
- (2) Members of the Compensation, Corporate Governance and Nominating Committee.
- (3) The 11,640,000 Common Shares are held by Wildsky Resources Inc., of which Mr. Jin is President and Chief Executive Officer.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To our knowledge, none of our directors, director nominees or officers: (i) is, or has been in the last 10 years, a director, chief executive officer or chief financial officer of an issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemptions under securities legislation, for a period of more than 30 consecutive days (an “**order**”), (b) was subject to an order that was issued after the director or officer 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 (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings,

arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; (ii) has, within the last 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromises with creditors, or had a receiver or receiver manager or trustee appointed to hold his assets; or (iii) has been subject to: (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or (b) any other penalties or sanctions imposed by a court or regulatory body. In addition, no proposed director of the Company has, within the 10 years before the date of this information circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver-manager or trustee appointed to hold his assets.

Appointment of Auditors

Unless otherwise directed, it is management's intention to vote the proxies in favour of an ordinary resolution to appoint the firm of MNP LLP, Chartered Accountants, to serve as auditors of the Company until the next annual meeting of shareholders and to authorize the directors to fix their remuneration as such. MNP LLP, Chartered Accountants were first appointed as the Company's auditors on August 31, 2016.

Ratification of Share Option Plan

The Company's share option plan (the “**Share Option Plan**”) was first approved by the Shareholders at the annual meeting of Shareholders held on March 28, 2012 and was last approved by Shareholders on September 23, 2020. Pursuant to the policies of the TSX Venture Exchange (“**TSXV**”), “rolling plans”, such as the Share Option Plan, must receive shareholder approval at each annual meeting.

The Share Option Plan provides, *inter alia*, that the Board may from time to time, in its discretion, grant to directors, officers, employees and consultants of the Company, non-transferable options (“**Options**”) to purchase Common Shares exercisable for a period of up to five years, provided that the number of Common Shares reserved for issuance under the Share Option Plan shall not exceed 10% of the issued and outstanding Common Shares. In addition, the number of Common Shares reserved for issuance to any one person in a twelve-month period shall not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to any one consultant in a twelve-month period will not exceed 2% of the issued and outstanding Common Shares. The Board determines the price per Common Shares and the number of Common Shares that may be allotted to each director, officer, employee and consultant and all other terms and conditions of the Option, subject to the rules of the TSXV. See “*Statement of Executive Compensation – Share Option Plan*” for further details regarding the Share Option Plan.

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve an ordinary resolution in the following form:

“BE IT RESOLVED THAT:

1. The share option plan of the Company substantially in the form attached as Schedule “B” to the Company’s management information circular dated July 15, 2021, which provides for the rolling grant of options to acquire up to 10% of the number of issued and outstanding common shares of the Company, be and the same is hereby confirmed, ratified and approved; and
2. Any one director or officer of the Company be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

In order to be passed, the foregoing resolution must be approved by the affirmative vote of a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the Share Option Plan.**

The Board unanimously recommends that Shareholders ratify, confirm and approve the Share Option Plan by voting in favour of the resolution to be submitted to the Meeting.

Approval of Restricted Share Unit Plan

On July 15, 2021, the Board passed a resolution adopting a restricted share unit plan (the “**RSU Plan**”) attached hereto as Schedule “C”. The implementation of the RSU Plan has been adopted to provide a vehicle by which equity-based incentives may be awarded to the employees, consultants, directors and officers of the Company, to recognize and reward their significant contributions to the long-term success of the Company and to align their interests more closely with the shareholders of the Company. Pursuant to the RSU Plan, the Board (or a committee thereof) may grant restricted share unit awards (“**RSUs**”) as an incentive payment to eligible persons. The Board intends to use the RSUs as part of the Company’s overall executive compensation plan.

The maximum number of equity-linked compensation units (including Options and RSUs) that may be reserved for issuance shall not exceed 10% of the outstanding Common Shares of the Company.

RSUs will vest based on a schedule determined by the Board, which may be based on continued employment, services provided, or such other terms and conditions determined by the Board. Unless otherwise determined by the Board, RSUs will vest 1/3 on the first, second, and third anniversaries of the date of grant of such RSUs. Subject to the discretion of the Board, the Company may satisfy its payment obligations for any vested RSUs through the issuance of Common Shares, or the equivalent amount of cash based on the last closing price of the Common Shares on the TSXV prior to the vesting date.

The expiry date of each RSU shall be determined by the Board at the time of grant. On the participant’s termination date, any RSUs that haven’t vested shall terminate and become null and void as of such date, with the exception of termination by reason of death, disability, retirement or termination without cause. If termination occurs as a result of death, disability, retirement or termination without cause, a pro rata number of any unvested RSUs, based on the portion of the applicable vesting period that has been completed as of the termination date, will vest on such date.

The RSU Plan remains subject to TSXV policies and the requisite shareholder approval. At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve an ordinary resolution in the following form:

“BE IT RESOLVED THAT:

1. The restricted share unit plan of the Company substantially in the form attached as Schedule “C” to the Company’s management information circular dated July 15, 2021, which provides for the rolling grant of restricted share units to acquire up to 10% of the number of issued and outstanding common shares of the Company, be and the same is hereby confirmed, ratified and approved, and the Company is hereby authorized, without further approval of the Shareholders, to make any further amendments to the restricted share unit plan as may be required by the TSX Venture Exchange; and
2. Any one director or officer of the Company be and is hereby authorized and directed to do all things and to execute and deliver all documents and instruments as may be necessary or desirable to carry out the terms of this resolution.”

In order to be passed, the foregoing resolution must be approved by the affirmative vote of a simple majority of the votes cast by Shareholders who vote in person or by proxy at the Meeting. **The persons named in the accompanying Instrument of Proxy intend, unless otherwise directed, to vote in favour of the resolution approving the RSU Plan.**

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares (“**Preferred Shares**”), all without nominal or par value. As at the date hereof, there are

54,346,435 Common Shares outstanding, each such Common Share carrying the right to one vote at the Meeting. The Company currently has no Preferred Shares issued and outstanding.

To the best of the Company's knowledge and based on existing information, as at the date hereof, the only person who owns, controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares is Wildsky Resources Inc., a TSXV listed public company, which holds 11,640,000 Common Shares, or 21.42% of the issued and outstanding Common Shares.

STATEMENT OF EXECUTIVE COMPENSATION

Role and Composition of the Board

The Company's executive compensation program is administered by the Board. The Board's mandate with respect to compensation includes evaluating senior management and developing appropriate compensation policies for the senior management and directors of the Company, including the Named Executive Officers (as defined below) which are identified in the "Summary Compensation Table" below. The duties and responsibilities of the Board with respect to compensation are further described in this management information circular under the heading "Corporate Governance Disclosure - Compensation". As at the date hereof, the Board is comprised of Messrs. Roque, Letwin, Jin, Robertson, Stewart and Wood. Messrs. Letwin, Jin, Robertson, Stewart and Wood are "independent" for the purposes of National Instrument 58-201 – *Corporate Governance Guidelines* ("NI 58-201"). Mr. Roque is not "independent" for the purposes of NI 58-201 as he holds the offices of Chief Executive Officer and President of the Company.

Compensation Discussion and Analysis

Executive Compensation Principles

Our compensation program is based on the principle that compensation should be aligned with the objectives and vision of the Company and the Shareholders' interests. Senior management recognizes that the Company's corporate performance is dependent upon retaining highly trained, experienced and committed directors, executive officers, employees and consultants who have the necessary skill sets, education, experience and personal qualities required to manage our business. Our program also recognizes that the various components thereof must be sufficiently flexible to adapt to unexpected developments in the mining industry and the impact of internal and market-related occurrences from time to time.

Our executive compensation program is comprised of the following principal components: (a) base salary; (b) short-term incentive compensation comprised of discretionary cash and/or share bonuses; and (c) long-term incentive compensation comprised of share options. See "Incentive Plans". Together, these components support our long-term growth strategy and are designed to address the following key objectives of our compensation program:

- align executive compensation with the objectives and vision of the Company and Shareholders' interests;
- attract and retain highly qualified management with an appropriate level of incentives;
- focus performance by linking incentive compensation to the achievement of business objectives and financial and operational results; and
- encourage retention of key executives for leadership succession.

The aggregate value of these principal components and related benefits is used as a basis for assessing the overall competitiveness of the Company's executive compensation package. When determining executive compensation, including the assessment of the competitiveness of the Company's compensation program, the Board reviews the compensation practices of companies in its selected peer group. These companies compete with Cassiar for executive talent, operate in a similar business environment and are of similar size, scope and complexity.

The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, is examined by the Board in conjunction with setting executive compensation packages. The Board does not

set specific performance objectives in assessing the performance of the President and other executive officers; rather the Board uses its experience and judgment in determining an overall compensation. The Company's compensation program is primarily designed to reward performance and, accordingly, the performance of both the Company, as well as the individual performance of executive officers during the year in question, is examined by the Board in conjunction with setting executive compensation packages. Some of the factors looked at by the Board in assessing the performance of the Company and its executive officers are as follows: (a) project development milestones; (b) capital costs on a share price basis; and (c) the Company's performance for all of the above relative to its goals and objectives and in relation to the performance of its industry peer group.

Elements of our Executive Compensation Program

Base Salaries

The base salary component is intended to provide a fixed level of competitive pay that reflects each executive officer's primary duties and responsibilities. The annualized amount of such billings is comparable with the compensation of executive officers of other members of our peer group. It also provides a foundation upon which performance-based incentive compensation elements are assessed and established.

Short-Term Incentive Compensation – Cash Bonuses

In addition to base salaries, the Company has discretionary bonus policy pursuant to which the Board may award annual cash bonuses to executive officers. It is the Board's philosophy that an individual bonus should be tied primarily to that individual's contribution to corporate performance. The amount of an annual bonus paid, if any, is not set in relation to any formula or specific criteria but is the result of a subjective determination by the Board based primarily on the Company's and the individual's performance.

No discretionary bonuses were paid to the executive officers of the Company during the year ended September 30, 2020.

Long Term Incentive Compensation – Share Options

Executive officers, along with all officers, directors, employees and consultants retained by the Company, are eligible to participate in the Share Option Plan and, subject to TSXV and Shareholder approval, the RSU Plan. The Share Option Plan and RSU Plan (the “**Compensation Plans**”) and the Common Shares reserved thereunder, comply with the policies of the TSXV. The Compensation Plans promote an ownership perspective among executives, encourages the retention of key executives and provides an incentive to enhance shareholder value by furthering the Company's growth and profitability. As with most companies in the Company's peer group, share options and RSUs form an integral component of the total compensation package provided to the Company's executive officers. Participation in the Compensation Plans rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Compensation Plans enable executives to develop and maintain a significant ownership position in the Company.

Options and RSUs are or will be selectively awarded by the Board upon the commencement of an individual's employment with the Company based on the level of responsibility within the Company. Additional grants may be made periodically to ensure that the number of Options and RSUs granted to any particular individual is commensurate with the individual's level of ongoing responsibility within the Company. In considering additional grants, the Board evaluates the number of Options and RSUs an individual has been granted, the exercise price and value of the Options and/or RSUs and the term remaining on those Options or RSUs. See “*Incentive Plans – Share Option Plan*” for a description of the detailed terms of our Compensation Plan.

Summary

Cassiar's compensation policies have allowed the Company to attract and retain a team of motivated professionals and support staff working towards the common goal of enhancing Shareholder value. The Board will continue to review

compensation policies to ensure that they are competitive within the mining industry and consistent with the performance of the Company.

Summary Compensation Table

The following table sets forth for 12-month periods ended September 30, 2020, 2019 and 2018, information concerning the compensation paid to the Company's President, Chief Executive Officer and Chief Financial Officer (each a “**Named Executive Officer**” or “**NEO**” and collectively, the “**Named Executive Officers**” or “**NEOs**”).

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Marco Roque ⁽²⁾ President and Chief Executive Officer	2020	54,000	-	63,321	-	-	-	-	117,321
	2019	-	-	-	-	-	-	-	-
	2018	-	-	-	-	-	-	-	-
Tyler Rice ⁽³⁾ Former President and Chief Executive Officer	2020	297,500	-	25,328	-	-	-	-	322,828
	2019	242,500	-	56,000	-	-	-	-	298,500
	2018	250,000	-	14,250	-	-	-	-	264,250
Don Nguyen ⁽⁴⁾ Chief Financial Officer	2020	157,500	-	18,996	-	-	-	-	176,496
	2019	82,500	-	10,000	-	-	-	-	92,500
	2018	89,500	-	4,750	-	-	-	-	94,250

Notes:

- (1) Reflects the value of options issued under the Share Option Plan based on the grant date fair value of the applicable awards. The fair value of option grants have been determined using the same methodology and values used in determining the share option value for our financial statements as the Company believes it represents the best estimate of fair value of the options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions for the year ended September 30, 2020: risk-free interest rate of 0.40%; expected forfeiture rate of 12%; dividend yield of 0%; volatility factor of the market price of the Common Shares of 169%; and an average expected life of the options of 5 years. September 30, 2019: risk-free interest rate of 1.34%; expected forfeiture rate of 0%; dividend yield of 0%; volatility factor of the market price of the Common Shares of 167%; and an average expected life of the options of 5 years. September 30, 2018: risk-free interest rate of 2.14%; expected forfeiture rate of 0%; dividend yield of 0%; volatility factor of the market price of the Common Shares of 147%; and an average expected life of the options of 5 years.
- (2) Marco Roque was appointed as the Chief Executive Officer of the Company on July 1, 2020. Subsequent to the year ended September 30, 2020, Mr. Roque was also appointed as President of the Company.
- (3) Subsequent to the end of the 12-month period ended September 30, 2020, Mr. Rice resigned as President of the Company.
- (4) Mr. Nguyen was appointed as the Chief Financial Officer of the Company on February 1, 2018.

Share Option Plan

The Share Option Plan conforms with the policies of the TSXV and is reflective of the Company's status as a junior issuer. The Share Option Plan permits the granting of non-transferable Options to purchase Common Shares to directors, officers, key employees and consultants (“**Optionees**”) of the Company. The Share Option Plan is intended to afford persons who provide services to the Company an opportunity to obtain an increased proprietary interest in the Company by permitting them to purchase Common Shares and to aid in attracting as well as retaining and encouraging the continued involvement of such persons with the Company. The Share Option Plan is administered by the Board.

The Share Option Plan currently limits the number of Common Shares that may be issued on exercise of Options to a number not exceeding 10% of the number of Common Shares which are outstanding from time to time. Options that are cancelled, terminated or expired prior to exercise of all or a portion thereof shall result in the Common Shares that

were reserved for issuance thereunder being available for a subsequent grant of Options pursuant to the Share Option Plan. As the Share Option Plan is a “rolling” plan, the issuance of additional Common Shares by the Company or the exercise of Options will also give rise to additional availability under the Share Option Plan.

The number of Common Shares issuable pursuant to Options granted under the Share Option Plan or any other security-based compensation arrangements of the Company: (i) to any one Optionee in a 12 month period may not exceed 5% of the outstanding Common Shares; (ii) issuable to insiders at any time shall not exceed 10% of the issued and outstanding Common Shares; (iii) issued to insiders within any one-year period may not exceed 10% of the outstanding Common Shares; and (iv) to any one insider and the associates of such insider may not exceed 5% of the issued and outstanding Common Shares.

Options issued under the Share Option Plan may be exercisable for a period not exceeding five years and vest as determined by the Board on the date of grant.

Options issued pursuant to the Share Option Plan have an exercise price that cannot not be less than the current market price of the Common Shares, which means the most recent closing price per share for Common Shares on the last trading day preceding the date of grant on which there was a closing price on the TSXV (or if the Common Shares are not listed on the TSXV, on such stock exchange as the Common Shares are then traded).

In the event an Optionee ceases to be a director, officer or key employee of the Company, any Option previously granted to such Optionee shall be exercisable until the earlier of: (i) the end of the Option period as set forth in the grant; or (ii) the expiration of 90 days from the date of the normal retirement of such participant, or one year from the date of the death or permanent disability of such participant, and then, in the event of death or permanent disability, only by the person or persons to whom the participant's rights under the Option pass by the participant's will or applicable law, and only to the extent that the Optionee was entitled to exercise the Option as at the date of the holder's death or permanent disability.

Without the prior approval of the Shareholders, the Board may not: (i) make any amendment to the Share Option Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time; (ii) reduce the exercise price of any outstanding Options; (iii) extend the term of any outstanding Options beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be issued to Insiders (as such term is defined in the Share Option Plan); (v) make any amendment to increase the maximum number of Common Shares issuable on exercise of Options to directors who are not officers or employees of the Company; (vi) make any amendment to the Share Option Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; or (vii) amend the restrictions on amendments that are provided in the Share Option Plan. Subject to restrictions set out above, the Board may amend or discontinue the Share Option Plan and Options granted thereunder at any time, without Shareholder approval, provided that any amendment to the Share Option Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Share Option Plan or Options granted pursuant to the Share Option Plan may be made without the consent of the Optionee if it adversely alters or impairs any Option previously granted to such Optionee.

On August 12, 2015, the Board approved certain administrative amendments to the Share Option Plan at the request of the TSXV, which included the removal of the ability of an Optionee to make a Surrender Offer to the Company for the disposition and surrender of such holder's Option. The current rules and policies of the TSXV do not allow for the Company to provide for a Surrender Offer in the Share Option Plan.

The policies of the TSXV require that the Share Option Plan receive Shareholder approval at each annual meeting. The Share Option Plan was first approved at the Company's 2012 annual meeting of Shareholders. A copy of the Share Option Plan is attached hereto as Schedule “B”.

In addition to the Share Option Plan, the Company has adopted, subject to TSXV and Shareholder approval, the RSU Plan. For further information see “*Matters to be Acted Upon at the Meeting – Approval of Restricted Share Unit Plan*”. A copy of the RSU Plan is attached hereto as Schedule “C”.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-based Awards

The following table sets forth for each Named Executive Officer all option-based awards outstanding at the end of the year ended September 30, 2020.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)
Marco Roque	100,000	\$0.75	August 28, 2025	-
Tyler Rice	20,000	\$1.50	August 17, 2022	-
	15,000	\$1.25	June 12, 2023	-
	140,000	\$0.50	June 24, 2024	30,800
	40,000	\$0.75	August 28, 2025	-
Don Nguyen	12,000	\$1.50	August 17, 2022	-
	5,000	\$1.25	June 12, 2023	-
	25,000	\$0.50	June 24, 2024	5,500
	30,000	\$0.75	August 28, 2025	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options on September 30, 2020, being \$0.72, and the exercise price of the vested Options.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each Named Executive Officer, the value of option-based awards which vested during the year ended September 30, 2020 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2020. The Company did not have any share-based awards outstanding at the end of the most recently completed financial year.

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 (\$)
Marco Roque	-	-	-
Tyler Rice	-	-	-
Don Nguyen	-	-	-

Pension Plan Benefits

The Company does not have a pension plan or similar benefit program.

Termination and Change of Control Benefits

Other than as set forth below, no written employment contract exists between the Company and any Named Executive Officer. Further, there is no 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, a change in control of the Company or a change in a Named Executive Officer's responsibilities.

For the year ended September 30, 2020, the Company had in place a consultant agreement with Tyler Rice, the President and Chief Executive Officer of the Company (the “**Rice Consultant Agreement**”). The Rice Consultant Agreement provides that Mr. Rice may be terminated by the Company at any time and for any reason by providing sixty (60) days written notice or with pay in lieu of such notice equal to that portion of the consultant fees otherwise payable during the sixty day (60) notice period and by paying Mr. Rice his pro-rata consultant fees earned but not yet paid for services rendered up to and including the termination date. The Rice Consultant Agreement may also be terminated at any point without notice or payment for just cause. Subsequent to the year ended September 30, 2020, Mr. Rice resigned from his position at the Company and the Rice Consultant Agreement was terminated.

For the year ended September 30, 2020, the Company had in place a consultant agreement with Don Nguyen, the Chief Financial Officer of the Company (the “**Nguyen Consultant Agreement**”). The Nguyen Consultant Agreement provides that Mr. Nguyen may be terminated by the Company at any time and for any reason by providing ninety (90) days written notice or with pay in lieu of such notice equal to that portion of the consultant fees otherwise payable during the ninety day (90) notice period and by paying Mr. Nguyen his pro-rata consultant fees earned but not yet paid for services rendered up to and including the termination date. The Nguyen Consultant Agreement may also be terminated at any point without notice or payment for just cause.

On July 1, 2020, the Company entered into a consulting agreement with Mr. Roque providing for his services as CEO of the Company the “**Roque Consultant Agreement**”). The Roque Consultant Agreement expires on June 30, 2022. The Roque Consultant Agreement provides that Mr. Roque may be terminated by the Company at any time and for any reason by providing two (2) weeks written notice. In the event Mr. Roque is terminated by the company, the Company shall be obligated to pay, on the Termination Date, an amount equal to the one year average monthly compensation paid at that date or the time remaining on the contract, whichever is less. The Roque Consultant Agreement may also be terminated at any point without notice or payment for just cause.

Director Compensation

Each of the non-management directors participate in the Share Option Plan and are eligible for periodic grant of Options as determined by the Board’s discretion. The Company does not pay cash fees to its non-management directors.

Directors’ Summary Compensation Table

The following table sets forth for the year ended September 30, 2020, information concerning the compensation paid to our directors other than directors who are also Named Executive Officers:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Stephen Letwin	-	-	88,649	-	-	-	88,649
James A. Letwin ⁽¹⁾	-	-	126,642	-	-	-	126,642
Wenhong Jin	-	-	82,317	-	-	-	82,317
Christopher Stewart	-	-	75,985	-	-	-	75,985
Michael Wood	-	-	63,321	-	-	-	63,321

Note:

- (1) Subsequent to the year ended September 30, 2020, Mr. James Letwin resigned from the Company’s board of directors, effective on March 23, 2021, 2021.
- (2) Reflects the aggregate value of Options issued under the Share Option Plan during the fiscal year based on the combined grant date fair value of the awards. The fair value of Option grants has been determined using the same methodology and values used in determining

the share option value for our financial statements, as the Company believes it represents the best estimate of fair value of the Options at the time of the grant. Value was attributed using the Black-Scholes option pricing model using the following assumptions:

for grants issued on August 28, 2020: risk-free interest rate of 0.40%, expected forfeiture rate of 12%, dividend yield of 0%, volatility factor of the market price of the Common Shares of 169%, and an average expected life of the options of 5 years.

Directors' Outstanding Option-Based Awards and Share-Based Awards

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, all option-based awards outstanding at the end of the year ended September 30, 2020. The Company does not have any outstanding share-based awards.

	Option-based Awards				Share-based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Stephen Letwin	10,000	1.25	November 28, 2021	-	-	-
	20,000	1.50	August 17, 2022	-	-	-
	69,000	1.25	June 12, 2023	-	-	-
	100,000	0.50	June 24, 2024	-	-	-
	140,000	0.75	August 28, 2025	-	-	-
James A. Letwin ⁽¹⁾	45,000	1.25	November 28, 2021	-	-	-
	70,000	1.50	August 17, 2022	-	-	-
	44,000	1.25	June 12, 2023	-	-	-
	100,000	0.50	June 24, 2024	-	-	-
	200,000	0.75	August 28, 2025	-	-	-
Wenhong Jin ⁽¹⁾	120,000	0.75	August 28, 2025	-	-	-
Christopher Stewart	15,000	1.50	August 17, 2022	-	-	-
	35,000	1.25	June 12, 2023	-	-	-
	70,000	0.50	June 24, 2024	-	-	-
	130,000	0.75	August 28, 2025	-	-	-
Michael Wood	100,000	0.75	August 28, 2025	-	-	-

Note:

- (1) Subsequent to the year ended September 30, 2020, Mr. James Letwin resigned from the Company's board of directors, effective on March 23, 2021.

Directors' Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth for each of our directors other than directors who are also Named Executive Officers, the value of option-based awards which vested during the year ended September 30, 2020 and the value of non-equity incentive plan compensation earned during the year ended September 30, 2020. The Company does not have any share-based awards outstanding.

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 (\$)
Stephen Letwin ^(1, 2, 3)	-	-	-
James A. Letwin ^(1, 2, 3)	-	-	-
Wenhong Jin ⁽³⁾	-	-	-
Christopher Stewart ^(1,2, 3)	-	-	-
Michael Wood ⁽³⁾	-	-	-

Notes:

- (1) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date (June 12, 2020), being \$0.35, and the exercise price of the vested Options being \$1.25.
- (2) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date (June 24, 2020), being \$0.35, and the exercise price of the vested Options being \$0.50.
- (3) Calculated based on the difference between the market price of the Common Shares underlying the Options on the vesting date (August 28, 2020), being \$0.68, and the exercise price of the vested Options being \$0.75.

Securities Authorized for Issuance Under Equity Compensation Plans

The following sets forth information in respect of securities authorized for issuance under our equity compensation plans as at September 30, 2020.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders (1)	2,402,001	0.82	1,613,351
Equity compensation plans not approved by security holders	-	-	-
Total	2,402,001	0.82	1,613,351

Note:

- (1) The Share Option Plan authorizes the issuance of Options entitling the holders to acquire, in the aggregate, up to 10% of its Common Shares from time to time. In accordance with the policies of the TSXV, Shareholders will be asked to approve the Share Option Plan at the Meeting. See “*Incentive Plans – Share Option Plan*”.

CORPORATE GOVERNANCE DISCLOSURE

Set forth below is a description of the Company's current corporate governance practices, as prescribed by Form 58-101F2, which is attached to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”). The requirements of Form 58-101F2 are set out below in italics:

The Board

Disclose the identity of directors who are independent.

Messrs. S. Letwin, Jin, Stewart, and Wood are independent directors. Subject to his election at the Meeting, Mr. Robertson will be an independent director.

Disclose the identity of directors who are not independent, and describe the basis for that determination.

Marco Roque is not an independent director as he is also the President and Chief Executive Officer of the Company.

Directorships

If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.

Stephen Letwin is a director of Hess Midstream Operations LP, a New York Stock Exchange listed company and One Energy Inc., a TSXV listed company.

Wenhong Jin is a director of Wildsky Resources Inc. a TSXV listed company, Transcontinental Gold Corp., a Capital Pool Company (as defined in the policies of the TSXV), and an independent director of Parallel Mining Corp., a TSXV listed company.

Michael Wood is a director of Reyna Silver Corp., a TSXV listed company.

Orientation and Continuing Education

Describe what steps the Board takes to orient new Board members, and describe any measures the Board takes to provide continuing education for directors.

While the Company does not currently have a formal orientation and education program for new recruits to the Board, the Company has historically provided such orientation and education on an informal basis. As new directors join the Board, management will provide these individuals with corporate policies, historical information about the Company, as well as information on the Company's performance and its strategic plan with an outline of the general duties and responsibilities entailed in carrying out their duties. The Board believes that these procedures will prove to be a practical and effective approach in light of the Company's particular circumstances, including the size of the Company, limited changes to members of the Board and the experience and expertise of the members of the Board.

Ethical Business Conduct

Describe what steps the Board takes to encourage and promote a culture of ethical business conduct.

The Board has adopted a written code of business conduct and ethics (the “**Code**”) effective June 27, 2011. The Code has been posted on the Company's profile on the SEDAR website at www.sedar.com. All staff, consultants and directors are made personally accountable for learning, endorsing and promoting the Code and applying it to their conduct and field of work. All staff, consultants and directors are asked to review the Code on a regular basis through written or electronic declaration that they understand their individual responsibilities and will conform to the requirements of the Code. Any breach of the Code can be reported directly to the President, Chief Executive Officer or Chief Financial Officer of the Company or chair of the applicable committee. Breaches may be reported in accordance with the formal whistleblower policy (the “**Whistleblower Policy**”). The Audit Committee is charged with monitoring compliance with the Whistleblower Policy, and will review the Whistleblower Policy periodically, recommending any changes to the Board.

The Board also relies upon the selection of persons as directors, officers, employees and consultants who they consider to meet the highest ethical standards. The Code provides guidance to the Board regarding conflicts of interest and the

members of the Board understand that they must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

Describe what steps, if any, are taken to identify new candidates for Board nomination, including: (i) who identifies new candidates; and (ii) the process of identifying new candidates.

Pursuant to their mandate, the Board has the responsibility of recruiting and recommending new members to the Board. At present, the Board has not identified the need to add any new directors. However, it is expected that any new candidates will be identified having regard to: (i) the competence and skills that the Board considers to be necessary for the Board, as a whole, to possess; (ii) the competence and skills that the Board considers each existing director to possess; (iii) the competencies and skills that each new nominee will bring to the boardroom; and (iv) whether or not each new nominee can devote sufficient time and resources to his or her duties as a member of the Board. The Board reviews on a periodic basis the composition of the Board to ensure that an appropriate number of independent directors sit on the Board, and analyze the needs of the Board and recommend nominees who meet such needs.

Compensation

Disclose what steps, if any, are taken to determine compensation for the directors and CEO, including: (i) who determines compensation; and (ii) the process of determining compensation.

The Board is responsible for: (i) evaluating senior management; and (ii) developing appropriate compensation policies for the senior management and directors of the Company, including the Share Option Plan. The initial grant of Options is made at the time of recruitment and reviewed annually. Other than the granting of Options and the compensation paid to Messrs., Roque, Rice and Nguyen as outlined in the Summary Compensation Table, no salary or bonuses were paid to any directors or Named Executive Officers of the Company during the fiscal year ended September 30, 2020.

Other Board Committees

If the Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

The Company has no other committees other than the Audit Committee and the Compensation, Corporate Governance and Nominating Committee.

In addition to responsibilities of determining appropriate compensation for the Company's management, the purpose of the Compensation, Corporate Governance and Nominating Committee is to assist the Board in establishing the Company's corporate governance policies and practices, identifying individuals qualified to become members of the Board and reviewing the composition of the Board and its committees.

Assessments

Disclose what steps, if any, the Board takes to satisfy itself that the Board, its committees, and its individual directors are performing effectively.

The Board makes annual assessments regarding the effectiveness of the Board itself, committees and individual directors in fulfilling their responsibilities.

AUDIT DISCLOSURE

The Audit Committee of the Board is a committee established for the purpose of overseeing the accounting and financial reporting process of the company and annual external audits of the financial statements. The Audit Committee has set out its responsibilities and composition requirements in fulfilling its oversight in relation to the company's internal accounting standards and practices, financial information, accounting systems and procedures, which procedures are set out below in the Company's Audit Committee Charter attached as Schedule "A".

Audit Committee Members

Messrs. Wood, Stewart and Jin are the current members of the Audit Committee. Each of the members of the Audit Committee are considered independent.

Each member of the Audit Committee is financially literate, and their qualifications and experience are as follows:

Name and Municipality of Residence	Independent	Financially literate	Relevant Education and Experience
Michael Wood Hong Kong, Hong Kong	Yes	Yes	Mr. Wood holds a BSc. In Economics from Cardiff University and a finance-focused MBA from Hong Kong University of Science and Technology. He is also Chief Financial Officer and Director at Reyna Silver Corp.
Christopher Stewart Brantford, Ontario	Yes	Yes	Mr. Stewart brings over 28years of diversified experience in the mining industry, 15 years working with mining contractors and 13 years working with mining companies. Most recently, Mr. Stewart was President and COO of McEwen Mining Inc. He was also the Vice President of Operations for Kirkland Lake Gold, where he was responsible for the mining and milling operations within the company. Before joining Kirkland Lake Gold, he served as President and CEO of Liberty Mines Inc., as well as various positions at BHP Billiton, DMC Mining Services and Lake Shore Gold Corporation. Mr. Stewart is a Professional Engineer and holds a Bachelor of Science in Mining Engineering from Queen's University.
Wenhong Jin Richmond, British Columbia	Yes	Yes	Mr. Jin has extensive background in project management and corporate development. Mr. Jin has held the offices of President and CEO of Huakan International Mining Inc. since April 2014. From November 2010 to April 2014, Mr. Jin held the positions of Chief Geologist and Vice-President of Huakan International. Huakan International is a mining company incorporated in Canada focused on developing gold, silver, and non-ferrous mineral projects through the acquisition, exploration, and development of precious and base metal deposits. Mr. Jin holds a Bachelor degree from Guilin University of Technology, China.

External Auditor Fees

The Audit Committee shall review and pre-approve all non-audit services to be provided to the Company by its external auditors.

Audit Service Fees

The following table discloses fees billed to the Company for the last two fiscal years by the Company's current independent auditors, MNP LLP. The Company's current independent auditors were appointed by the Board effective August 31, 2016.

	Year ended September 30, 2020 (\$)	Year ended September 30, 2019(\$)
Audit fees ⁽¹⁾	29,000	29,000
Audit-related fees ⁽²⁾	-	-
Tax fees ⁽³⁾	2,000	2,000
All other fees ⁽⁴⁾	3,220	2,170
TOTAL	34,220	35,340

Notes:

- (1) "Audit fees" include fees necessary to perform the annual audit and a quarterly review of the Company's financial statements.
- (2) "Audit-related fees" include assurance and related services related to the performance of the audit or review of the Company's financial statements. These audit-related services engagements for financing activities and assistance with proposed transactions.
- (3) "Tax fees" include fees from all tax services other than those included in "audit fees" and "audit-related fees", and includes fees for tax compliance, tax planning and tax advice.
- (4) "All other fees" include all other non-audit services.

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

Other than set forth herein, management of the Company 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 Company's last financial year or of any associate or affiliate of any of the foregoing in any matter to be acted on at the Meeting other than the election of directors and as disclosed herein. See "*Matters to be Acted Upon at the Meeting – Election of Directors*".

Conflicts, if any, will be subject to the procedures and remedies available under the *Business Corporations Act* (Alberta) (the "**ABCA**"). The ABCA provides that in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the ABCA.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

There were no material interests, direct or indirect, of directors or executive officers of the Company, any Shareholder who beneficially owns, controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, or any other "Informed Person" (as defined in NI 51-102) or any known associate or affiliate of such persons, in any transaction since the commencement of the last completed financial year of the Company or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

OTHER MATTERS COMING BEFORE THE MEETING

Management of the Company knows of no amendment, variation or other matter to come before the Meeting other than the matters referred to in the Notice of Annual and Special Meeting accompanying this management information circular. However, if any other matter properly comes before the Meeting, the Instrument of Proxy furnished by the Company will be voted on such matters in accordance with the best judgment of the person or persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (“**SEDAR**”) website at www.sedar.com. Financial information in respect of the Company and its affairs is provided in the Company's annual audited comparative financial statements for the year ended September 30, 2020 and the related management's discussion and analysis. Copies of the Company's financial statements and related management discussion and analysis are available upon request from our Chief Financial Officer at (587) 894-2852.

SCHEDULE “A”

AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF CASSIAR GOLD CORP.

CHARTER

I. PURPOSE

The primary function of the Audit Committee is to assist the Board of Directors (the “**Board of Directors**” or “**Board**”) of Cassiar Gold Corp. (“**Cassiar**” or the “**Corporation**”) in fulfilling its responsibilities by reviewing: the financial reports and other financial information provided by Cassiar to any governmental body or the public; Cassiar’s systems of internal controls regarding finance, accounting, legal compliance and ethics that management and the Board have established; and Cassiar’s auditing, accounting and financial reporting processes generally. Consistent with this function, the Audit Committee should endeavour to encourage continuous improvement of, and should endeavour to foster adherence to, the Corporation’s policies, procedures and practices at all levels. In performing its duties, the external auditor is to report directly to the Audit Committee. The Audit Committee’s primary objectives are:

1. To assist directors meet their responsibilities (especially for accountability) in respect of the preparation and disclosure of the financial statements of the Corporation and related matters;
2. To provide better communication between directors and external auditors;
3. To assist the Board's oversight of the auditor's qualifications and independence;
4. To assist the Board's oversight of the credibility, integrity and objectivity of financial reports;
5. To strengthen the role of the outside directors by facilitating discussions between directors on the Audit Committee, management and external auditors;
6. To assist the Board's oversight of the performance of the Corporation's internal audit function and independent auditors;
7. To assist the Board's oversight of the Corporation's compliance with legal and regulatory requirements; and
8. To review the risks that may affect Cassiar and the risk management policies and procedures of the Corporation.

II. COMPOSITION

The Audit Committee shall be comprised of three or more directors as determined by the Board of Directors, except as otherwise permitted in MI 52-110 (as defined below), a majority of whom are “independent” (as such term is defined in National Instrument 52-110 — Audit Committees (“**NI 52-110**”)). All of the members of the Audit Committee shall be “financially literate”. The Board of Directors has adopted the definition for “financial literacy” used in NI 52-110, which definition is set forth in Schedule “B” attached hereto. Audit Committee members may enhance their familiarity with finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the Corporation's Board of Directors interprets such qualification in its business judgment.

The members of the Audit Committee shall be elected by the Board of Directors at the annual organizational meeting of the Board of Directors and remain as members of the Audit Committee until their successors shall be duly elected and qualified. Unless a Chair is elected by the full Board of Directors, the members of the Audit Committee may designate a Chair by majority vote of the full Audit Committee membership.

III. MEETINGS

The Audit Committee shall meet at least four times annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee should meet at least annually with management, internal auditors (if any) and the independent auditors in separate executive sessions to discuss any matters that the Audit Committee or each of these groups believe should be discussed privately. In addition, the Audit Committee or at least its Chair should meet with the independent auditors and management quarterly to review the Corporation's financials consistent with Section IV.4 below. The Audit Committee should also meet with management and independent auditors on an annual basis to review and discuss annual financial statements and the management's discussion and analysis of financial conditions and results of operations. Attached as Schedule "C" is an example of an annual meeting schedule/agenda.

A quorum for meetings of the Audit Committee shall be a majority of its members, and the rules for calling, holding, conducting and adjourning meetings of the Audit Committee shall be the same as those governing the Board.

IV. RESPONSIBILITIES AND DUTIES

To fulfil its responsibilities and duties, the Audit Committee shall endeavour to:

Documents/Reports Review

1. Review and update this Charter, at least annually, as conditions dictate.
2. Review and recommend to the Board the organization's annual and interim financial statements, MD&A, earnings press releases and review any reports or other financial information submitted to any governmental body or the public, including any certification, report, opinion or review rendered by the independent auditors.
3. Review the reports to management prepared by the independent auditors and management's responses.
4. Review with financial management and the independent auditors the quarterly financial statements prior to their filing or prior to the release of earnings. The Chair of the Audit Committee may represent the entire Audit Committee for purposes of this review.
5. Review significant findings during the year, including the status of previous significant audit recommendations.
6. Periodically assess the adequacy of procedures for the review of corporate disclosure that is derived or extracted from the financial statements.
7. Periodically discuss guidelines and policies to govern the processes by which the Chief Executive Officer and senior management assess and manage the Corporation's exposure to risk.
8. Report regularly to the Board any issues that arise with respect to the quality or integrity of the Corporation's financial statements, compliance with legal or regulatory requirements, performance and independence of the Corporation's auditors, or performance of the internal audit function.
9. To prepare, if required, an Audit Committee report to be included in the Corporation's annual information circular and proxy statement.
10. Preparing an annual performance evaluation of the Audit Committee.
11. At least annually, reviewing the report by the independent auditors describing the Corporation's internal quality control procedures, any material issues raised by the most recent interim quality control review, or peer review, of the Corporation or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps to deal with any such issues.

Independent Auditors

12. Recommend to the Board the external auditors to be nominated for appointment by the shareholders.
13. Approve the compensation of the external auditors.
14. On an annual basis, the Audit Committee should review and discuss with the auditors all significant relationships the auditors have with the Corporation to determine the auditors' independence. In addition, the Audit Committee will ensure the rotation of the lead audit partner every five years and, in order to ensure continuing auditor independence, consider the rotation of the audit firm itself.
15. Review and, as appropriate, resolve any material disagreements between management and the independent auditors and review, consider and make a recommendation to the Board regarding any proposed discharge of the auditors when circumstances warrant.
16. When there is to be a change in auditors, review the issues related to the change and the information to be included in the required notice to securities regulators of such change.
17. Periodically consult with the independent auditors, without the presence of management, about internal controls and the fullness and accuracy of the organization's financial statements.
18. Oversee the establishment of an internal audit function.
19. Periodically assess the Corporation's internal audit function, including Corporation's risk management processes and system of internal controls.
20. Review the audit scope and plan of the independent auditor.
21. Oversee the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for Cassiar.
22. Pre-approve the completion of any non-audit services by the external auditors and determine which non-audit services the external auditor is prohibited from providing. The Audit Committee may delegate to one or more members of the Audit Committee authority to pre-approve non-audit services in satisfaction of this requirement and if such delegation occurs, the pre-approval of non-audit services by the Audit Committee member to whom authority has been delegated must be presented to the Audit Committee at its first scheduled meeting following such pre-approval. The Audit Committee shall be entitled to adopt specific policies and procedures for the engagement of non-audit services if:
 - a. the pre-approval policies and procedures are detailed as to the particular service;
 - b. the Audit Committee is informed of each non-audit service; and
 - c. the procedures do not include delegation of the Audit Committee's responsibilities to management.

The Audit Committee will satisfy the pre-approval requirement set forth in this paragraph 22 if:

 - a. the aggregate amount of all non-audit services that were not pre-approved is reasonably expected to constitute no more than 5% of the total amount of fees paid by Cassiar and its subsidiary entities to the auditors during the fiscal year in which the services are provided;
 - b. Cassiar or a subsidiary entity, as the case may be, did not recognize the services as non-audit services at the time of the engagement; and
 - c. the services are promptly brought to the attention of the Audit Committee and approved, prior to completion of the audit, by the Audit Committee or by one or more of its members to whom authority to grant such approvals has been delegated by the Audit Committee.
23. Review, set and approve hiring policies relating to staff of current and former auditors.

Financial Reporting Processes

24. In consultation with the independent auditors, annually review the integrity of the organization's financial reporting processes, both internal and external.
25. In consultation with the independent auditors, consider annually the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting.
26. Consider and approve, if appropriate, major changes to the Corporation's auditing and accounting principles and practices as suggested by the independent auditors or management.
27. Review risk management policies and procedures of Cassiar (i.e. litigation and insurance).

Process Improvement

28. Request reporting to the Audit Committee by each of management and the independent auditors of any significant judgments made in the management's preparation of the financial statements and the view of each group as to appropriateness of such judgments.
29. Following completion of the annual audit, review separately with each of management and the independent auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
30. Review any significant disagreements among management and the independent auditors in connection with the preparation of the financial statements.
31. Review with the independent auditors and management the extent to which changes or improvements in financial or accounting practices, as approved by the Audit Committee, have been implemented. (This review should be conducted at an appropriate time subsequent to implementation of changes or improvements, as decided by the Audit Committee.)
32. Conduct and authorize investigations into any matters brought to the Audit Committee's attention and within the Audit Committee's scope of responsibilities. The Audit Committee shall be empowered to retain and to approve compensation for any independent counsel and other professionals to assist in the conduct of any investigation.
33. Review the systems that identify and manage principal business risks.
34. Establish a procedure for:
 - the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
 - the confidential, anonymous submission by employees of Cassiar of concerns regarding questionable accounting matters, auditing matters and matters set forth in Cassiar's Code of Business Conduct and Ethics.

which procedure shall be set forth in a "whistle blower program" to be adopted by the Audit Committee in connection with such matters.

Ethical and Legal Compliance

35. Establish, review and update periodically a Code of Ethical Conduct and ensure that management has established a system to enforce this code.
36. Review management's monitoring of the Corporation's compliance with the organization's Ethical Code.

37. In consultation with the auditors, consider the review system established by management regarding the Corporation's financial statements, reports and other financial information disseminated to governmental organizations and the public in the context of the applicable legal requirements.
38. On at least an annual basis, review with the Corporation's auditors or counsel, as appropriate, any legal matters that could have a significant impact on the organization's financial statements, the Corporation's compliance with applicable laws and regulations and inquiries received from regulators or government agencies.
39. Review with the organization's counsel legal compliance matters including the trading policies of securities.

Other

40. Perform any other activities consistent with this Charter, Cassiar's by-laws and governing law, as the Audit Committee or the Board of Directors deems necessary or appropriate.
41. In connection with the performance of its responsibilities as set forth above, the Audit Committee shall have the authority to engage outside advisors and to pay outside auditors and advisors.

DEFINITIONS - IN THIS CHARTER

“Financially Literate” means the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.

SCHEDULE “B”

**SHARE OPTION PLAN
OF CASSIAR GOLD CORP.**

CASSIAR GOLD CORP. SHARE OPTION PLAN

1. Purpose of Plan

The purpose of this plan (the "**Plan**") is to develop the interest of officers, directors and employees of, and consultants and Service Providers to, Cassiar Gold Corp. and its subsidiaries (collectively, the "**Corporation**") in the growth and development of the Corporation by providing them with the opportunity through share options to acquire an increased proprietary interest in the Corporation.

2. Administration

The Plan shall be administered by the Board of Directors of the Corporation, or if appointed, by a special committee of Directors appointed from time to time by the Board of Directors of the Corporation (such committee, or if no such committee is appointed, the Board of Directors of the Corporation, is hereinafter referred to as the "**Committee**") pursuant to rules of procedure fixed by the Board of Directors.

3. Granting of Options

Subject to this Section 3, the Committee may from time to time designate directors, officers, employees, consultants and Service Providers of the Corporation (or in each case their personal holding companies) (collectively, the "**Optionees**"), to whom options ("**Options**") to purchase common shares ("**Common Shares**") of the Corporation may be granted, and the number of Common Shares to be optioned to each, provided that:

- (a) the total number of Common Shares issuable pursuant to Options outstanding at any time under the Plan shall not exceed 10% of the aggregate number of Common Shares of the Corporation outstanding, subject to adjustment as set forth herein, and further subject to the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture Exchange (the "**TSX Venture**") or such other stock exchange as the common shares may be listed for trading;
- (b) the number of Common Shares reserved for issuance on exercise of Options, within a one-year period, to any one Optionee shall not exceed 5% of the Outstanding Securities;
- (c) the maximum number of securities of the Corporation issuable to Insiders at any time pursuant to all Security Based Compensation Arrangements shall not exceed 10% of the number of Outstanding Securities;
- (d) if the Common Shares are listed on the TSX Venture, the aggregate number of Common Shares reserved for issuance to any one Consultant (as such term is defined in the policies of the TSX Venture) in a 12 month period shall not exceed 2% of the number of Outstanding Securities;
- (e) if the Common Shares are listed on the TSX Venture, the aggregate number of Common Shares reserved for issuance to any one Optionee employed to provide Investor Relations Activities (as such term is defined in the policies of the TSX Venture) in a 12 month period shall not exceed 2% of the number of Outstanding Securities;
- (f) if the Common Shares are listed on the TSX Venture, a grant of Options pursuant to this Plan shall constitute a representation by the Corporation that the Optionee is a bona fide Employee,

Consultant or Management Company Employee (as such terms are defined in the policies of the TSX Venture) and

- (g) the maximum number of Common Shares issuable at any time pursuant to outstanding Options granted to directors of the Corporation who are not officers or employees of the Corporation shall be limited to 1% of the issued and Outstanding Securities;

provided that for the purposes of paragraphs (c), (d) and (g) above, an entitlement granted prior to the grantee becoming an Insider may be excluded in determining the number of securities issuable to Insiders. The Common Shares that are reserved for issuance on exercise of Options granted pursuant to this Plan that are cancelled, terminated or expired in accordance with terms of the Plan prior to the exercise of all or a portion thereof shall be available for a subsequent grant of Options pursuant to this Plan to the extent of any Common Shares issuable thereunder that are not issued under such cancelled, terminated or expired Options.

4. **Vesting**

The Committee may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, provided that the Options shall not vest on more favourable terms than one-third of the total number of Options granted on the date of grant and on each of the first and second anniversaries of the date of grant. In the absence of any determination by the Committee as to vesting, vesting shall be as to one third on each of the first, second and third anniversaries of the date of grant. For greater certainty, the Committee may, in its sole discretion, accelerate the vesting of Options following their initial grant.

5. **Exercise Price**

The exercise price (the "**Exercise Price**") of any Option shall be fixed by the Committee when such Option is granted, provided that such price shall not be less than the Market Price (as such term is defined in the policies of the TSX Venture) of the Common Shares or the closing price of the Common Shares on such other principal stock exchange on which the Common Shares may then trade on the last trading date immediately prior to the date of grant, or such other price as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture or such other stock exchange as the Common Shares may be listed for trading, provided that if the Common Shares are not then listed and posted for trading on the TSX Venture or any other principal stock exchange the Exercise Price shall be determined by the Committee in its sole discretion acting reasonably and in good faith.

The Corporation must obtain disinterested shareholder approval for any reduction in the Exercise Price of an Option that is held by an Insider of the Corporation.

6. **Option Terms**

The period during which an Option is exercisable shall, subject to the provisions of the Plan requiring acceleration of rights of exercise, not be in excess of five years. Each Option shall, among other things, contain provisions to the effect that the Option shall be personal to the Optionee and shall not be assignable or transferable other than in the case of death of the Optionee. In addition, each Option shall provide that:

- (a) upon the death of the Optionee, the Option shall vest immediately and shall terminate on the date that is six months following the date of death of the Optionee (the "**Termination Date**"); and

- (b) if the Optionee shall no longer be a director or officer of, be in the employ of, or be providing ongoing management or consulting services to, the Corporation, the Option shall terminate on the earlier of the expiry date of the Option and the expiry of the period (the "**Termination Date**") not in excess of 90 days prescribed by the Committee at the time of grant, following the date that the Optionee ceases to be a director, officer or employee of the Corporation, or ceases to provide ongoing management or consulting services to, the Corporation, as the case may be;

provided that the number of Common Shares that the Optionee (or his heirs or successors) shall be entitled to purchase until the Termination Date shall be the number of Common Shares which the Optionee was entitled to purchase on the date of death or the date the Optionee ceased to be an officer, director or employee of, or ceased providing ongoing management or consulting services to, the Corporation, as the case may be.

If the normal expiry date of any Option falls within any Blackout Period or within 10 business days (being a day other than a Saturday, Sunday or other than a day when banks in Calgary, Alberta are not generally open for business) following the end of any Blackout Period (the "**Restricted Options**"), then the Expiry Date of such Restricted Options shall, without any further action, be extended to the date that is 10 business days following the end of such Blackout Period. The foregoing extension applies to all Options whatever the date of grant and shall not be considered an extension of the term of the Options as referred to in Section 15 hereof.

7. Exercise of Option

Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its head office, or such other place as may be specified by the Corporation, of a written notice of exercise specifying the number of Common Shares with respect to which the Option is being exercised and accompanied by payment in full of the purchase price of the Common Shares then being purchased.

8. Mergers, Amalgamation and Sale

If the Corporation shall become merged (whether by plan of arrangement or otherwise) or amalgamated within or with another corporation or shall sell the whole or substantially the whole of its assets and undertakings for shares or securities of another corporation, the Corporation shall, subject to this Section 8, make provision that, upon exercise of an Option during its unexpired period after the effective date of such merger, amalgamation or sale, the Optionee shall receive such number of shares of the continuing successor corporation in such merger or amalgamation or the securities or shares of the purchasing corporation as the Optionee would have received as a result of such merger, amalgamation or sale if the Optionee had purchased the shares of the Corporation immediately prior thereto for the same consideration paid on the exercise of the Option and had held such shares on the effective date of such merger, amalgamation or sale and, upon such provision being made, the obligation of the Corporation to the Optionee in respect of the Common Shares subject to the Option shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

9. No Rights as a Shareholder

An Optionee shall not have any of the rights or privileges of a shareholder of the Corporation in respect of any Common Shares issuable upon exercise of an Option until certificates representing such Common Shares have been issued and delivered.

10. Cessation of Employment

For the purposes of this Plan and all option agreements, unless otherwise provided in the applicable option agreement, an Optionee shall be deemed to have ceased to be a Service Provider and an Optionee shall be deemed to have terminated or resigned from employment or consulting arrangement with the Corporation or any of its subsidiaries, as applicable, for the purposes hereof on the first to occur of such termination or resignation or the date (as determined by the Board of Directors) that the Optionee ceases in the active performance of all of the regular duties of the Optionee's job, which includes the carrying on of all of the usual and customary day-to-day duties of the job for the normal and scheduled number of hours in each working day, unless the foregoing is a result in a leave of absence ("**Leave**") approved for this purpose by the Committee or senior officer to whom such Service Provider reports; the foregoing to apply whether or not adequate or proper notice of termination shall have been provided by and to the Corporation or its subsidiaries, as applicable, in respect of such termination of employment or consulting arrangement. If the Optionee shall take a Leave, the Committee may, in its sole discretion, also modify or change the vesting of any Options granted to such Optionee to take into account the period of the Leave.

11. Termination of Option in the Event of Take-Over Bid

In the event a take-over bid (as defined in the *Securities Act* (Alberta)), which is not exempt from the take-over bid requirements of Part 14 of the *Securities Act* (Alberta) (or its replacement or successor provisions) shall be made for the Common Shares of the Corporation, the Corporation may in the agreement providing for the grant of Options herein provide that the Corporation may require the disposition of the Optionee and the termination of any obligations of the Corporation to the Optionee in respect of any Options granted by paying to the Optionee in cash the difference between the exercise price of unexercised Options and the fair market value of the securities to which the Optionee would have been entitled upon exercise of the unexercised Options on such date, which determination of fair market value shall be conclusively made by the Committee, subject to approval by the stock exchanges upon which the Common Shares are then listed, if required by such exchanges. Upon payment as aforesaid, the Options shall terminate and be at an end and the Optionee shall cease to have any further rights in respect thereof.

12. Alterations in Shares

In the event, at any time or from time to time, that the share capital of the Corporation shall be consolidated or subdivided prior to the exercise by the Optionee, in full, of any Option in respect of all of the shares granted or the Corporation shall pay a dividend upon the Common Shares by way of issuance to the holders thereof of additional Common Shares, Options with respect to any shares which have not been purchased at the time of any such consolidation, subdivision or stock dividend shall be proportionately adjusted so that the Optionee shall from time to time, upon the exercise of an Option, be entitled to receive the number of shares of the Corporation the Optionee would have held following such consolidation, subdivision or stock dividend if the Optionee had purchased the shares and had held such shares immediately prior to such consolidation, subdivision or stock dividend. Upon any such adjustments being made, the Optionee shall be bound by such adjustments and shall accept the terms of such Options in lieu of the Options previously outstanding.

13. Option Agreements

A written agreement will be entered into between the Corporation and each Optionee to whom an Option is granted hereunder, which agreement will set out the number of Common Shares subject to Option, the Exercise Price, provisions as to vesting (if applicable) and expiry, and any other terms

approved by the Committee, all in accordance with the provisions of this Plan. The agreement will be in such form as the Committee may from time to time approve, or authorize the officers of the Corporation to enter into, and may contain such terms as may be considered necessary in order that the Option will comply with this Plan, any provisions respecting Options in the income tax or other laws in force in any country or jurisdiction of which the person to whom the Option is granted may from time to time be a resident or citizen, and the rules of any regulatory body having jurisdiction over the Corporation.

14. Regulatory Authorities Approvals

The Plan shall be subject to the approval, if required, of any stock exchange on which the Common Shares are listed for trading. Any Options granted prior to such approval shall be conditional upon such approval being given, and no such Options may be exercised unless such approval, if required, is given.

15. Amendment or Discontinuance of the Plan

The Committee may not, without the prior approval of the holders of Common Shares: (i) make any amendment to the Plan to increase the percentage of Common Shares issuable on exercise of outstanding Options at any time pursuant to Section 3(a) hereof; (ii) reduce the exercise price of any outstanding Options; (iii) extend the term of any outstanding Option beyond the original expiry date of such Option; (iv) make any amendment to increase the maximum limit on the number of securities that may be issued to Insiders pursuant to Section 3(c) hereof; (v) make any amendment to Section 3(d) to increase the maximum number of Common Shares issuable on exercise of Options granted to directors who are not officers or employees of the Corporation; (vi) make any amendment to the Plan that would permit an Optionee to transfer or assign Options to a new beneficial Optionee other than in the case of death of the Optionee; or (vii) amend this Section 15.

Except as restricted by the foregoing, the Committee may amend or discontinue the Plan or Options granted thereunder at any time without shareholder approval provided that any amendment to the Plan that requires approval of any stock exchange on which the Common Shares are listed for trading may not be made without approval of such stock exchange. In addition, no amendment to the Plan or Options granted pursuant to the Plan may be made without the consent of the Optionee, if it adversely alters or impairs any Option previously granted to such Optionee under the Plan.

16. Hold Period

In addition to any resale restrictions imposed under applicable securities laws, if required by the TSX Venture or any other regulatory authority, Options granted under the Plan and Common Shares issued on exercise of such Options may be required to be legended evidencing that the Options and the Common Shares issued upon exercise of the Options are subject to a hold period or restricted period as required by the TSX Venture or any other applicable regulatory authority and the Optionee by accepting the Option agrees to comply therewith.

17. Common Shares Duly Issued

Common Shares issued upon the exercise of an Option granted hereunder will be validly issued and allotted as fully paid and non-assessable upon receipt by the Corporation of the Exercise Price therefore in accordance with the terms of the Option, and the issuance of Common Shares thereunder will not require a resolution or approval of the Board of Directors of the Corporation.

18. Prior Plans

This Plan shall come into force and effect on ratification approval by shareholders of the Corporation or its predecessor corporations and, if necessary, approval of any stock exchange on which the Common Shares are listed for trading and entirely replaces and supersedes prior share option plans enacted by the Board of Directors of the Corporation, or its predecessor corporations.

19. Definitions

- (a) **"Blackout Period"** means the period of 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.
- (b) **"insider"**, **"associate"**, **"affiliate"** have the meanings ascribed thereto in the *Securities Act* (Alberta).
- (c) **"Insider"** means an insider of the Corporation and any person who is an associate or an affiliate of an insider of the Corporation.
- (d) **"Outstanding Securities"** at the time of any share issuance or grant of Options means the aggregate number of Common Shares that are outstanding immediately prior to the share issuance or grant of Options in question on a non-diluted basis, or such other number as may be determined under the applicable rules and regulations of all regulatory authorities to which the Corporation may be subject, including the TSX Venture or such other stock exchange as the Common Shares may be listed for trading.
- (e) **"Security Based Compensation Arrangements"** means (i) stock option plans for the benefit of employees, Insiders, Service Providers or any one of such groups; (ii) individual stock options granted to employees, Service Providers or Insiders if not granted pursuant to a plan previously approved by the Corporation's shareholders; (iii) stock purchase plans where the Corporation provides financial assistance or where the Corporation matches the whole or a portion of the securities being purchased; (iv) stock appreciation rights involving issuances by the Corporation of securities from treasury; (v) any other compensation or incentive mechanism involving the issuance or potential issuances of securities of the Corporation; and (vi) security purchases from treasury by an employee, Insider or Service Provider which is financially assisted by the Corporation by any means whatsoever; provided that Security Based Compensation Agreements shall not include any warrants of the Corporation outstanding on the effective date of this Plan.
- (f) **"Service Provider"** means a person or company engaged by the Corporation to provide services for an initial, renewable or extended period of twelve months or more.

20. Effective Date

This Plan is effective on February 2012, as amended August 12, 2015.

SCHEDULE “C”

**RESTRICTED SHARE UNIT PLAN
OF CASSIAR GOLD CORP.**

CASSIAR GOLD CORP.

RESTRICTED SHARE UNIT PLAN

1. DEFINITIONS AND INTERPRETATION

- (a) **Definitions:** For the purposes of this Plan, unless such word or term is otherwise defined herein or the context in which such word or term is used herein otherwise requires, the following words and terms with the initial letter or letters thereof capitalized shall have the following meanings:
- (i) **"Affiliate"** means any entity that is an affiliate of the Corporation as defined in National Instrument 45-106 – *Prospectus Exemptions*, as may be amended from time to time;
 - (ii) **"Blackout Period"** means any period imposed by the Corporation pursuant to its disclosure, confidentiality and trading policy or otherwise, during which its officers, directors, employees and Insiders may be restricted from trading in securities of the Corporation;
 - (iii) **"Board"** means the board of directors of the Corporation, as constituted from time to time;
 - (iv) **"Change of Control"** means the occurrence of any one or more of the following events:
 - A. a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Common Shares prior to the completion of the transaction hold less than fifty-one percent (51%) of the outstanding shares of the successor corporation after completion of the transaction;
 - B. the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Corporation and/or any of its Affiliates which have an aggregate book value greater than sixty-five percent (65%) of the book value of the assets, rights and properties of the Corporation and its Affiliates on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned Affiliate in the course of a reorganization of the assets of the Corporation and its Affiliates;
 - C. a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
 - D. any person, entity or group of persons or entities acting jointly or in concert (an **"Acquirer"**) acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities which, when added to the Voting Securities owned of record or beneficially by the Acquirer or which the Acquirer has the right to vote or in respect of which the Acquirer has the right to direct the voting, would entitle the Acquirer

and/or Affiliates of the Acquirer to cast or to direct the casting of fifty-one percent (51%) or more of the votes attached to all of the Corporation's outstanding Voting Securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors); or

- E. as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, where none of the directors of the Corporation prior to such event shall sit on the board following completion.

For the purposes of the foregoing, "**Voting Securities**" means Common Shares and any other shares entitled to vote for the election of directors and shall include any security, whether or not issued by the Corporation, which are not shares entitled to vote for the election of directors but are convertible into or exchangeable for shares which are entitled to vote for the election of directors including any options or rights to purchase such shares or securities;

- (v) "**Common Shares**" means the common shares of the Corporation;
- (vi) "**Consultant**" means in relation to the Corporation, an individual (other than an employee or Director of the Corporation) or company that: (i) is engaged to provide on an ongoing *bona fide* basis, consulting, technical, management or other services to the Corporation or to an affiliate of the Corporation, other than services provided in relation to a distribution; (ii) provides the services under a written contract between the Corporation or an affiliate of the Corporation and the individual or the company, as the case may be; (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 of the Corporation; and (iv) has a relationship with the Corporation or an affiliate of the Corporation that enables the individual to be knowledgeable about the business and affairs of the Corporation;
- (vii) "**Corporation**" means Cassiar Gold Corp., a corporation existing under the laws of the Province of Alberta, and includes any successor or Affiliate thereof;
- (viii) "**Director**" means a member of the Board from time to time;
- (ix) "**Disability**" means that the Participant becomes physically or mentally disabled to such an extent as to make him or her unable to perform his or her duties normally and adequately for a period totalling six (6) months during a period of twelve (12) consecutive months. The Board's determination as to whether or not a Participant has incurred a Disability is final and conclusive and binding on all persons;
- (x) "**Eligible Employees**" means the full-time employees and officers of the Corporation or of any Affiliate;

- (xi) **"Insider"** means: (i) a Director or senior officer of the Corporation; (ii) a Director or senior officer of a company that is an Insider or subsidiary of the Corporation; (iii) a person that beneficially owns or controls, directly or indirectly, Common Shares carrying more than ten percent (10%) of the voting rights attached to all outstanding shares of the Corporation; and (iv) the Corporation itself if it holds any of its own securities;
- (xii) **"Investor Relations Activities"** means any activities, by or on behalf of the Corporation or a shareholder of the Corporation, that promote or could reasonably be expected to promote the sale of the securities of the Corporation;
- (xiii) **"Market Value"** means the last closing price of the Common Shares on the TSXV immediately prior to the date as at which Market Value is determined. If the Common Shares are not trading on the TSXV, then the Market Value shall be determined based on the last closing price of the Common Shares on such stock exchange or over-the-counter market on which the Common Shares are listed and posted for trading as may be selected for such purpose by the Board on the date as of which Market Value is determined. In the event that the Common Shares are not listed and posted for trading on any stock exchange or over-the-counter market, the Market Value shall be the fair market value of such Common Shares as determined by the Board in its sole discretion;
- (xiv) **"Participant"** means each Eligible Employee, Consultant and Director to whom Restricted Share Units are granted hereunder;
- (xv) **"Participant's Entitlement Date"** means the date on which a Participant's Restricted Share Unit Award is fully vested;
- (xvi) **"Plan"** means this Restricted Share Unit Plan, as same may be amended from time to time;
- (xvii) **"Resignation"** means the cessation of employment or engagement of the Participant with the Corporation or an Affiliate as a result of resignation;
- (xviii) **"Restricted Share Unit"** means a unit credited by means of an entry on the books of the Corporation to a Participant, representing the right to receive on the Participant's Entitlement Date either one fully paid Common Share issued from treasury of the Corporation for each Restricted Share Unit, or a cash payment equal to the Market Value of one Common Share, as determined by the Board;
- (xix) **"Restricted Share Unit Award"** means an award to a Participant of Restricted Share Units under the Plan;
- (xx) **"Retirement Date"** means the date on which a Participant ceases to be an Eligible Employee after attaining a stipulated age in accordance with the normal retirement policy of the Corporation or upon mutual agreement of the Corporation and the Participant;
- (xxi) **"RSU Grant Date"** means the date that the Restricted Share Unit is granted to a Participant under the Plan, as evidenced by the Restricted Share Unit grant letter,

and refers also to the date that the Restricted Share Unit is credited to the Participant which must always be in the same calendar year;

(xxii) **"Termination Date"** means the actual date of termination of: (i) the office of the Participant; (ii) the employment of the Participant; or (iii) the provision of services by the Participant, as applicable, and does not include any period during which the Participant is in receipt of or is eligible to receive any statutory, contractual or common law notice or compensation in lieu thereof or severance payments following the actual date of termination or resignation; and

(xxiii) **"TSXV"** means TSX Venture Exchange.

(b) **Headings:** The headings of all articles, sections, and paragraphs in the Plan are inserted for convenience of reference only and shall not affect the construction or interpretation of the Plan.

(c) **Context, Construction:** Whenever the singular or masculine are used in the Plan, the same shall be construed as being the plural or feminine or neuter or vice versa where the context so requires.

(d) **References to this Restricted Share Unit Plan:** The words "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions mean or refer to this Plan as a whole and not to any particular article, section, paragraph or other part hereof.

(e) **Canadian Funds:** Unless otherwise specifically provided, all references to dollar amounts in the Plan are references to Canadian dollars.

2. **PURPOSE AND ADMINISTRATION OF THE RESTRICTED SHARE UNIT PLAN**

(a) **Purpose of the Restricted Share Unit Plan:** The Plan provides for the payment of incentive payments in the form of the issuance of Common Shares or cash to Participants for the purpose of advancing the interests of the Corporation and its Affiliates through the motivation, attraction and retention of Eligible Employees, Consultants and Directors and to secure for the Corporation and the shareholders of the Corporation the benefits inherent in the ownership of Common Shares by Eligible Employees, Consultants and Directors, it being generally recognized that restricted share plans aid in attracting, retaining and encouraging employees, consultants and directors due to the opportunity offered to them to acquire a proprietary interest in the Corporation.

(b) **Administration of the Restricted Share Unit Plan:** Subject to applicable regulatory requirements, the Plan shall be administered by the Board and the Board shall have full discretionary authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Board may deem necessary in order to comply with the requirements of the Plan. All actions taken and all interpretations and determinations made by the Board in good faith shall be final and conclusive and shall be binding on the Participants and the Corporation. No member of the Board shall be personally liable for any action taken or determination or interpretation made in good faith in connection with the Plan and all members of the Board shall, in addition to their rights

as Directors, be fully protected, indemnified and held harmless by the Corporation with respect to any such action taken or determination or interpretation made in good faith. The appropriate officers of the Corporation are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Corporation.

- (c) **Delegation to Committee:** The Board may delegate all or such portion of its powers hereunder as it may determine to a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three (3) members of the Board, either indefinitely or for such period of time as it may specify and thereafter such committee may exercise the powers and discharge the duties of the Board in respect of the Plan so delegated to the same extent as the Board is hereby authorised so to do. If a committee is appointed for this purpose, all references herein to the Board will be deemed to be references to such committee.
- (d) **Record Keeping:** The Corporation shall maintain a register in which shall be recorded:
 - (i) the name and address of each Participant in the Plan;
 - (ii) the number of Restricted Share Units granted to each Participant under the Plan; and
 - (iii) the date on which Restricted Share Units were granted or credited to a Participant.
- (e) **Determination of Participants and Participation:** The Board shall from time to time determine the persons who may participate in the Plan. The Board shall from time to time determine the Participants to whom Restricted Share Units shall be granted and the provisions and restrictions with respect to such grant, all such determinations to be made in accordance with the terms and conditions of the Plan, and the Board may take into consideration the present and potential contributions of and the services rendered by the particular Participant to the success of the Corporation and any other factors which the Board deems appropriate and relevant. In the case of Restricted Share Units granted to Eligible Employees or Consultants, the Board will ensure and confirm that the Participant is a *bona fide* Eligible Employee or Consultant, as the case may be.
- (f) **Maximum Number of Shares:**
 - (i) Subject to adjustment as provided in Section 5(f) hereof, the maximum aggregate number of Common Shares that may be issued under the Plan shall, in the aggregate, equal 10% of the number of Common Shares then issued and outstanding on RSU Grant Date, less the number of Common Shares issuable pursuant to all other security based compensation plans of the Corporation (including the Corporation's stock option plan). Common Shares to be issued under the Plan will be authorized but previously unissued Common Shares from treasury.

- (ii) For purposes of this Section 2(f), the number of Common Shares covered by a Restricted Share Unit grant shall be counted on the RSU Grant Date against the aggregate number of Common Shares available under the Plan, and the number of Common Shares that shall be counted against the Plan shall be equal to the number of Common Shares the Participant would be entitled to receive under Section 3(e) hereof, if the corresponding payment was made on the RSU Grant Date.
- (iii) The aggregate number of Common Shares issuable to any one Consultant pursuant to this Plan (or any other security-based compensation plans, including the Corporation's stock option plan) in a twelve (12) month period shall not exceed two percent (2%) of the issued and outstanding Common Shares, calculated on the RSU Grant Date.
- (iv) The aggregate number of Common Shares issuable to all Participants retained to provide Investor Relations Activities pursuant to this Plan (or any other security-based compensation plans, including the Corporation's stock option plan) shall not exceed two percent (2%) of the issued and outstanding Common Shares in any twelve (12) month period, calculated at the RSU Grant Date.
- (v) Unless the Corporation has received disinterested shareholder approval to do so:
 - (i) the aggregate number of Common Shares issuable to Insiders under this Plan (or any other security-based compensation plans, including the Corporation's stock option plan) shall not exceed ten percent (10%) of the issued and outstanding Common Shares at the RSU Grant Date; (ii) the aggregate number of Common Shares issuable to Insiders in any twelve (12)-month period under this Plan (or any other security-based compensation plans, including the Corporation's stock option plan) shall not exceed ten percent (10%) of the issued and outstanding Common Shares at the RSU Grant Date; and (iii) the aggregate number of Common Shares issuable to any one Participant pursuant to this Plan (or any other security-based compensation plans, including the Corporation's stock option plan) in a twelve (12) month period shall not exceed five percent (5%) of the issued and outstanding Common Shares, calculated on the RSU Grant Date.
- (vi) For purposes of this Section 2(f), the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Restricted Share Units.

3. RESTRICTED SHARE UNITS

- (a) **Restricted Share Unit Plan:** The Plan is hereby established for Eligible Employees, Consultants and Directors.
- (b) **Grant of Restricted Share Units:** A Restricted Share Unit Award granted to a particular Participant in a calendar year will be an incentive payment for services rendered by the Participant to the Corporation or an Affiliate, as the case may be, in the Corporation's or Affiliate's fiscal year ending in such year, as determined in the sole and absolute discretion of the Board. The number of Restricted Share Units awarded will be credited to the Participant's account, effective as of the RSU Grant Date.

- (c) **Payment of Dividends:** Subject to the absolute discretion of the Board, the Board may elect to credit each Participant with additional Restricted Share Units upon the payout of dividends on the Common Shares. In such case, the number of additional Restricted Share Units will be equal to the aggregate value of dividends that would have been paid to the Participant if the Restricted Share Units in the Participant's account had been Common Shares divided by the Market Value of a Common Share on the date on which dividends were paid by the Corporation. The additional Restricted Shares Units will vest on the Participant's Entitlement Date of the particular Restricted Share Unit Award to which the additional Restricted Share Units relate.
- (d) **Vesting:**
- (i) A Restricted Share Unit Award granted to a Participant will entitle the Participant, subject to the Participant's satisfaction of any conditions, restrictions, performance objectives, vesting period or limitations imposed under the Plan or set out in the Restricted Share Unit grant letter, to receive a payment in: (i) fully paid Common Shares issued from the treasury of the Corporation on the date when the Restricted Share Unit Award is fully vested; or (ii) subject to the approval of the Board, in its sole discretion, a cash equivalent.
 - (ii) Subject to the foregoing or as otherwise provided in the Restricted Share Unit grant letter, in the event of:
 - A. the death, termination without cause or Disability of a Participant, a pro rata number of the unvested Restricted Share Units credited to the Participant, based on the portion of the applicable vesting period that has been completed as of the Termination Date, will vest on the Termination Date, and payment in accordance with Section 3(e) for the vested Restricted Share Units credited to the Participant's account shall be made to the Participant (or the Participant's beneficiary in the event of death) as soon as is administratively possible; and
 - B. the retirement of the Participant, a pro rata number of the unvested Restricted Share Units credited to the Participant, based on the portion of the applicable vesting period that has been completed as of the Retirement Date, will vest on the Retirement Date and payment in accordance with Section 3(e) for the vested Restricted Share Units credited to the Participant's account shall be made to the Participant as soon as administratively possible.
 - (iii) Concurrent with the determination to grant Restricted Share Units to a Participant, the Board shall determine the vesting period applicable to such Restricted Share Units. Unless otherwise determined by the Board and as specifically set out in a Restricted Share Unit grant letter, each Restricted Share Unit granted hereunder shall vest as to 1/3 on each of the first, second and third anniversaries of the RSU Grant Date.
 - (iv) The Board may in its sole discretion permit, at any time prior to or following the events contemplated above, the vesting of any or all Restricted Share Units held

by a Participant in the manner and on the terms authorized by the Board, *provided that* Restricted Share Units shall vest in stages over a period of not less than 12 months with no more than 25% vesting in any three month period.

- (e) **Payment in Respect of Vested Restricted Share Units:** Subject to Sections 3(f) and 4(a), the Corporation will at its sole discretion satisfy its payment obligation pursuant to Section 3(d) with: (i) the issue of fully paid Common Shares from the treasury of the Corporation; or (ii) subject to the approval of the Board, cash. In the event the Corporation decides to make all payments with regard to a Participant's Restricted Share Units in cash, subject to the provisions of the Plan, the Corporation shall make, within ten (10) Business Days after the Vesting Date, a cash payment, less applicable statutory source deductions, to the Participant, calculated by multiplying: (i) the number of Restricted Share Units to be settled, by (ii) the Market Value of a Common Share on the applicable vesting date.
- (f) **No Adjustment:** For greater certainty, no amount will be paid to, or in respect of, a Participant under the Plan or pursuant to any other arrangement, and no additional Restricted Share Units will be granted to a Participant to compensate the Participant for any downward fluctuations in the Market Value of a Common Share nor will any other form of benefit be conferred upon, or in respect of, a Participant for such a purpose.
- (g) **Restricted Share Unit Grant Letter:** Each grant of a Restricted Share Unit under the Plan shall be evidenced by a Restricted Share Unit grant letter of the Corporation, in the form attached as Schedule "A" hereto, and signed in acknowledgement by the Participant. Such Restricted Share Unit grant letter shall be subject to all applicable terms and conditions of the Plan and may include performance vesting conditions or any other terms and conditions which are not inconsistent with the Plan and which the Board deems appropriate for inclusion in a Restricted Share Unit grant letter. The provisions of the various Restricted Share Unit grant letters issued under the Plan need not be identical.
- (h) **Term:** Concurrent with the determination to grant Restricted Share Units to a Participant, the Board shall determine the term applicable to such Restricted Share Units. Unless the Board, at its discretion, has set a shorter period of time, the Restricted Share Units will lapse ten (10) years from the RSU Grant Date.
- (i) **Eligible Employee Criteria:** The Board shall establish criteria for the grant of Restricted Share Units to Eligible Employees, Consultants and Directors.
- (j) **Resignation or Termination with Cause Prior to Vesting:** If the employment or services of the Participant is terminated prior to the Participant's Entitlement Date, for any reason other than death, disability, retirement or termination without cause, then, except as provided for in the Restricted Share Unit grant letter or as determined by the Board, all Restricted Share Units will be forfeited by the Participant, and be of no further force and effect, as of the Termination Date.
- (k) **Change of Control:** If there is a Change of Control, all Restricted Share Units outstanding shall immediately vest on the date of such Change of Control notwithstanding any stated vesting period. In any event, upon a Change of Control, Participants shall not be treated any more favourably than shareholders of the Corporation with respect to the consideration that the Participants would be entitled to receive for their Common Shares.

- (l) **Necessary Approvals:** The Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation and acceptance by the TSXV or any regulatory authority or stock exchange having jurisdiction over the Corporation.
- (m) **Blackout Period:** If the date on which the Corporation shall issue or deliver Common Shares to the Participant in accordance with Section 3(e) occurs during a Blackout Period applicable to the Participant, the Corporation shall issue or deliver such Common Shares to the Participant on or as soon as practicable after the tenth (10th) trading day following the end of the Blackout Period.

4. **WITHHOLDING TAXES**

- (a) **Withholding Taxes:** The Corporation or any of its Affiliates may take such steps as are considered necessary or appropriate for the withholding of any taxes which the Corporation or any of its Affiliates are required to withhold by any law or regulation of any governmental authority whatsoever, and, without limiting the generality of the foregoing, may effect such withholding through: (i) the withholding of all or any portion of any payment due to the applicable Participant; (ii) the withholding and sale, for and on behalf of the applicable Participant, of the minimum number of Common Shares to be issued under the Plan sufficient to satisfy such withholding obligation of the Corporation's or the Affiliate; or (iii) withholding of all or any portion of any issuance or delivery of shares to be made to the Participant, until such time as the Participant has paid the Corporation or its Affiliates any amount which the Corporation and its Affiliates are required to withhold with respect to such taxes.

5. **GENERAL**

- (a) **Unfunded and Unsecured Plan:** The Plan shall be unfunded and the Corporation will not secure the Corporation's obligations under the Plan. To the extent any Participant or his estate holds rights by virtue of an award of Restricted Share Units under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured creditor of the Corporation.
- (b) **Effective Time of Restricted Share Unit Plan:** The Plan shall be effective upon having received shareholders' approval. The Plan shall remain in effect until it is terminated by the Board.
- (c) **Suspension, Termination or Amendment of Restricted Share Unit Plan:** The Board may, at any time, amend, suspend or terminate the Plan. Such amendment, suspension or termination may not adversely affect the Restricted Share Units previously granted to a Participant at the time of such amendment, suspension or termination without the consent of the affected Participant. The Board shall not require the consent of any affected Participant in connection with a suspension or termination of the Plan in which the vesting of all Restricted Share Units held by the Participant are accelerated and payment for such vested Restricted Share Units is made in accordance with Section 3(e).

The Board may also, at any time, amend or revise the terms of the Plan subject to the receipt of all necessary regulatory and shareholders' approvals, including disinterested shareholder approval for any amendment of the Plan related to:

- (i) any increase to the number or percentage of issued and outstanding Common Shares available for grant under the Plan;
 - (ii) a change in method of calculation of redemption of Restricted Share Units held by Participants; and
 - (iii) an extension to the term for redemption of Restricted Share Units held by Participants, except in the case of an extension due to a Blackout Period in accordance with Section 3(m).
- (d) **Assignment:** Restricted Share Units and other rights or interest of a Participant under the Plan are not assignable, except by testament or in accordance with legal provisions governing intestate successions, and any purported assignment is void and of no force and effect whatsoever.
- (e) **Rights as a Shareholder, Employee or Consultant:** No holder of any Restricted Share Units shall have any rights as a shareholder of the Corporation at any time. Nothing in the Plan shall confer on any Eligible Employee the right to continuous employment with the Corporation or any Affiliate of the Corporation nor on any Consultant the right to provide services to the Corporation or any Affiliate of the Corporation.
- (f) **Adjustment in Number of Shares Underlying Restricted Share Units:** In the event there is any change in the Common Shares, whether by reason of a stock dividend, stock split, consolidation, subdivision, reclassification or otherwise, an appropriate adjustment shall be made by the Board in the number of Common Shares subject to or underlying any Restricted Share Units. If the foregoing adjustment shall result in a fractional Common Share, the fraction shall be disregarded. All such adjustments shall be conclusive, final and binding for all purposes of the Plan.
- (g) **No Representation or Warranty:** The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plan.
- (h) **Compliance with Applicable Law:** If any provision of the Plan or any Restricted Share Unit contravenes any law or any order, policy, by-law or regulation of any regulatory body having jurisdiction, including the TSXV then such provision shall be deemed to be amended to the extent necessary to bring such provision into compliance therewith. Each Restricted Share Unit grant letter will contain such provisions as in the opinion of the Board are required to ensure that no Common Shares are issued on the vesting of a Restricted Share Unit unless the issuance of such Common Shares will be exempt from all registration, qualification and prospectus requirements of securities laws of any jurisdiction and will be permitted under applicable law. The Corporation shall not be obliged by any provision of the Plan or the grant of any Restricted Share Unit hereunder to issue, sell or transfer Common Shares in violation of applicable law. No Restricted Share Unit shall be granted and no Common Shares issued or sold hereunder where such grant, issue or sale would

require registration of the Plan or of Common Shares under the securities laws of any jurisdiction and any purported grant of any Restricted Share Unit or issue, sale or transfer of Common Shares hereunder in violation of this provision shall be void. In addition, the Corporation shall have no obligation to issue any Common Shares pursuant to the Plan unless such Common Shares shall have been duly listed, upon official notice of issuance, with the TSXV. Common Shares issued and sold to Participants pursuant to the vesting of RSUs may be subject to limitations on sale or resale under applicable law. In particular, if required by applicable law, a Restricted Share Unit grant letter may provide that shareholder approval to the grant of a Restricted Share Unit must be obtained prior to the vesting of the Restricted Share Unit or to the amendment of a Restricted Share Unit grant letter.

- (i) **Interpretation:** The Plan and all matters to which reference is made herein shall be governed by and interpreted in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.