

NOVO RESOURCES CORP.
INFORMATION CIRCULAR

This information is given as of October 22, 2018, unless otherwise stated.

This information circular is furnished in connection with the solicitation of proxies by the management of Novo Resources Corp. (the “**Company**”) for use at the annual general meeting (the “**Meeting**”) of the shareholders of the Company, to be held at the time and place and for the purposes set forth in the accompanying notice of meeting and at any adjournment thereof.

PERSONS OR COMPANIES MAKING THE SOLICITATION

The enclosed instrument of proxy is solicited by management. Solicitations will be made by mail and possibly supplemented by telephone or other personal contact to be made without special compensation by regular officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents (including brokers holding shares on behalf of clients) for the cost incurred in obtaining from their principals authorization to execute forms of proxy. The cost of solicitation will be borne by the Company. None of the directors of the Company have advised that they intend to oppose any action intended to be taken by management as set forth in this information circular.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the accompanying instrument of proxy are directors or officers of the Company. **A shareholder has the right to appoint a person in place of the persons named in the enclosed instrument of proxy to attend and act for and on behalf of the shareholder at the Meeting. To exercise this right, a registered shareholder shall strike out the names of the persons named in the instrument of proxy and insert the name of their nominee in the blank space provided, or complete another instrument of proxy. The completed instrument of proxy should be deposited with the Company's registrar and transfer agent, Computershare Trust Company of Canada at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 at least 48 hours before the time of the Meeting or any adjournment thereof, excluding Saturdays and holidays.**

The instrument of proxy must be dated and be signed by the registered shareholder or by their attorney in writing, or, if the shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

In addition to revocation in any other manner permitted by law, a registered shareholder may revoke a proxy either by (a) signing a proxy bearing a later date and depositing it at the place and within the time aforesaid, or (b) signing and dating a written notice of revocation (in the same manner as the instrument of proxy is required to be executed as set out in the notes to the instrument of proxy) and either depositing it at the place and within the time aforesaid or with the chairman of the Meeting prior to the commencement of the Meeting or any adjournment thereof, or (c) registering with the scrutineer at the Meeting as a shareholder present in person, whereupon such proxy shall be deemed to have been revoked.

Only registered shareholders have the right to revoke a proxy. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

On any poll, the persons named in the enclosed instrument of proxy will vote the shares in respect of which they are appointed and, where directions are given by the shareholder in respect of voting for or against any resolution, will do so in accordance with such direction.

In the absence of any direction in the instrument of proxy, it is intended that such shares will be voted in favour of the motions proposed to be made at the Meeting as stated under the headings in this information circular. The instrument of proxy enclosed, when properly signed, confers discretionary authority with respect to amendments or variations to any matters which may properly be brought before the Meeting. The enclosed instrument of proxy does not confer authority to vote for the election of any person as a director of the Company other than for those persons named in this information circular. At the time of printing of this information circular, the management of the Company is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to the management should properly come before the Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the nominee.

NON-REGISTERED HOLDERS

The record date for determination of the holders of common shares of the Company entitled to receive notice of, and to vote at, the Meeting is October 22, 2018 (the “**Record Date**”). Only shareholders whose names have been entered in the register of common shareholders at the close of business on the Record Date (“**Registered Shareholders**”) will be entitled to receive notice of, and to vote at, the Meeting.

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the common shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the common shares. More particularly, a person is not a Registered Shareholder in respect of common shares which are held on behalf of that person (the “**Non-Registered Holder**”) but which are registered either: (a) in the name of an intermediary (an “**Intermediary**”) that the Non-Registered Holder deals with in respect of the common shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a clearing agency of which the Intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration for the Canadian Depository for Securities, which company acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depository for many United States brokerage firms and custodian banks).

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about themselves to the Company are referred to as “**NOBO’s**”. Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about themselves to the Company are referred to as “**OBO’s**”. In accordance with the requirements of National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the Company has elected to send the notice of meeting, this information circular and the proxy (collectively, the “**Meeting Materials**”) directly to the NOBO’s, and indirectly through Intermediaries to the OBO’s. The Intermediaries (or their service companies) are responsible for forwarding the Meeting Materials to each OBO, unless the OBO has waived the right to receive them. The Company does not intend to pay for an Intermediary to deliver Meeting Materials to OBOs. Accordingly, OBOs will not receive the Meeting Materials unless their Intermediary assumes the costs of delivery.

Intermediaries often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a voting instruction form **which is not signed by the Intermediary** and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, will constitute voting instructions (often called a “**voting instruction form**”) which the Intermediary must follow. Typically, the voting instruction form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the voting instruction form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label with a bar-code and other information. In order for the form of proxy to validly constitute a voting instruction form, the Non-Registered Holder must remove the label from the instructions and affix it to the form of proxy, properly complete and sign the form of proxy and submit it to the Intermediary or its service company in accordance with the instructions of the Intermediary or its service company; or
- (b) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of common shares beneficially owned by the Non-Registered Holder but which is otherwise not completed by the Intermediary. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare Trust Company of Canada at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 not later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of holding the Meeting or adjournment thereof.

In either case, the purpose of these procedures is to permit Non-Registered Holders to direct the voting of the common shares they beneficially own. Should a Non-Registered Holder who receives either a voting instruction form or a form of proxy wish to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the form of proxy and insert the Non-Registered Holder’s (or such other person’s) name in the blank space provided or, in the case of a voting instruction form, follow the directions indicated on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediaries and their service companies, including those regarding when and where the voting instruction form or the proxy is to be delivered.**

The Meeting Materials are being sent to both Registered Shareholders and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holding of common shares of the Company have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the voting instruction form.

All references to shareholders in the Meeting Materials are to Registered Shareholders unless specifically stated otherwise.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value. At the close of business on October 22, 2018, 163,822,593 common shares without par value of the Company were issued and outstanding, each share carrying the right to one vote. At a general meeting of the Company, on a show of hands, every Shareholder present in person shall have one vote and, on a poll, every shareholder shall have one vote for each common share held.

Only common shareholders of record on the close of business on October 22, 2018 who either personally attend the Meeting or who complete and deliver an instrument of proxy in the manner and subject to the provisions set out under the heading “Appointment and Revocation of Proxies” will be entitled to have their shares voted at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the outstanding voting rights of the Company except as follows:

Name	Number of Common shares	Percentage of Issued and Outstanding Common Shares
Eric Sprott	16,998,830 ⁽¹⁾	10.38%
Kirkland Lake Gold Ltd. ⁽²⁾	29,830,268	18.2%

Notes:

⁽¹⁾ Of these shares, 11,312,554 common shares are directly owned by 2176423 Ontario Ltd. of which company Eric Sprott is a beneficial owner. This information has been provided by Mr. Sprott.

⁽²⁾ This information has been taken from the System for Electronic Disclosure by Insiders. Eric Sprott is the chairman of the board of directors of Kirkland Lake Gold Ltd.

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

Other than as disclosed elsewhere in this information circular, to the knowledge of management of the Company, none of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors, the appointment of the Company's auditor and the approval of the Company's stock option plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this information circular, “informed person” means:

- (a) a director or executive officer of the Company;
- (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;
- (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company, or a combination of both, carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company, other than voting securities held by the person or company as underwriter in the course of a distribution; and

- (d) the Company if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Except as described in this section, no informed person, no proposed director of the Company and no associate or affiliate of any such informed person or proposed director has or has had any material interest, direct or indirect, in any transaction undertaken by the Company during its last completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries.

STATEMENT OF EXECUTIVE COMPENSATION

Named Executive Officer

In this section “Named Executive Officer” (“NEO”) means any individual who, during the Company’s most recently completed financial year ended January 31, 2018, was:

- (a) the chief executive officer (“CEO”) (or an individual who acted in a similar capacity) of the Company;
- (b) the chief financial officer (“CFO”) (or an individual who acted in a similar capacity) of the Company;
- (c) each of the three other most highly compensated executive officers of the Company or any of its subsidiaries or the three most highly compensated individuals acting in a similar capacity (except those whose total salary and bonus does not exceed \$150,000); and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Company or any of its subsidiaries, nor acting in a similar capacity, at the end of the Company’s fiscal year ended January 31, 2018.

As of the fiscal year ended January 31, 2018, the Company had five NEOs, namely Rob Humphryson, CEO, Ronan Sabo-Walsh, CFO and corporate secretary, Quinton Hennigh, chairman and president, Simon Pooley, chief operating officer (“COO”), and Leonidas Karabelas, vice president of corporate communications. Simon Pooley subsequently resigned as COO.

Director and NEO compensation, excluding compensation securities

The following table sets forth all annual and long-term compensation for services paid to or earned by each of the NEOs and directors during the two most recent financial years:

Name and Principal Position(s) During the Period	Table of compensation excluding compensation securities						
	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation ⁽¹⁾ (\$)
Quinton Hennigh Chairman, President and Director	2018	254,343 ⁽²⁾	193,785 ⁽⁴⁾	Nil	Nil	Nil	448,128
	2017	197,490 ⁽³⁾	Nil	Nil	Nil	Nil	197,490
Rob Humphryson ⁽⁵⁾ CEO and Director	2018	212,974 ⁽⁶⁾	Nil	Nil	Nil	Nil	212,974
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Simon Pooley ⁽⁷⁾ (Former) COO	2018	277,092 ⁽⁸⁾	13,728 ⁽¹⁰⁾	Nil	Nil	Nil	290,820
	2017	290,792 ⁽⁹⁾	Nil	Nil	Nil	Nil	290,792
Ronan Sabo-Walsh ⁽¹¹⁾ CFO and Corporate Secretary	2018	89,750 ⁽¹²⁾	15,374 ⁽¹⁴⁾	Nil	Nil	Nil	105,124
	2017	19,000 ⁽¹³⁾	2,000 ⁽¹⁵⁾	Nil	Nil	Nil	21,000

Table of compensation excluding compensation securities							
Name and Principal Position(s) During the Period	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of Perquisites (\$)	Value of all other compensation (\$)	Total compensation ⁽¹⁾ (\$)
Leonidas Karabelas VP, Corporate Communications	2018	180,000	Nil	Nil	Nil	Nil	180,000
	2017	140,000 ⁽¹⁶⁾	Nil	Nil	Nil	Nil	140,000
Akiko Levinson Independent Director	2018	17,613 ⁽¹⁷⁾	Nil	Nil	Nil	Nil	17,613
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Greg Gibson ⁽¹⁸⁾ Independent Director	2018	17,613 ⁽¹⁹⁾	Nil	Nil	Nil	Nil	17,613
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Michael Barrett ⁽²⁰⁾ Independent Director	2018	16,856 ⁽²¹⁾	Nil	Nil	Nil	Nil	16,856
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Eric Sprott ⁽²²⁾ Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Herrick Lau ⁽²³⁾ (Former) CFO and Corporate Secretary and (former) Director	2018	18,000 ⁽²⁴⁾	Nil	Nil	Nil	Nil	18,000
	2017	24,000	Nil	Nil	Nil	Nil	24,000
Luca Bechis ⁽²⁵⁾ (Former) Independent Director	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) The Company does not currently have a performance bonus plan, nor any pension or retirement plans.
- (2) Dr. Hennigh received an annual salary of USD \$150,000 which was increased to USD \$275,000 on September 16, 2017. The Company used a CAD/USD exchange rate of 1.2919 to translate this into its reporting currency of Canadian dollars.
- (3) Dr. Hennigh received an annual salary of USD \$150,000. The Company used a CAD/USD exchange rate of 1.3166 to translate this into its reporting currency of Canadian dollars.
- (4) Dr. Hennigh received a bonus of USD \$150,000 on September 30, 2017.
- (5) Mr. Humphryson was appointed as the Company's CEO on June 5, 2017. Mr. Humphryson was appointed as a director of the Company on October 20, 2017.
- (6) Mr. Humphryson received an annual salary of AUD \$325,000. The Company used a CAD/AUD exchange rate of 0.9953 to translate this into its reporting currency of Canadian dollars.
- (7) Mr. Pooley resigned as COO on October 8, 2018.
- (8) Mr. Pooley received an annual salary of AUD \$278,400. The Company used a CAD/AUD exchange rate of 0.9953 to translate this into its reporting currency of Canadian dollars.
- (9) Mr. Pooley received a consulting fee of AUD \$1,200 per day worked. Starting September 1, 2016, Mr. Pooley received an annual salary of AUD \$278,400. The Company used a CAD/AUD exchange rate of 0.9844 to translate this into its reporting currency of Canadian dollars.
- (10) Mr. Pooley received a bonus of AUD \$13,793 on October 5, 2017. The Company used a CAD/AUD exchange rate of 0.9953 to translate this into its reporting currency of Canadian dollars.
- (11) Mr. Sabo-Walsh was appointed as the Company's CFO and corporate secretary on June 5, 2017.
- (12) Starting July 1, 2017, Mr. Sabo-Walsh received a monthly consulting fee of \$4,000. Starting November 16, 2017, Mr. Sabo-Walsh received an annual salary of \$285,000.
- (13) Starting July 1, 2015, Mr. Sabo-Walsh received a monthly consulting fee of \$1,000. Starting July 1, 2016, Mr. Sabo-Walsh received a monthly consulting fee of \$2,000.
- (14) Mr. Sabo-Walsh received a bonus of \$15,374 on November 10, 2017.
- (15) Mr. Sabo-Walsh received a bonus of \$2,000 on December 19, 2016.
- (16) Mr. Karabelas received a monthly consulting fee of \$10,000. Starting October 1, 2016, Mr. Karabelas received a monthly consulting fee of \$15,000.
- (17) Starting October 20, 2017, Ms. Levinson received an annual independent director fee of \$60,000.
- (18) Mr. Gibson was appointed as a director of the Company on July 18, 2017.
- (19) Starting October 20, 2017, Mr. Gibson received an annual independent director fee of \$60,000.
- (20) Mr. Barrett was appointed as a director of the Company on October 20, 2017.
- (21) Starting October 20, 2017, Mr. Barrett received an annual independent director fee of AUD \$60,000. The Company used a CAD/AUD exchange rate of 0.9953 to translate this into its reporting currency of Canadian dollars.
- (22) Mr. Sprott was appointed as a director of the Company on November 1, 2017.
- (23) Mr. Lau resigned as the Company's CFO and corporate secretary on June 5, 2017, and Mr. Lau resigned as a director of the Company on October 20, 2017.

⁽²⁴⁾ These amounts were paid to Mr. Lau for corporate consulting services. Mr. Lau’s services, including his services as CFO, were provided pursuant to a consulting services agreement with the Company.

⁽²⁵⁾ Mr. Bechis resigned as a director of the Company on October 20, 2017.

Stock Options and Other Compensation Securities

The following table discloses the particulars of the option-based and share-based awards granted to the NEOs and directors under the Company’s stock option plan (see “*Stock Option Plans and Other Incentive Plans*” below) during the most recently completed financial year.

Compensation Securities							
Name and Position(s) During the Period	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾ (#)	Date of issue or grant (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Quinton Hennigh ⁽²⁾ Chairman, President and Director	Stock Options	1,000,000 ⁽³⁾ 0.65%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	300,000 ⁽⁴⁾ 0.20%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Rob Humphryson ⁽⁵⁾ CEO and Director	Stock Options	1,500,000 ⁽⁶⁾ 0.98%	June 5, 2017	0.95	0.95	3.60	June 5, 2022
	Stock Options	150,000 ⁽³⁾ 0.10%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	300,000 ⁽⁴⁾ 0.20%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Simon Pooley ⁽⁷⁾ COO	Stock Options	150,000 ⁽³⁾ 0.10%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	100,000 ⁽⁴⁾ 0.07%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Ronan Sabo-Walsh ⁽⁸⁾ CFO and Corporate Secretary	Stock Options	250,000 ⁽⁶⁾ 0.16%	June 5, 2017	0.95	0.95	3.60	June 5, 2022
	Stock Options	100,000 ⁽³⁾ 0.07%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	200,000 ⁽⁴⁾ 0.13%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Leonidas Karabelas ⁽⁹⁾ VP, Corporate Communications	Stock Options	100,000 ⁽³⁾ 0.07%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	100,000 ⁽⁴⁾ 0.07%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Akiko Levinson ⁽¹⁰⁾ Independent Director	Stock Options	150,000 ⁽³⁾ 0.10%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	300,000 ⁽⁴⁾ 0.20%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Greg Gibson ⁽¹¹⁾ Independent Director	Stock Options	500,000 ⁽³⁾ 0.33%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
	Stock Options	300,000 ⁽⁴⁾ 0.20%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Michael Barrett ⁽¹²⁾ Independent Director	Stock Options	500,000 ⁽⁴⁾ 0.33%	October 20, 2017	7.70	7.70	3.60	October 20, 2022
Eric Sprott ⁽¹³⁾ Director	Stock Options	400,000 ⁽¹⁴⁾ 0.26%	November 6, 2017	7.94	7.94	3.60	November 6, 2022

Compensation Securities							
Name and Position(s) During the Period	Type of Compensation Security	Number of compensation securities, number of underlying securities, and percentage of class ⁽¹⁾ (#)	Date of issue or grant (mm/dd/yy)	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry Date (mm/dd/yy)
Herrick Lau ⁽¹⁵⁾ (Former) CFO, Corporate Secretary and (former) Director	Stock Options	150,000 ⁽³⁾ 0.10%	July 18, 2017	1.57	1.57	3.60	July 18, 2022
Luca Bechis ⁽¹⁶⁾ (Former) Independent Director	Stock Options	150,000 ⁽³⁾ 0.10%	July 18, 2017	1.57	1.57	3.60	July 18, 2022

Notes:

- (1) Percentage is calculated based on the total number of issued and outstanding common shares as at January 31, 2018.
- (2) As at the end of the most recently completed financial year, Dr. Hennigh held (i) 150,000 options exercisable at \$0.20, granted on August 6, 2010 and expiring on June 10, 2020, which options are not subject to a vesting schedule, (ii) 400,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, (iii) 1,000,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and (iv) 300,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (3) On July 18, 2017, Dr. Hennigh, Messrs. Humphryson, Pooley, Sabo-Walsh, Karabelas, Gibson, Lau, and Bechis, and Ms. Levinson, were granted 1,000,000, 150,000, 150,000, 100,000, 100,000, 500,000, 150,000, 150,000, and 150,000 options respectively, all having an exercise price of \$1.57 per share.
- (4) On October 20, 2017, Dr. Hennigh, Messrs. Humphryson, Pooley, Sabo-Walsh, Karabelas, Gibson, Barrett, and Ms. Levinson, were granted 300,000, 150,000, 100,000, 100,000, 100,000, 300,000, 500,000, and 300,000 options respectively, all having an exercise price of \$7.70 per share.
- (5) As at the end of the most recently completed financial year, Mr. Humphryson held (i) 1,500,000 options exercisable at \$0.95, granted on June 5, 2017 and expiring on June 5, 2022, and vesting fully from the date on which any of the Company's projects produces its 10,000th ounce of gold ("**Full-Scale Commercial Production**"), (ii) 150,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting fully from the date on which any of the Company's projects reaches Full Scale Commercial Production, and (iii) 300,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (6) On June 5, 2017, Messrs. Humphryson and Sabo-Walsh were granted 1,500,000 and 250,000 options respectively, all having an exercise price of \$0.95 per share.
- (7) As at the end of the most recently completed financial year, Mr. Pooley, who resigned as COO on October 8, 2018, held (i) 400,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, and vesting fully from the date on which any of the Company's projects reaches Full Scale Commercial Production, (ii) 150,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting fully from the date on which any of the Company's projects reaches Full Scale Commercial Production, and (iii) 100,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (8) As at the end of the most recently completed financial year, Mr. Sabo-Walsh held (i) 250,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, (ii) 250,000 options exercisable at \$0.95, granted on June 5, 2017 and expiring on June 5, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date (iii) 100,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and (iv) 200,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (9) As at the end of the most recently completed financial year, Mr. Karabelas held (i) 250,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, (ii) 100,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and (iii) 100,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on

- October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (10) As at the end of the most recently completed financial year, Ms. Levinson held (i) 250,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, (ii) 150,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and (iii) 300,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (11) As at the end of the most recently completed financial year, Mr. Gibson held (i) 500,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and (ii) 300,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (12) As at the end of the most recently completed financial year, Mr. Barrett held 500,000 options exercisable at \$7.70, granted on October 20, 2017 and expiring on October 20, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (13) As at the end of the most recently completed financial year, Mr. Sprott held 400,000 options exercisable at \$7.94, granted on November 6, 2017 and expiring on November 6, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (14) On November 6, 2017, Mr. Sprott was granted 400,000 options with an exercise price of \$7.94.
- (15) Immediately prior to his resignation on October 20, 2017, Mr. Lau held 250,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, which vested at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and 100,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.
- (16) Immediately prior to his resignation on October 20, 2017, Mr. Bechis held 250,000 options exercisable at \$0.94, granted on August 15, 2016 and expiring on August 15, 2021, which vested at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date, and 100,000 options exercisable at \$1.57, granted on July 18, 2017 and expiring on July 18, 2022, and vesting at a rate of 1/3 upon grant, 1/3 six months from the grant date, and 1/3 12 months from the grant date.

Exercise of Compensation Securities by NEOs and Directors

The following table discloses the particulars of the exercise of compensation securities by NEOs and directors during the most recently completed financial year.

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of Compensation Security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Quinton Hennigh Chairman, President and Director	Stock Options	300,000	0.45	February 9, 2017	0.96	0.51	153,000
Akiko Levinson Independent Director	Stock Options	200,000	0.45	February 9, 2017	0.96	0.51	102,000
Leonidas Karabelas VP, Corporate Communications	Stock Options	50,000	0.45	February 20, 2017	0.95	0.50	25,000

Exercise of Compensation Securities by Directors and NEOs							
Name and Position	Type of Compensation Security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Herrick Lau (Former) CFO, Corporate Secretary and (former) Director	Stock Options	50,000	0.20	October 25, 2017	7.46	7.26	363,000
	Stock Options	100,000	0.45	February 9, 2017	0.96	0.51	51,000
	Stock Options	250,000	0.94	November 7, 2017	8.32	7.38	1,845,000
	Stock Options	50,000	1.57	November 17, 2017	7.03	5.46	273,000
Luca Bechis (Former) Independent Director	Stock Options	250,000	0.94	November 16, 2017	7.12	6.18	1,545,000
	Stock Options	50,000	1.57	November 16, 2017	7.12	5.55	277,500

Stock Option Plans and Other Incentive Plans

The Company has a “rolling” stock option plan, which was approved by the Company’s shareholders at the annual general meeting held on October 10, 2017, whereby a maximum of 10% of the issued and outstanding common shares of the Company, from time to time, may be reserved for issuance pursuant to the exercise of options. The material terms of the Company’s stock option plan are as follows:

1. The term of any options granted under the stock option plan will be fixed by the Board or applicable committee at the time such options are granted, provided that options will not be permitted to exceed a term of ten years.
2. The exercise price of any options granted under the stock option plan will be determined by the Board or applicable committee, in its sole discretion, but shall not be less than the closing trading price of the Company’s common shares preceding the grant of such options, less any discount permitted by the regulatory authorities.
3. Unless otherwise imposed by the Board or applicable committee, no vesting requirements will apply to options granted under the stock option plan. A four month hold period, commencing from the date of grant of an option, will apply to all shares issued under an option only if the exercise price of the stock options is based on less than market price.
4. All options will be non-assignable and non-transferable except in the event of the death of the holder of the option.
5. The aggregate number of options which may be granted to any one option holder under the stock option plan within any 12 month period must not exceed 5% of the number of issued and outstanding common shares of the Company (unless the Company has obtained disinterested shareholder approval).
6. If required by regulatory rules, disinterested shareholder approval is required to the grant to insiders (as a group), within a 12 month period, of an aggregate number of options which, when added to the number of outstanding incentive stock options granted to insiders within the previous 12 months (calculated at the date an option is granted to an insider), exceed 10% of the number of issued and outstanding common shares of the Company.

7. The aggregate number of options which may be granted to any one consultant within any 12 month period must not exceed 2% of the number of issued and outstanding common shares of the Company, calculated at the date an option is granted to a consultant.
8. The aggregate number of options which may be granted within any 12 month period to employees or consultants engaged in investor relations activities must not exceed 2% (or such lower percentage as is required by regulatory rules) of the number of issued and outstanding common shares of the Company, calculated at the date an option is granted to any such employee or consultant, and such options must vest in stages over a period of not less than 12 months with no more than 25% of the options vesting in any three month period.
9. Generally, an option will expire on the 30th day following the date on which an option holder ceases to be a director, officer, employee or consultant of the Company (other than by reason of death or disability) or such later date (up to one year) as may be determined by the Board or applicable committee.

Employment, consulting and management agreements

Except as disclosed below, there were no written agreements or arrangements in place under which compensation was provided during the most recently completed financial year or is payable in respect of services provided to the Company that were:

- (a) performed by a director or NEO; or
- (b) performed by any other party but are services typically provided by a director or a NEO,

other than the grant of options under the Company's stock option plan, and the reimbursement of expenses any director or NEO may have incurred on behalf of the Company.

In particular, there were no agreements or arrangement containing provisions with respect to change of control, severance, termination or constructive dismissal except as disclosed below.

Quinton Hennigh

The services of Quinton Hennigh, the president and chairman of the Company, are provided pursuant to an employment agreement dated August 1, 2013, as extended by an agreement dated June 23, 2016, an amended agreement on September 16, 2017, and an amended and restated agreement dated November 1, 2017 (collectively, the "**Hennigh Agreement**") between the Company's subsidiary, Novo Resources (USA) Corp. ("**Novo USA**"), and Dr. Hennigh. Pursuant to the Hennigh Agreement, Dr. Hennigh is paid an annual salary of USD \$275,000 and is entitled to participate in any incentive programs for executives of Novo USA and the Company.

The Hennigh Agreement may be terminated by Dr. Hennigh without Good Cause (as defined below) by giving Novo USA at least three months advance written notice, in which case Dr. Hennigh is not entitled to any termination payment but shall be entitled to receive compensation earned to the date of termination and payment of any reimbursable expenses.

Dr. Hennigh may also terminate the Hennigh Agreement with Good Cause (as defined below) by giving two weeks advance written notice. Novo USA may terminate the Hennigh Agreement without cause at any time by notice in writing. In either event, Novo USA is obligated to pay Dr. Hennigh an amount equal to USD \$300,000.

"Good Cause" under the Hennigh Agreement means the occurrence of one of the following events without Dr. Hennigh's express written consent:

- (a) the assignment by Novo USA to Dr. Hennigh, without his consent, of any substantial new or different duties inconsistent with his positions, duties, responsibilities and status with Novo USA immediately prior to such change in assigned duties;
- (b) a material reduction in Dr. Hennigh's responsibilities, without his consent, except as a result of his death or disability;
- (c) a reduction by Novo USA in Dr. Hennigh's compensation not agreed to by Dr. Hennigh;
- (d) the requirement by Novo USA that Dr. Hennigh be based anywhere other than within a 50 mile radius of his then current location; or
- (e) a material change in the terms of Dr. Hennigh's participation in benefits under any incentive plan, the effect of which would be to materially reduce the total value, in the aggregate, of the benefit to Dr. Hennigh under the incentive plan.

Novo USA may terminate the Hennigh Agreement at any time for cause, in which case Dr. Hennigh is not entitled to any compensation or notice but he is entitled to receive the compensation earned to the date of termination and payment of any reimbursable expenses. In the Hennigh Agreement, "cause" includes:

- (a) an act of fraud or material dishonesty or unlawful conduct by or involving Dr. Hennigh;
- (b) a violation of the code of conduct or other policies of Novo USA or the Company;
- (c) willful neglect of Dr. Hennigh's duties; and
- (d) conduct of Dr. Hennigh that is determined by the board of directors to be detrimental to Novo USA or the Company, which conduct persists after Dr. Hennigh being informed of such determination and afforded a reasonable opportunity to satisfactorily perform his duties.

If, within 12 months following a Change of Control (as defined below), the Hennigh Agreement is terminated by the Company other than for cause, or the Hennigh Agreement is terminated by Dr. Hennigh with or without Good Cause at any time within six months after a Change of Control, Dr. Hennigh will receive a termination payment of USD \$300,000.

In the Hennigh Agreement, the Humphryson Agreement (defined below), the Pooley Agreement (defined below) and the Sabo-Walsh Agreement (defined below), "Change of Control" means:

- (a) the acquisition, directly or indirectly, by any person or group of persons acting jointly or in concert, as such terms are defined in the *Securities Act* (British Columbia), of common shares of the Company which, when added to all other common shares of the Company at the time held directly or indirectly by such person or persons acting jointly or in concert, constitutes for the first time in the aggregate 20% or more of the outstanding common shares of the Company and such shareholding exceeds the collective shareholding of the current directors of the Company, excluding any directors acting in concert with the acquiring party;
- (b) the removal, by extraordinary resolution of the shareholders of the Company, of more than 51% of the then incumbent directors of the Company or the election at a meeting of shareholders of a majority of directors to the board of directors of the Company who were not management nominees for election as directors at such meeting;
- (c) the consummation of a sale of all or substantially all of the assets of the Company; or
- (d) the consummation of a reorganization, plan of arrangement, merger or other transaction which has substantially the same effect as (a) (b) or (c) above.

Rob Humphryson

The services of Rob Humphryson, the CEO and a director of the Company, are provided pursuant to an employment agreement dated June 5, 2017 (the "**Humphryson Agreement**") between the Company's subsidiary, Beatons Creek Gold Pty Ltd. ("**Beatons Creek**"), and Mr. Humphryson. Pursuant to the Humphryson Agreement, Mr. Humphryson is paid an annual salary of AUD \$325,000, and is entitled to participate in any incentive programs for executives of Beatons Creek and the Company.

Beatons Creek may terminate the Humphryson Agreement at any time for cause, and in which case Mr. Humphryson is not entitled to any compensation or notice but he is entitled to receive the compensation earned to the date of termination and payment of any reimbursable expenses. Reasons of “cause” include:

- (a) Mr. Humphryson engaging in any act or omission constituting misconduct in respect of his duties;
- (b) in the reasonable opinion of the chairman or the board of directors, Mr. Humphryson wilfully fails or wilfully neglects to perform or carry out powers or duties in a satisfactory manner;
- (c) in the reasonable opinion of the chairman or the board of directors, Mr. Humphryson is persistently incompetent in the discharge of his duties;
- (d) Mr. Humphryson commits a serious or persistent breach or non-observance of the Humphryson Agreement;
- (e) Mr. Humphryson becomes bankrupt or suspends payment or there is an assignment of his estate for the benefit of his creditors;
- (f) Mr. Humphryson is found guilty of any conduct which, in the reasonable opinion of the chairman or the board of directors, might tend to injure the reputation or the business of the Company or any subsidiary or related entity of the Company;
- (g) Mr. Humphryson refuses or neglects to comply with any lawful and reasonable order given to him by the chairman or the board of directors or any other person duly authorised by the board of directors; or
- (h) Mr. Humphryson is convicted of an indictable offence.

Mr. Humphryson may terminate his employment by providing the period of notice required under the Humphryson Agreement which will not be less than 14 days. If Mr. Humphryson terminates his employment, he may be required to perform his duties for a part, or the duration, of the notice period with Beatons Creek making a payment in lieu to Mr. Humphryson in respect of the balance, if applicable.

If within 12 months following a Change of Control, the Humphryson Agreement is terminated by Beatons Creek other than for cause, or if the Humphryson Agreement is terminated by Mr. Humphryson for any reason within six months after a Change of Control, Mr. Humphryson will receive a lump sum payment of AUD \$300,000.

Simon Pooley

Until his resignation as COO on October 8, 2018, the services of Simon Pooley were provided pursuant to an employment agreement dated April 16, 2018 (the “**Pooley Agreement**”) between Beatons Creek and Mr. Pooley. Pursuant to the Pooley Agreement, Mr. Pooley was paid an annual salary of AUD \$278,400 and was entitled to participate in any incentive programs for executives of Beatons Creek and the Company.

The Pooley Agreement included a provision such that if within 12 months following a Change of Control, the Pooley Agreement was terminated by Beatons Creek other than for cause, or if the Pooley Agreement was terminated by Mr. Pooley for any reason within six months after a Change of Control, Mr. Pooley would receive a lump sum payment of AUD \$278,400.

Ronan Sabo-Walsh

The services of Ronan Sabo-Walsh, the CFO and corporate secretary of the Company, are provided pursuant to an employment agreement dated November 16, 2017 (the “**Sabo-Walsh Agreement**”) between the Company and Mr. Sabo-Walsh. Pursuant to the Sabo-Walsh Agreement, Mr. Sabo-Walsh is paid an annual salary of \$285,000, and is entitled to participate in any incentive programs for executives of the Company.

The Sabo-Walsh Agreement may be terminated by Mr. Sabo-Walsh without Good Cause (as defined below) by giving the Company at least three months advance written notice, in which case Mr. Sabo-Walsh is not entitled to any termination payment but shall be entitled to receive compensation earned to the date of termination and payment of any reimbursable expenses.

Mr. Sabo-Walsh may also terminate the Sabo-Walsh Agreement with Good Cause (as defined below) by giving two weeks advance written notice. The Company may terminate the Sabo-Walsh Agreement without cause at any time by notice in writing. In either event, the Company is obligated to pay Mr. Sabo-Walsh an amount equal to \$285,000.

“Good Cause” under the Sabo-Walsh Agreement means the occurrence of one of the following events without Mr. Sabo-Walsh’s express written consent:

- (a) the assignment by the Company to Mr. Sabo-Walsh, without his consent, of any substantial new or different duties inconsistent with his positions, duties, responsibilities and status with the Company immediately prior to such change in assigned duties;
- (b) a material reduction in Mr. Sabo-Walsh’s responsibilities, without his consent, except as a result of his death or disability;
- (c) a reduction by the Company in Mr. Sabo-Walsh’s compensation not agreed to by Mr. Sabo-Walsh; or
- (d) a material change in the terms of Mr. Sabo-Walsh’s participation in benefits under any incentive plan, the effect of which would be to materially reduce the total value, in the aggregate, of the benefit to Mr. Sabo-Walsh under the incentive plan.

The Company may terminate the Sabo-Walsh Agreement at any time for cause, and in which case Mr. Sabo-Walsh is not entitled to any compensation or notice but he is entitled to receive the compensation earned to the date of termination and payment of any reimbursable expenses. In the Sabo-Walsh Agreement, “cause” includes:

- (a) an act of fraud or material dishonesty or unlawful conduct by or involving Mr. Sabo-Walsh;
- (b) a violation of the code of conduct or other policies of the Company;
- (c) willful neglect of Mr. Sabo-Walsh’s duties; and
- (d) conduct of Mr. Sabo-Walsh that is determined by the Board to be detrimental to the Company, which conduct persists after Mr. Sabo-Walsh being informed of such determination and afforded a reasonable opportunity to satisfactorily perform his duties.

If, within 12 months following a Change of Control, the Sabo-Walsh Agreement is terminated by the Company other than for cause, or the Sabo-Walsh Agreement is terminated by Mr. Sabo-Walsh with or without Good Cause at any time within six months after a Change of Control, in either case, Mr. Sabo-Walsh will receive a termination payment of \$285,000.

Leonidas Karabelas

Mr. Karabelas has an arrangement with the Company whereby Mr. Karabelas invoices the Company the sum of \$15,000 per month for consulting services performed in his capacity as the Company’s vice president of corporate communications.

Herrick Lau

Until his resignation on June 5, 2017, the services of Herrick Lau, the former CFO and corporate secretary of the Company, were provided pursuant to a consulting services agreement dated August 1, 2010, as extended by an agreement dated August 1, 2012 (collectively, the “**Lau Agreement**”) between

the Company and Mr. Lau. Pursuant to the Lau Agreement, Mr. Lau was paid a fee of \$3,750 per month plus applicable taxes (the “**Fee**”).

The Lau Agreement did not contain any provisions with respect to change of control, severance, termination or constructive dismissal.

Oversight and Description of Director and NEO Compensation

Compensation Review Process

The Company’s compensation and nomination committee (the “**Compensation and Nomination Committee**”) is responsible for the compensation policies and guidelines for the Company and for implementing and overseeing compensation policies. The Committee is comprised of three independent directors and it reports to the board of directors.

The Committee reviews on an annual basis the cash compensation, performance, and overall compensation package of the directors and each executive officer, including the NEOs. The Committee makes decisions with respect to basic salary and participation in stock option compensation arrangements for each director and executive officer. In considering executive officers other than the CEO, the Committee shall take into account the recommendation of the CEO. The Company does not currently pay its directors a fee for acting as such. However, the Company compensates its independent directors as described in the Table of Compensation Excluding Compensation Securities above. Directors are also eligible to receive stock option grants.

The Company does not have a formal compensation program with set benchmarks; however, the Company does have an informal compensation program which seeks to reward an executive officer's current and future expected performance. Individual performance in connection with the achievement of corporate milestones and objectives is also reviewed for all NEOs.

Elements of Executive Compensation Program

The Company’s compensation program consists of the following elements:

- (a) base salary or consulting fees;
- (b) bonus payments; and
- (c) equity participation through the Company’s stock option plan.

Base Salary or Consulting Fees

Base salary ranges for NEOs were initially determined upon review of the compensation paid by mining companies such as Entree Resources Ltd., De Grey Mining Ltd., and Artemis Resources Ltd., companies that are comparable to the size of the Company and operate within a similar industry.

In determining the base salary of a NEO, the Committee considers the following factors:

- (a) the particular responsibilities related to the position;
- (b) salaries paid by other companies in the mining industry which are of a size and at a stage of development similar to that of the Company;
- (c) the experience level of the NEO;

- (d) the amount of time and commitment which the NEO devotes to the Company; and
- (e) the NEO's overall performance and performance in relation to the achievement of corporate milestones and objectives.

Bonus Payments

The NEOs, as well as all other employees, are eligible for an annual bonus, payable in cash or through option-based compensation. The amount paid is based on the Committee's assessment of the Company's performance for the year. Factors considered in determining bonus amounts include individual performance, financial criteria (such as cash management and share price performance) and operational criteria (such as significant mineral property acquisitions, resource growth and the attainment of corporate milestones).

The Company awarded bonuses to Quinton Hennigh, the Company's chairman, president, and a director, Simon Pooley, the Company's COO, and Ronan Sabo-Walsh, the Company's CFO and corporate secretary. Dr. Hennigh's bonus was granted subsequent to the Company securing significant financing and successfully establishing the Company's presence in Australia. Mr. Pooley's and Mr. Sabo-Walsh's bonuses were granted subsequent to the Company's receipt of a significant research and development tax incentive refund from the Australian Taxation Office. All bonuses are outlined in the Table of Compensation Excluding Compensation Securities above.

Equity Participation

The Company offers equity participation in the Company through its stock option plan. The purpose of granting stock options is to assist the Company in compensating, attracting, retaining and motivating its executive officers and to closely align the personal interests of such persons to that of the shareholders. In determining the number of options to be granted to the executive officers, the Committee takes into account the number of options, if any, previously granted to each executive officer and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the TSX Venture Exchange.

Pension Disclosure

The Company does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

During the financial year ended January 31, 2018, the Company's stock option plan was the only equity compensation plan under which securities were authorized for issuance. The following table sets forth information with respect to the Company's stock option plan as at the financial year ended January 31, 2018.

Plan category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options (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 securityholders	12,575,000	\$3.07	2,787,577 ⁽¹⁾
Equity compensation plans not approved by securityholders	Nil	N/A	Nil
<i>Total</i>	12,575,000	\$3.07	2,787,577 ⁽¹⁾

Notes:

⁽¹⁾ This figure is based on the total number of shares authorized for issuance under the Company’s stock option plan, less the number of stock options issued under such plan which were outstanding as at the Company’s financial year ended January 31, 2018. As at January 31, 2018, the Company was authorized to issue options for the purchase of a total of 15,362,577 common shares of the Company.

CORPORATE GOVERNANCE DISCLOSURE

Corporate governance relates to the activities of the Board, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board and who are charged with the day-to-day management of the Company. National Policy 58-201 *Corporate Governance Guidelines* (“**NP 58-201**”) establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices. The Board is committed to sound corporate governance practices and feels that the Company’s corporate governance practices are appropriate and effective for the Company given its current size.

The Company’s corporate governance practices are summarized below.

Board of Directors

The Board is currently composed of Michael Barrett, Greg Gibson, Quinton Hennigh, Robert Humphryson, Akiko Levinson and Eric Sprott. All of the proposed nominees for election as directors are currently directors of the Company.

NP 58-201 suggests that the board of directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director’s ability to act with a view to the best interests of the company, other than interests and relationships arising from shareholding. In addition, where a company has a significant shareholder, NP 58-201 suggests that a board of directors should include a number of directors who do not have interests in either the company or a significant shareholder. Of the proposed director nominees, Michael Barrett, Akiko Levinson and Greg Gibson are considered by the Board to be “independent” within the meaning of NP 58-201. Quinton Hennigh and Robert Humphryson are executive officers of the Company and accordingly, they are considered to be “non-independent”. Eric Sprott controls 28.59% of the issued and outstanding common shares of the Company and, accordingly, he is also considered to be “non-independent”.

The Board meets formally on an as needed basis to review and discuss the Company's business activities, and to consider and if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In addition, management informally provides updates to the Board at least once per quarter between formal meetings. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Company's affairs.

The Board facilitates the exercise of independent supervision over management through these various meetings. At present, the Board has two formal committees (discussed below in item F of this section) other than its audit, risk, and corporate governance committee (the "**Audit & Governance Committee**"). The composition of the Board is such that the independent directors have significant experience in business affairs and, as a result, these directors are able to provide significant and valuable independent supervision over management.

In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Company, disclose the nature and extent of his interest to the meeting and abstain from voting on or against the approval of such participation.

Directorships

The current directors of the Company named in the table below are directors of other reporting issuers as shown.

Name of Director	Name of Other Reporting Issuer
Michael Barrett	Pearl Global Limited
Greg Gibson	Ascot Resources Ltd. Bonterra Resources Inc.
Quinton Hennigh	Irving Resources Inc. Miramont Resources Corp. NV Gold Corporation Precipitate Gold Corp. Tristar Gold, Inc.
Akiko Levinson	Irving Resources Inc.
Eric Sprott	Kirkland Lake Gold Ltd.

Orientation and Continuing Education

At present, the Company does not provide a formal orientation and education program for new directors. Prior to joining the Board, potential members are encouraged to meet with management and inform themselves regarding management and the Company's affairs. After joining the Board, management and the Board chair provide orientation both at the outset and on an ongoing basis. The Company currently has no specific policy regarding continuing education for directors, and requests for education are encouraged, and dealt with on an ad hoc basis.

Ethical Business Conduct

The Board does not currently have a written code of ethics, but views good corporate governance as an integral component to the success of the Company. The Company's Audit & Governance Committee has established a "whistleblower" policy to encourage employees to raise concerns about business conduct.

Nomination of Directors

The Board has a Compensation and Nomination Committee. Once a decision has been made to add or replace a director, the task of identifying new candidates will fall on the committee. If a candidate looks promising, the Board and management will conduct due diligence on the candidate and interview the candidate and if the results are satisfactory, the candidate is invited to join the Board.

Compensation

Details regarding the compensation of Named Executive Officers and directors are discussed under “Statement of Executive Compensation – Oversight and Description of Director and NEO Compensation”.

Other Board Committees

In addition to the Audit & Governance Committee, the Board also has a Compensation and Nomination Committee and a health, safety, environment and corporate social responsibility committee (the “**HSECSR Committee**”).

The Compensation and Nomination Committee assists the Board in fulfilling its oversight responsibility relating to compensation of the Company’s executive officers and directors. The committee is also responsible for assessing the composition and effectiveness of the Board. The members of the Compensation and Nomination Committee are Michael Barrett, Greg Gibson and Akiko Levinson (chair).

The HSECSR Committee assists the Board in furtherance of its commitment to corporate social responsibility, environmentally sound and responsible resource development and a healthy and safe work environment. The members of the HSECSR Committee are Michael Barrett, Greg Gibson (chair) and Akiko Levinson.

Assessments

At present, the Board does not have a formal process for assessing the effectiveness of the Board, the Board committees and whether individual directors are performing effectively. These matters are dealt with by the Board on a case by case basis. The Board is of the view that the Company’s shareholders are the most important assessors of Board performance and that they provide the most effective, objective assessment of the Board's performance.

AUDIT COMMITTEE DISCLOSURE

Pursuant to the *Business Corporations Act* (British Columbia), the Company is required to have an audit committee comprised of at least three directors, the majority of whom must not be officers or employees of the Company or an affiliate of the Company.

Audit & Governance Committee Charter

The Company must, pursuant to National Instrument 52-110 *Audit Committees* (“**NI 52-110**”), have a written charter which sets out the duties and responsibilities of its Audit & Governance Committee. The Company’s Audit & Governance Committee charter is attached as Appendix A to this information circular.

Composition of the Audit & Governance Committee

The following are the members of the Audit & Governance Committee:

Michael Barrett	Independent ⁽¹⁾	Financially literate ⁽¹⁾
Robert Humphryson	Not Independent ⁽¹⁾	Financially literate ⁽¹⁾
Akiko Levinson	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

⁽¹⁾ Within the meaning of NI 52-110.

Relevant Education and Experience

In addition to each member's general business experience, the education and experience of each Audit & Governance Committee member that is relevant to the performance of his responsibilities as a member is as follows:

Michael Barrett is a Chartered Accountant with over 27 years' international experience in finance, strategy, corporate development, capital markets, investor relations, risk management and corporate governance across the energy and resources industry. From 2004 to 2015, Mr. Barrett was Chief Financial Officer of Rio Tinto's US Energy business where he was instrumental in leading Rio's divestment and IPO of the business as Cloud Peak Energy on the New York Stock Exchange. After returning to Perth in 2015, Mr. Barrett spent two years as National Lead Partner for Deloitte's Risk Advisory Energy and Resources practice, where he specialised in Corporate Governance, Board advisory and Risk Management for many of the largest mining and energy and resources companies nationally. Mr. Barrett is currently a non-executive director of ASX-listed Pearl Global Limited. He is also a consulting CFO helping develop businesses across the energy and resources industry. Prior to his ten years with Cloud Peak Energy, Mr. Barrett held senior mining sector roles in Western Australia, including with Rio Tinto Iron Ore and WMC Resources Ltd. He started his career with Price Waterhouse in London in 1991.

Robert Humphryson is a Mining Engineer who graduated from the Western Australian School of Mines in 1990. Mr. Humphryson has over 25 years of experience within ASX-listed companies in the Australian mining industry, gaining broad exposure to underground and open pit mining operations from both a contractor and owner miner's perspective. A 17-year career at Macmahon Underground (formerly National Mine Management) culminated in executive operational and business development leadership roles within the group. He has more recently held senior roles at Swick Mining Services (Business Development Manager) and Silver Lake Resources (Chief Operating Officer), where he gained significant exposure to precious metals project construction, operation and acquisitions. Mr. Humphryson is a member of the AusIMM.

Akiko Levinson has over 20 years of experience in the public markets, and has extensive experience in mineral resource exploration finance. Ms. Levinson is currently the CEO, president and a director of Irving Resources Inc. (CSE: IRV). Previously, Ms. Levinson served as the president of Gold Canyon Resources Inc.

Audit & Governance Committee Oversight

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

Reliance on Certain Exemptions

At no time since the commencement of the Company's most recently completed financial year, has the Company relied on the exemption in section 2.4 of NI 52-110 (*De Minimis Non-audit Services*), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit & Governance Committee is required to approve the engagement of the Company's external auditors in respect of non-audit services.

External Auditor Service Fees (by category)

The aggregate fees billed by the Company's external auditors in each of the last two financial years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees⁽¹⁾	Tax Fees⁽²⁾	All Other Fees⁽³⁾
2018	\$149,189	Nil	\$23,869	Nil
2017	\$146,806	Nil	\$11,550	\$21,340

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

Venture Issuers Exemption

The Company is relying on the exemption in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit & Governance Committee) and Part 5 (Reporting Obligations).

PARTICULARS OF MATTERS TO BE ACTED UPON

The following are the matters to be acted upon at the Meeting.

Presentation of the Financial Statements

The consolidated financial statements of the Company for the financial year ended January 31, 2018 and the report of the auditor thereon, which were mailed to Registered Shareholders who requested the same, will be placed before the Meeting. The Company's consolidated financial statements are available under the Company's profile on the SEDAR website, which can be accessed at www.sedar.com.

Election of Directors

The persons named in the enclosed instrument of proxy intend to vote in favour of fixing the number of directors at six.

Each director of the Company is elected annually and holds office until the next annual meeting of the shareholders unless that person ceases to be a director before then. In the absence of instructions to the contrary the shares represented by proxy will be voted for the nominees herein listed.

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE PERSON NAMED IN THE PROXY AS NOMINEE TO VOTE THE SHARES REPRESENTED BY PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS NOMINATED AS DIRECTORS.

Management proposes that the number of directors for the Company be determined at six for the ensuing year subject to such increases as may be permitted by the articles of the Company. The table below lists the management nominees for election as directors and certain information concerning them, as furnished by each nominee.

Name, Jurisdiction of Residence and Position	Principal Occupation or Employment (Past Five Years if Not Previously Elected by Shareholders)	Date Appointed As a Director	Holdings in Voting Securities of the Company and its Subsidiaries
Michael Barrett ⁽¹⁾⁽²⁾⁽³⁾ Western Australia, Australia <i>Director</i>	Director and consultant.	October 20, 2017	2,600 common shares
Greg Gibson ⁽²⁾⁽³⁾ Ontario, Canada <i>Director</i>	President and CEO of Sprott Mining Inc. and Jerritt Canyon Gold LLC.	July 18, 2017	nil
Quinton Hennigh Colorado, U.S.A. <i>Chairman, President and Director</i>	President and chairman of the Company.	October 28, 2009	2,980,000 common shares
Robert Humphryson ⁽¹⁾ Western Australia, Australia <i>CEO and Director</i>	CEO and director of the Company and the former Chief Operating Officer, Silver Lake Resources.	October 20, 2017	nil
Akiko Levinson ⁽¹⁾⁽²⁾⁽³⁾ British Columbia, Canada <i>Director</i>	CEO, President and director of Irving Resources Inc.	June 9, 2011	382,090 common shares
Eric Sprott Ontario, Canada <i>Director</i>	Chairman of Kirkland Lake Gold Ltd.	November 1, 2017	46,829,098 ⁽⁴⁾ common shares

Notes:

- (1) Member of the Company's Audit & Governance Committee.
- (2) Member of the Company's Compensation and Nomination Committee.
- (3) Member of the Company's HSECSR Committee.
- (4) Of these shares, 11,312,544 common shares are directly owned by 2176423 Ontario Ltd. of which company Eric Sprott is a beneficial owner, and 29,830,268 common shares are directly owned by Kirkland Lake Gold Ltd. of which company Eric Sprott is the chairman of the board of directors

Cease Trade Orders and Bankruptcy

No proposed director:

- (a) is, or was within 10 years before the date of this information circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
 - (i) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation for a period of more than 30 consecutive days, that was issued after the director or executive 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
- (b) is, as at the date of this information circular, or has been within the 10 years before the date of this information circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within 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 appointee to hold the assets of the proposed director.

In addition, no proposed director has been subject to:

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

Appointment of Auditor

The persons named in the enclosed instrument of proxy will vote for the appointment of BDO Canada LLP, Chartered Professional Accountants, of 600 Cathedral Place, 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2, as auditor of the Company for the ensuing year, until the close of the next annual meeting of the shareholders at a remuneration to be fixed by the Board. BDO Canada LLP, Chartered Accountants was first appointed to the position of auditor of the Company on February 19, 2013.

Adoption of Stock Option Plan

Management proposes to retain its current “rolling” stock option plan, whereby a maximum of 10% of the issued and outstanding common shares of the Company from time to time may be reserved for issuance pursuant to the exercise of options. The material terms of the stock option plan are as follows set out above under “Statement of Executive Compensation – Stock Option Plans and Other Incentive Plans”.

Reference should be made to the full text of the stock option plan which will be made available at the registered office of the Company, 595 Burrard Street, Suite 2900, Vancouver, British Columbia, until the business day immediately preceding the date of the Meeting.

ADDITIONAL INFORMATION

Additional information concerning the Company is available under its profile on the SEDAR website at www.sedar.com. Financial information is provided in the Company’s comparative financial statements and management’s discussion and analysis for its most recently completed financial period which are filed on SEDAR.

Shareholders wishing to obtain a copy of the Company’s financial statements and management’s discussion and analysis may contact the Company as follows:

Novo Resources Corp.
c/o 595 Burrard Street, Suite 2900
Vancouver, BC, Canada V7X 1J5
Telephone: +1-416-543-3120
Fax: +1-604-632-4440

Management knows of no other matters to come before the Meeting other than those referred to in the notice of meeting. Should any other matters properly come before the Meeting, the shares represented by the instrument of proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy provided that such authority is granted to the proxyholder by the proxy.

The contents and sending of this information circular have been approved by the directors of the Company.

DATED at Vancouver, British Columbia, the 22nd day of October, 2018.

BY ORDER OF THE BOARD OF DIRECTORS

“Quinton Hennigh”

**Quinton Hennigh
President, Chairman & Director**

APPENDIX A

NOVO RESOURCES CORP. AUDIT, RISK, AND CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS CHARTER

The Audit, Risk, and Corporate Governance Committee (“**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Novo Resources Corp. (“**Novo**” or the “**Company**”) to assist the Board in fulfilling its oversight responsibilities with respect to accounting and financial reporting processes, the integrity of the financial statements of the Company, compliance with legal and regulatory requirements, the overall adequacy and maintenance of the systems of internal controls that management has established, the overall responsibility for the Company’s external and internal audit processes including the external Auditor’s qualifications, independence and performance, and for developing the Company’s approach to, and reviewing the Company’s effectiveness with respect to, corporate governance.

Constitution & Authority

The Committee shall consist of not less three directors appointed by the Board. Each member of the Committee must be “independent” and “financially literate” as required by National Instrument 52-110 – Audit Committees, applicable securities legislation and related requirements. The authority, structure, operations, purpose, responsibilities and specific duties of the Committee are described below. At the time of publishing of this Committee’s charter, the Company was listed on the TSX Venture Exchange and is exempt from the requirement for all audit committee members to be independent (see TSX-V Policy 3.1 – *Directors, Officers, Other Insiders & Personnel and Corporate Governance*, section 2.1(b)).

The members of the Committee shall be elected by the Board at the annual organizational meeting of the Board and such Committee members shall serve until the following organizational meeting of the Board or until their successors are duly elected and qualified. The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board. The Chairperson of the Committee shall be designed by the Board from among the Committee members.

The Committee shall have access to such officers and employees of the Company, its external auditor (the “**Auditor**”), and legal counsel, and to such information respecting the Company, and may engage separate independent counsel and advisers at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

The Committee has the authority to communicate directly with and to meet with the Auditor, without management involvement. The Auditor shall report directly to the Committee. The Committee shall be responsible to resolve disagreements, if any, between management and the Auditor regarding financial reporting

Mandate

The Company’s management is responsible for preparing the Company’s financial statements and other financial information and for presenting the information contained in the financial statements fairly and in accordance with International Financial Reporting Standards (“**IFRS**”). Management is also responsible for establishing internal controls and procedures and for maintaining the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and all applicable laws and regulations.

The Auditor’s responsibility is to audit the Company’s financial statements and provide its opinion, based on its audit conducted in accordance with generally accepted auditing standards, whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the Company in accordance with IFRS.

The Committee will provide the Board with such recommendations and reports with respect to the financial disclosures of the Company as it deems advisable.

The role of the Committee is principally one of oversight. Accordingly, the Committee shall:

1. make recommendations to the Board regarding the appointment, retention and level of compensation of the Company's Auditor;
2. approve, in advance, all non-audit services provided to the Company by the Auditor and the related compensation if deemed material by management;
3. evaluate the work of the Auditor and confirm its independence;
4. provide independent and objective oversight of management's monitoring of the Company's internal control systems and financial reporting processes;
5. provide a means of communication between the Board, management and the Auditor on matters relating to financial reporting;
6. provide the necessary oversight over:
 - a) the integrity, adequacy and timeliness of the Company's financial reporting and disclosure practices, including the preparation of financial statements;
 - b) the processes for identifying the Company's principal financial risks and the control systems to monitor those risks;
 - c) the Company's compliance with legal and regulatory requirements related to financial reporting;
 - d) management's evaluation of the Company's exposure to fraud;
7. perform any other activities consistent with its mandate, the Company's constituting documents and laws of general application as the Committee or Board deems necessary or desirable;
8. oversee the risk management system;
9. to oversee the establishment and implementation by management of a system for identifying, assessing, monitoring and managing material risk throughout the company. This system will include the Company's internal compliance and control systems;
10. to review at least annually the Company's risk management systems to ensure the exposure to the various categories of risk are minimised prior to endorsement by the board;
11. to take an active interest in ethical considerations regarding the Company's policies and practices;
12. to monitor the standard of corporate conduct in areas such as arms-length dealings and possible conflicts of interest;
13. to identify and direct any special projects or investigations deemed necessary;
14. to consider the adequacy of internal audit procedures;
15. to review forecasts, budgets, and valuation models as prepared by management;
16. to hold private (in camera) sessions with the Auditor, internal auditor (if applicable), and senior management including the CFO, CEO, and legal counsel; and
17. to handle any concerns raised by individuals pursuant to the Company's whistleblower policy.

Responsibilities

In performing its oversight responsibilities, the Committee shall:

Audit

1. review and assess, on an annual basis, the adequacy of its mandate and recommend any proposed changes to the Board for approval;
2. monitor, on a regular basis, the independence of the Auditor by reviewing all relationships between the Auditor and the Company and all non-audit work performed for the Company by the Auditor and the Committee or a member thereof shall pre- approve all non-audit services to be provided to the Company or a subsidiary by the Auditor;
3. review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the Auditor and any former Auditor;
4. review with the Auditor and management the annual plan for the audit of the financial statements before commencement of the work;
5. review with the Auditor the results of the Auditor's work and any problems or difficulties that were encountered, including any disagreements between the Company's management and the Auditor regarding financial reporting, and assess management's responses thereto;
6. review summaries of significant reports prepared by management;
7. review with management and the Auditor the annual audited financial statements and 'Management Discussion and Analysis' reports, before filing or distribution, including matters requiring review pursuant to laws and regulations of general application;
8. review with management (or ensure that the Board does so) the quarterly unaudited financial statements and Management Discussion and Analysis reports, before filing or distribution, including matters required to be reviewed under laws and regulations of general application;
9. review with management the annual budget, and any required interim adjustments, including the assumptions (for reasonableness, accuracy and timeliness), for recommendation to the Board;
10. review with management, as appropriate, news releases and any other form of disclosure containing earnings and other material financial information;
11. satisfy itself that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from its financial statements, other than the public disclosure referred to in paragraphs 6 and 7, and must periodically assess the adequacy of those procedures;
12. review with management and the Auditor , the adequacy and effectiveness of the Company's internal controls over financial reporting including any significant or material deficiencies and the adequacy and timeliness of its financial reporting processes and the quality and acceptability of the Company's accounting principles and estimates, including the clarity of financial disclosure and the degree of appropriateness of the accounting policies and estimates;
13. review with management and the Auditor the quality and appropriateness of the Company's financial reporting and accounting standards and principles and significant changes to those standards or principles or in their application, including key accounting decisions affecting the financial statements, alternatives thereto and the rationale for decisions made;
14. review with management and the Auditor the treatment and disclosure of significant related party transactions and potential conflicts of interest;

15. review with management the risk of frauds within the operations or financial reporting and consider the actions taken by management and the systems implemented to address these risks;
16. ensure that adequate procedures are in place for the receipt, retention and treatment of:
 - complaints and expressions of concern regarding accounting, financial disclosure, internal controls, auditing or legal and regulatory matters; and
 - confidential, anonymous submission by employees regarding questionable accounting, auditing and financial reporting and disclosure matters.
17. examine the process for identifying, categorizing, evaluating and mitigating the Company's principal risks and the potential impact or consequences they might have, individually or compounded, on the sustainability of the Company, as well as measures available to ensure the latter, and report to the Board, members of which shall use their reasonable efforts to ensure the adequacy of the oversight of management and that management duly carries out its required functions;
18. review the appointment of the Company's Chief Financial Officer and any other key financial executives involved in the financial reporting process;
19. review disclosures made to the Committee by the Company's Chief Executive Officer and Chief Financial Officer during their certification process required under applicable Canadian and, if applicable, United States and Australian securities laws. Review any significant deficiencies in the design and operation of internal controls over financial reporting or disclosure controls and procedures and any fraud; and
20. conduct or authorize investigations into any matter that the Committee believes is within the scope of its responsibilities.

Risk

21. assessing the internal processes for determining and managing key risk areas, particularly:
 - a) non-compliance with laws, regulations, standards and best practice guidelines, including environmental and industrial relations laws;
 - b) litigation and claims; and
 - c) relevant business risks other than those that are dealt with by other specific Board Committees.
22. receiving from management reports on all suspected and actual frauds, thefts and breaches of laws;
23. evaluating the process the Company has in place for assessing and continuously improving internal controls, particularly those related to areas of significant risk;
24. assessing whether management has controls in place for unusual types of transactions and/or any potential transactions that may carry more than an acceptable degree of risk; and
25. meeting periodically with key management, internal and external auditors and compliance staff to understand and discuss the Company's control environment.

Corporate Governance

26. develop and monitor the Company's overall approach to corporate governance issues and, subject to approval by the Board, to implement and administer a system of corporate governance which reflects strong corporate governance practices;
27. periodically review and assess the Company's corporate governance policies and practices and make recommendations to the Board in accordance with applicable laws and regulations;

28. conduct an annual review of the mandates of the Board and its Committees and recommend any changes or revisions considered advisable;
29. oversee the annual evaluation of the functioning of the Board and its committees (including this Committee); and
30. the Committee will review and recommend to the board any disclosure regarding the Company's corporate governance practices to be included in the Company's public disclosure or any regulatory filings in accordance with applicable laws and regulations.

Meetings

The Committee will meet at least once per quarter or more frequently as circumstances require to perform the duties described above in a timely manner. Meetings may be held at any time deemed appropriate by the Committee.

Quorum for the transaction of business at any meeting of the Committee shall be a majority of the number of members of the Committee. A Committee member who is unable to attend in person may attend a Committee meeting by telephone, video conference or other telecommunication device that permits all persons participating in the meeting to speak and hear each other. The Committee shall hold in camera sessions without the presence of management after each meeting.

The Committee may request any officer or employee of the Company or the Company's outside counsel or independent Auditors to attend a meeting of the Committee or to meet with any members of, or consultants to, the Committee. In addition, the Committee or, at a minimum, the Chairperson, may meet with the Company's external legal counsel to discuss the Company's policies and practices relevant to the scope of responsibilities of the Committee.

Meetings of the Committee shall be held from time to time as the Committee or the Chairperson shall determine upon 48 hours' notice to each of its members. The notice period may be waived by a quorum of the Committee.

The Chairperson will appoint a secretary of each meeting of the Committee who need not be a member of the Committee and who will maintain the minutes of the meeting and circulate copies of the minutes to each Committee member on a timely basis. The minutes of the Committee meetings will be made available for review by the Board.