



TREVALI MINING CORPORATION

2015 NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

DATED: MAY 5, 2015

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 Paul Keller, COO
 Anna Ladd, CFO
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TREVALI MINING CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders of the common shares (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of Trevali Mining Corporation (the “**Company**”) will be held at the Renaissance Vancouver Harbourside Hotel, Port of Vancouver Room, 2nd Floor, 1133 West Hastings Street, Vancouver, BC, V6E 3T3 on Wednesday, June 17, 2015 at the hour of 9:00 a.m. (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Company for the financial year ended December 31, 2014, together with the report of the auditor thereon;
2. to elect the directors of the Company;
3. to appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix its remuneration; and
4. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Annual and Special Meeting of Shareholders (the “**Notice**”) is the management information circular of the Company dated May 5, 2015, either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders, and a reply card for use by shareholders who wish to receive the Company’s interim and/or annual financial statements.

A Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Company’s transfer agent and registrar, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, Attention: Stock Transfer Department, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting.

Shareholders who are unable to be present personally at the Meeting are urged to sign, date and return the enclosed form of proxy in the envelope provided for that purpose. If you plan to be present personally at the Meeting, you are requested to bring the enclosed form of proxy for identification. The record date for the determination of those Shareholders entitled to receive the Notice and to vote at the Meeting is the close of business on Tuesday, May 5, 2015.

DATED at Vancouver, British Columbia, this 5th day of May, 2015.

BY ORDER OF THE BOARD

“Mark D. Cruise”

Mark D. Cruise
President, Chief Executive Officer and Director

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TREVALI MINING CORPORATION

MANAGEMENT INFORMATION CIRCULAR

FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD ON JUNE 17, 2015

This information is given as of May 5, 2015 unless otherwise noted

SOLICITATION OF PROXIES

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Trevali Mining Corporation (the “**Company**”) for use at the annual and special meeting (the “**Meeting**”) of holders (collectively, the “**Shareholders**” or individually, a “**Shareholder**”) of common shares in the capital of the Company (“**Common Shares**”) to be held at the time and place and for the purposes set forth in the attached Notice of Annual and Special Meeting of Shareholders (the “**Notice**”). The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail, and, in relation to the delivery of this Circular, by posting this Circular on our website at www.trevali.com and our SEDAR (as defined below) profile at www.sedar.com pursuant to Notice and Access (N&A Notice, as defined below). See “Notice and Access” on page 3 of this Circular for further information. The solicitation of proxies may be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company or by the Company’s transfer agent and registrar. **The Company may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. All costs of solicitation will be borne by the Company.**

The Company has sent the N&A Notice (as defined below) and a form of proxy or voting instruction form, as applicable (the “**Notice Package**”) to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed. The Company will not directly send the Notice Package to Beneficial Shareholders. Instead, the Company will pay clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for distribution to Beneficial Shareholders (as defined below) whose Common Shares are held by or in custody of such Intermediaries. Such Intermediaries are required to forward the Notice Package to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive them. The Company has elected to pay for the delivery of the Notice Package to objecting Beneficial Shareholders by the Intermediaries. The Company is sending the Notice Package directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Computershare Investor Services Inc. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Notice Package.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company’s transfer agent and registrar, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1, Attention: Stock Transfer Department, not later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment thereof, or delivering it to the chairman of the Meeting on the day of the Meeting or any adjournment thereof prior to the time of voting. A proxy must be executed by the registered Shareholder or his, her or its attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized indicating the capacity under which such officer or attorney is signing:
 - (i) at the registered office, Suite 2300 - 1177 West Hastings Street Vancouver, BC, V6E 2K3, at any time up to 9:00 a.m. on Monday, June 15, 2015; or
 - (ii) with the chairman of the Meeting on the day of the Meeting or any adjournment thereof; or
- (b) in any other manner permitted by law.

EXERCISE OF DISCRETION BY PROXIES

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment thereof.** At the time of the printing of this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

ADVICE TO BENEFICIAL SHAREHOLDERS

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares, or non-objecting beneficial owners whose names has been provided to the Company's registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting - the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

NOTICE AND ACCESS

The Company is utilizing the notice-and-access mechanism (“**Notice and Access**”) under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) in the case of Beneficial Shareholders, and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) in the case of registered Shareholders.

Notice and Access allows the Company to deliver this Circular to Shareholders via specified electronic means provided that the conditions of NI 54-101 and NI 51-102 are met.

In accordance with NI 54-101, the Company set the Record Date (as defined below) at least 40 days before the Meeting and also filed a form of notification of the Record Date and the date of the Meeting at least 25 days before the Record Date.

Website Where Meeting Materials are Posted

The Notice and Access provisions are a new set of rules that allow reporting issuers to choose to deliver proxy-related materials to registered Shareholders and Beneficial Shareholders by posting electronic versions of proxy-related materials on-line, via the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than mailing paper copies of such materials to Shareholders. The Company will not rely upon the use of “stratification”.

In order for a reporting issuer such as the Company to avail itself of the Notice and Access process, the Company must send a notice to Shareholders (the “**N&A Notice**”), including Beneficial Shareholders, indicating the websites where this Circular has been posted and explaining how a Shareholder can access the Circular online or obtain a paper copy from the Company as well as other basic information about the Meeting including, among other things, the matters to be voted on at the Meeting.

Electronic copies of the Circular, the Notice, the annual audited consolidated financial statements of the Company for the year ended December 31, 2014 (“**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the year ended December 31, 2014 (“**MD&A**”) may be found on the Company’s SEDAR profile at www.sedar.com and the Company’s website at www.trevali.com. In relation to the Meeting, Shareholders with existing instructions on their account to receive printed materials and those Shareholders with addresses outside of Canada and the United States will receive a printed copy of the Notice Package. All other Shareholders will receive only the required notification documentation under Notice and Access, which will not include a paper copy of the Circular.

Obtaining Paper Copies of Materials

The Company anticipates that using Notice and Access for delivery will directly benefit the Company through a substantial reduction in both postage and material costs, and also promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials. Shareholders with questions about Notice and Access can call the Company toll-free in North America at 1-888-770-7488. Shareholders may also obtain paper copies of the Circular, Financial Statements and MD&A free of charge by

contacting the Company at the same toll-free number. Requests should be received at least five (5) business days in advance of the proxy cut-off date set out in the accompanying proxy or voting instruction form in order to receive the meeting materials in advance of the date of the Meeting.

NOTE TO NON-OBJECTING BENEFICIAL OWNERS

The Notice Package is being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent the Notice Package directly to you, your name and address and information about your holdings of Common Shares, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Notice Package to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering the Notice Package to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company has fixed the close of business on Tuesday, May 5, 2015 as the record date (the “**Record Date**”) for the purposes of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 287,003,169 common shares in the capital of the Company (the “**Common Shares**”) were issued and outstanding. 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 of which he, she or it is the holder. The Company has no other classes of voting securities.

In accordance with the provisions of the *Business Corporations Act* (British Columbia), the Company will prepare a list of the holders of Common Shares on the Record Date. Each holder of Common Shares named on the list will be entitled to vote the Common Shares shown opposite his, her or its name on the list at the Meeting.

To the knowledge of the directors and executive officers of the Company, there are no persons or companies who beneficially own, or control or direct, directly or indirectly, voting securities of the Company carrying 10% or more of the voting rights attached to the Common Shares.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

In this section “**Named Executive Officer**” or “**NEO**” means (a) the Chief Executive Officer, (b) the Chief Financial Officer, (c) each of the Company’s three other most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, whose total compensation was more than \$150,000, or (d) any additional individual whose total compensation was more than \$150,000 during the year ended December 31, 2014. As at December 31, 2014, the Company had five NEOs, namely Mark Cruise, the President and Chief Executive Officer (“**CEO**”), Anna Ladd, the Chief Financial Officer (“**CFO**”), Paul Keller, the Chief Operating Officer (“**COO**”), Steve Stakiw, the Vice President IR/Corporate Communications (“**VP IR/CC**”) and Alan Hughes, Vice President Human Resources (“**VP HR**”).

All dollar amounts referenced herein are Canadian Dollars unless otherwise specified.

Compensation Philosophy and Objectives

In considering executive compensation issues, the Compensation Committee’s goal is to ensure that the compensation provided to executive officers is determined with regard to the Company’s business strategies and objectives. In this manner, the financial interest of the executive officers is aligned with the financial interest of the Shareholders.

The Compensation Committee strives to ensure that the Company's executive officers are paid fairly and commensurately with their contributions to furthering the Company's strategic directions and objectives. The Company seeks to attract and retain top quality executives by providing total compensation that is appropriate and competitive with that paid by other mining companies based and operating in Canada with reference to companies with international operations of similar size and scope. The Compensation Committee reviews and determines all elements of the executive officers' compensation on an annual basis.

Each executive officer's position is evaluated to establish skill requirements and level of responsibility and this evaluation provides a basis for internal and external comparisons of positions. In addition to industry comparables, the board of directors of the Company (the "**Board**") and the Compensation Committee consider a variety of factors when determining both compensation policies, programs and individual compensation levels. These factors include the long term interests of the Company and its shareholders, overall financial and operating performance of the Company and the Board's and the Compensation Committee's assessment of each executive's individual performance and contribution towards meeting annual and longer term corporate objectives.

The general objectives of the Company's compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;
- (b) align management's interests with the long-term interests of shareholders;
- (c) attract and retain highly qualified executive officers; and
- (d) be competitive with the compensation arrangements of Canadian mining companies with international operations of generally a similar size and scope.

Compensation Committee Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee's Charter. The Compensation Committee is currently composed of Messrs. Michael Hoffman, David Huberman and Anton Drescher, all of whom are independent.

The Compensation Committee meets on compensation matters at least two times a year and when required. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the NEOs and the Company's other executive officers is determined with regard to the Company's business strategies and objectives, such that the financial interest of the executive officers is aligned with the financial interest of shareholders, and to ensure that their compensation is fair, reasonable and sufficient to attract and retain qualified and experienced executives. The Compensation Committee is given the authority to engage and compensate any outside advisor that it determines to be necessary to carry out its duties.

The Compensation Committee is involved in setting and reviewing executive compensation in the following ways:

- it annually reviews executive compensation practices among the Company's comparator group to benchmark the Company's executive compensation practices at the median (50th percentile) of the Company's comparators, including base salaries, and applicable targets for short-term and long-term incentive awards to executives along with a review of long-term incentive awards;
- it annually reviews the Company's compensation framework to ensure that it is designed to meet the Company's compensation philosophy and objectives but does not encourage excessive risk taking by executives and other employees, including reviewing the relative weighting of fixed and variable "at risk" compensation;
- it annually reviews and approves (or recommends to the Board for approval, where required) the Company's targets for its annual incentive plan, taking into consideration the Company's corporate

objectives and potential risks that the Corporation may face or that are inherent in the industry. The Committee determines the achievement of incentive plan targets;

- it annually reviews and approves compensation for the executives that report directly to the CEO, and makes recommendations to the Board regarding compensation for the CEO;
- it retains discretion to create, modify, reduce or cancel incentive awards;
- it sets and reviews share ownership guidelines and whether directors and executives have met the required standard;
- it reviews NEO and executive termination agreements and NEO termination obligations in relation to market practices and trends; and
- it annually reviews benefits, retirement plans and any perquisites provided to executives

The Compensation Committee is involved in setting and reviewing non-executive director compensation in the following ways:

- it reviews and recommends to the Board for approval, the annual director retainer; the additional committee chair retainer; the additional Chairman of the Board retainer; the meeting fees; the value of any equity retainer and how such equity retainer will be provided.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee in making informed decisions on the suitability of the Company's compensation policies and practices. Each of the members of the Compensation Committee have experience on the board of directors and related committees of other public companies, as described under "Particulars of Matters to be Acted Upon - Election of Directors" in this Circular. All of the members of the Compensation Committee are independent.

Compensation Risk

The Board and, as applicable, the Compensation Committee, considers and assesses the implications of risks associated with the Company's compensation policies and practices and devotes such time and resources as is believed to be necessary in the circumstances. The Company's practice of compensating its officers primarily through a mix of salary, stock options, bonus shares, restricted share units ("**RSUs**"), deferred share units ("**DSUs**") and performance share units ("**PSUs**") is designed to mitigate risk by: (i) ensuring that the Company retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Company and its shareholders.

The Board, together with the Compensation Committee, uses a number of strategies to reduce the risk associated with compensation, including:

- reviewing and approving annual corporate objectives and then assessing performance against these objectives when awarding the individual performance component of the annual bonus;
- considering the Company's performance relative to its peers when reviewing the corporate performance component of the executive officers' annual bonus; and
- setting standard vesting terms on stock option grants which align optionees' interests with longer term growth of the Company using 36-month vesting provisions on any stock options granted with five year option terms.

As at the date of this Circular, the Board had not identified risks arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

Financial Instruments

A review of comparator proxy data indicated that close to half of the Company's comparator companies have resolutions that prohibit NEOs and directors from purchasing financial instruments designed to hedge or offset a decrease in long term incentive plan compensation granted. To the Company's knowledge, no executive officer or director of the Company has entered into or purchased a financial instrument.

In order to further mitigate the potential for NEOs and directors from taking inappropriate or excessive risks relating to compensation, the Board passed a resolution in early 2014 which prohibits NEOs and directors from purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by a NEO or director.

Executive and Director Compensation-Related Fees

The Compensation Committee may from time to time engage independent consultants to conduct a comparator group review and analysis of executive and director compensation.

During the year ended December 31, 2014, the Company paid a fee of \$4,767 to Mercer (Canada) Limited to purchase the 2014 Canada Mining Industry Corporate Compensation Report and the 2014 Canada Mining Industry Mine Site Compensation Report.

During the year ended December 31, 2014, the Company performed an internal review and analysis of executive and director compensation, as discussed in benchmarking below.

Benchmarking

In the mining industry, ensuring competitive compensation is a critical business practice. The Company seeks to provide competitive total compensation packages to its executives and directors to ensure that it attracts and retains talented individuals while being aligned with market practices, yet manage its compensation within Trevali's ability to pay.

The current comparator group was first developed in late 2012 when Trevali was a non-producing company. The comparator group reflected a blend of resource companies, some smaller single mine producers and a few mid-tier producers. The companies chosen were Canadian-based, publically traded mining companies with market capitalization ranging from \$100 million to \$1 billion. Trevali's market cap was around the first quartile of the resulting group. The comparator group at that time included the following 14 companies:

Amerigo Resources Ltd.	Claude Resources Inc.	Carpathian Gold Inc.
Scorpio Mining Corp.	North American Palladium Ltd.	Nevada Copper Corp.
Duluth Metals Limited	Lake Shore Gold Corp.	Denison Mines Corp.
Golden Star Resources Ltd.	Capstone Mining Corp.	Taseko Mines Limited
Thompson Creek Metals Company	Imperial Metals Corp.	

Since 2012, a number of factors have changed, leading to modifications to the comparator group for 2015 and beyond. These factors include:

- Trevali, as a company, has made significant progress in its lifecycle. The Company has one fully operational mine in Peru (Santander) with a second mine coming into production later in 2015 (Caribou);
- Trevali's market capitalization has grown from around \$180 million in 2012 to around \$300 million as at December 31, 2014 while most companies in the previous comparator group has decreased significantly and several companies were acquired and thus needing to be replaced;
- A shift to use comparator companies similar to Trevali, those being Canadian-based producing companies, with one or more mines in production;
- The need to consider companies that Trevali is compared to by the nine investment firms and equity analysts that provide research reports on Trevali; and

- The eventual elimination of resource based comparator companies, but with replacement companies still falling within a 0.25x's to 4x's market cap.

In late 2014, the Compensation Committee recommended to the Board and the Board subsequently approved the following changes to the comparator group, increasing the comparator group to 15 companies.

Retained Comparators	Eliminated Comparators	Newly Added Comparators
Amerigo Resources Ltd.	Claude Resources Inc.	Copper Mountain Mining Corp.
Capstone Mining Corp.	Carpathian Gold Inc.	Dundee Precious Metals Inc.
Nevada Copper Corp.	Scorpio Mining Corp.	Endeavour Mining Corp.
Imperial Metals Corp.	North American Palladium Ltd.	First Majestic Silver Corp.
Denison Mines Corp.	Golden Star Resources Ltd.	Primero Mining Corp.
Taseko Mines Limited		Silver Standard Resources Inc.
Thompson Creek Metals Company		

As a secondary data source to determine the competitiveness and reasonableness of executive compensation, the Company continues to utilize the Mining Industry Salary Surveys conducted by Mercer (Canada) Limited. The Company blends data from all sources and eliminates any compensation above or below one standard deviation of the average, so as not to skew market competitiveness.

Elements of Compensation

The Company's executive officer total compensation is composed of three major components: base salary, a short-term incentive bonus and long-term share based and option based incentives. The Compensation Committee annually reviews the various elements of compensation to ensure that they are aligned with the goals of the Company and each executive, as well as the Company's compensation objectives and philosophy.

Base Salary

Each NEO receives a base salary, which constitutes a significant portion of the NEO's compensation package. A preliminary base salary for each executive is established following a review of market data for similar positions using the independent compensation surveys and proxy data of the Company's comparator group of companies. The selection of companies that make up the comparable group are intended to reflect a group of companies with which the Company competes for executives and other professionals. Actual proposed base salaries for executives other than the CEO are then recommended by the CEO to the Chairman of the Board and to the Compensation Committee based upon market competitive salary levels; an assessment of an executives performance and the Company's performance during the year; the financial capacity of the Company; the scope of the executives responsibilities for the year; the executives prior experience and retention risk referencing the competitive nature of the mining industry. On the same basis, the proposed base salary of the CEO is recommended by the Chairman of the Board to the Compensation Committee who in turn recommends a final proposed base salary to the Board for approval.

After a review of all comparative data in late 2014, the Compensation Committee increased the base salaries of certain NEO's to remain competitive as reflected in each NEO's capability in his/her respective roles, effective January 1, 2015.

Name	Base Salary 2014	Base Salary 2015	% Increase from 2014
Mark Cruise, CEO	\$353,000	\$353,000	0%
Anna Ladd, CFO	\$250,000	\$280,000	12%
Paul Keller, COO	\$300,000	\$330,000	10%
Steve Stakiw, VP IR/CC	\$200,000	\$220,000	10%
Alan Hughes, VP HR	\$220,000	\$220,000	0%

Short-Term Incentive Plan

The second component of the executive officers' compensation is an annual Short-Term Incentive Plan ("STIP"), typically paid in cash. All executives are eligible for annual STIP awards, after taking into account capital funding requirements, financial management and attainment of certain corporate objectives and personal objectives. STIP awards paid at the beginning of one fiscal year are typically for performance achieved against objectives set for the previous fiscal year.

All awards, other than the CEO's, are based on the recommendation of the CEO and are at the discretion of the Compensation Committee and the Board. The CEO does not make a recommendation to the Compensation Committee and the Board with respect to his own annual STIP award. The annual STIP award for the CEO is based on the recommendation of the Compensation Committee to the Board.

The Board approved for use in 2014, STIP targets as a percentage of base salary/fees. The overall target may also be split between corporate and personal components with different weightings applied. Each component may then have one or more goals with different weighting and measures. STIP awards may range from 0% to 200% of target base salary based on achievement of corporate and personal component objectives. In 2014, the overall target was weighted 100% on corporate goals with discretion from the Compensation Committee and the CEO to adjust the STIP for personal contributions by each executive.

The STIP award targets as a percentage of base salary/fees and the split between the corporate and personal component is as follows:

Name	Target % of Base Salary/Fees	Corporate Component Split	Personal Component Split
Mark Cruise, CEO	60%	100%	0%
Anna Ladd, CFO	40%	100%	0%
Paul Keller, COO	40%	100%	0%
Steve Stakiw, VP IR/CC	40%	100%	0%
Alan Hughes, VP HR	40%	50%	0%

Corporate objectives were developed by the executive management team and submitted to the Compensation Committee and the Board for modification and approval. The approved corporate objectives were then applied to all NEOs. Each NEO also developed personal component objectives that reflected strategic annual operational objectives, financial improvement of the business and effective teamwork/communication of the executive management team.

For 2014, corporate component objectives and year-end results were as follows:

• Santander Production & Financials –	40% weighting
• New Brunswick Restart Plan –	30% weighting
• Exploration Programs –	10% weighting
• Safety and Environmental Compliance –	<u>20% weighting</u>
Total	100%

In light of achievements during the 2014 year, the Compensation Committee recommended and the Board awarded 95% achievement of the Corporate goals.

A year-end assessment of personal component objectives was also completed and reviewed for consistency. Personal component results were combined with the corporate component results to calculate an overall proposed STIP achievement. Any calculated STIP awards are reviewed by the CEO, modified where appropriate and recommended to the Compensation Committee for approval. The Compensation Committee reserves the right to accept, modify or cancel any proposed STIP award recommendations. STIP awards are normally payable early in the following calendar year, typically after the close of the first quarter.

For the year ended December 31, 2014, although the achievement against corporate objectives calculated to a potential 95% payout on the corporate component, it was recommended by the Compensation Committee and approved by the Board that no cash STIP awards be payable to NEOs and all other employees covered under the STIP plan in order to preserve capital for 2015 initiatives. The Compensation Committee agreed to consider Bonus Shares (as defined below) in lieu of any cash STIP awards. The amount of such awards was approved by the Compensation Committee in January, 2015. The STIP awards have not yet been issued.

Name	Corporate Component % Achievement	Corporate STIP % Achievement (% of Target)	Additional % Awarded for Personal Contribution	Total STIP % Achievement (% of Target)	Approved STIP Award Payout (dollars)
Mark Cruise, CEO	95%	57.00%	8%	65%	\$229,450
Anna Ladd, CFO	95%	38.00%	7%	45%	\$112,500
Paul Keller, COO	95%	38.00%	12%	50%	\$150,000
Steve Stakiw, VP IR/CC	95%	38.00%	2%	40%	\$80,000
Alan Hughes, VP HR	95%	20.00%	0%	20%	\$44,000

Long-Term Incentive Plan

The third component of NEO compensation is the granting of options (“**Options**”) to purchase Common Shares under the Company’s stock option plan and/or the issuance of “bonus” Common Shares (“**Bonus Shares**”) and the granting of RSUs, DSUs or PSUs under the Company’s share unit plan (“**SUP**”). The Compensation Committee or the Board may grant Options, Bonus Shares, DSUs, RSUs and PSUs, or any combination thereof, on an annual basis to executive officers and service providers, including employees and consultants.

The Stock Option and Stock Bonus Plan and SUP are intended to help attract and retain employees by providing them with an opportunity to participate in the future success of the Company and to reinforce commitment to long-term growth in profitability and shareholder value. The Stock Option and Stock Bonus Plan and SUP are designed to encourage share ownership and entrepreneurship on the part of the senior management and employees. The Board believes that the Stock Option and Stock Bonus Plan and SUP aligns the interests of the NEOs and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Common Shares.

The Compensation Committee recommended and the Board approved for use in 2013 and thereafter, the establishment of long-term incentive plan targets as a percentage of base salary/fees. For 2015, NEOs have a target based on the 50th percentile (P50) of the long term incentive market data of the comparable group and could receive up to the 75th percentile if justified by Company performance. Using 50th percentile long-term incentive market data, the 2015 long-term incentive targets for its NEOs were changed to reflect applicable market data, but remains at 50th percentile and terms of the grants are described below:

Options granted under the Stock Option and Stock Bonus Plan vest in 1/3 increments starting on the first year anniversary of grant and fully vest on the third anniversary of the date of grant. Vested Options must be exercised no later than five years after the date of grant or they will expire. Options are priced using the five day volume weighted average closing price of the Common Shares on the Toronto Stock Exchange (the “**TSX**”) on the date of grant according to plan rules. Bonus Share awards vest in 1/3 increments starting on the first year after grant and fully vest on the third anniversary date after grant. At each vesting date, that portion of the award is settled with Common Shares issued from treasury.

RSU awards vest 100% on the third anniversary date following grant. There is no partial vesting before that time. Upon vesting, each participant receives one Common Share purchased on the open market on the date of redemption, or is settled in cash.

The form of the incentive award (whether Options, Bonus Shares, RSUs or PSUs) for each executive and the percentage split between each long-term incentive component is at the discretion of the Compensation Committee and the Board. The longer term goal, dependent upon market conditions, is to move towards a decreased use of Options and an eventual shift to performance based awards. In monitoring or adjusting the recommended option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance (where possible), its assessment of individual contribution to shareholder value, the

previous option grants. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Stock Option and Stock Bonus Plan and in accordance with the policies of the TSX.

Other Benefits

The Company also has an appropriate benefits program in place, including medical and dental benefits and basic life insurance, which applies to all permanent employees (full and part-time) and consultants, as the Company believes that such a plan is a competitive requirement and therefore an important consideration in attracting the necessary personnel.

NEO Share Ownership Guidelines

In an effort to align the interests of the NEOs with those of the Company's shareholders, in December 2012, the Company adopted an executive share ownership policy.

Effective March 1, 2013, each NEO of the Company must purchase and hold at least \$10,000 worth of Common Shares within one year of appointment. In addition, the CEO must hold that number of Common Shares with a value of at least three times his or her base salary and each of the other NEOs must hold that number of Common Shares with a value of at least one times his or her base salary. This requirement is to be attained within five years of becoming the CEO or within three years for any other NEO and must be maintained throughout such persons tenure as the CEO or a NEO, as the case may be. The relevant calculations are made as at December 31 of each year.

As 2013 was the first year that the executive share ownership policy was adopted, each NEO had until March 1, 2014 to meet their minimum of \$10,000 worth of Common Share ownership requirements. The CEO will have until March 1, 2018, and all other NEOs will have until March 1, 2016, to purchase and hold Common Shares representing the minimum requirements of their annual base salary/fees. As of March 1, 2014, all NEOs have attained the minimum Common Share ownership requirements. See the table below entitled "NEO Share Ownership Requirements and Actual Share Ownership at December 31, 2014".

Executive Share Ownership Requirements

The following table sets forth the number and value of the Common Shares currently held by each NEO as at December 31, 2014:

**NEO Share Ownership Requirements and
Actual Share Ownership at December 31, 2014**

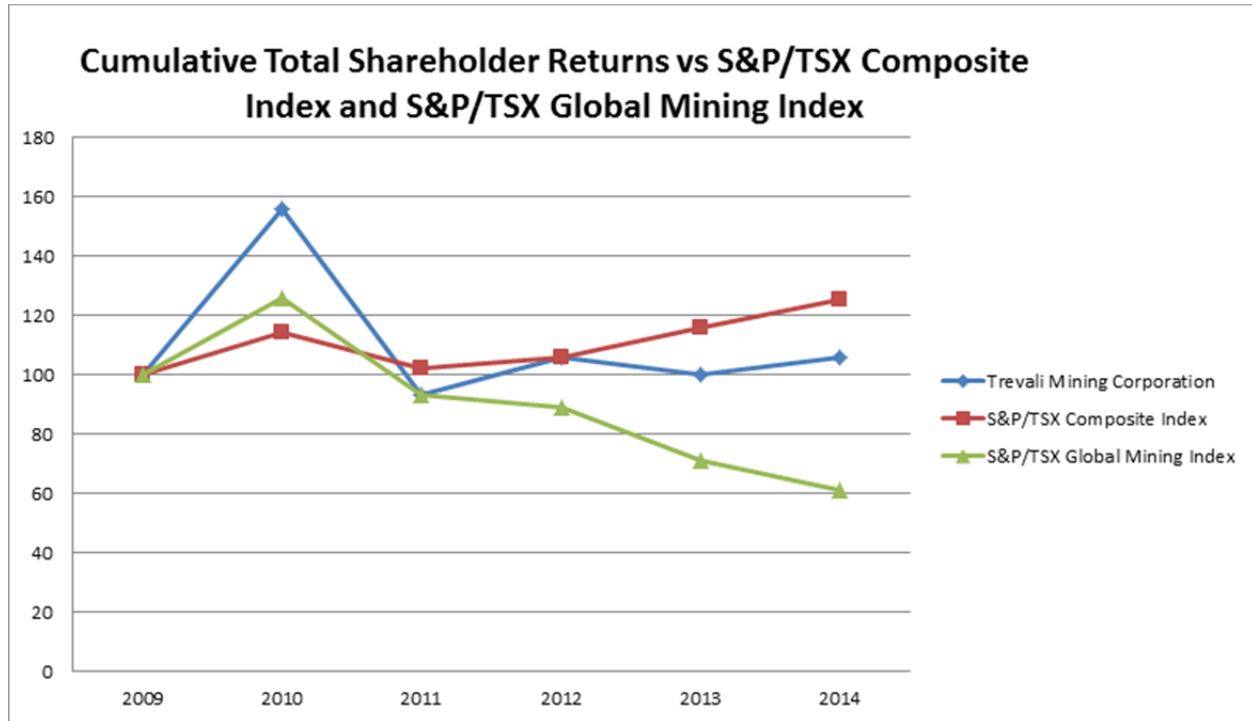
Name	Appointed	Number of Common Shares Held⁽¹⁾	Total Market Value of Common Shares⁽²⁾	Initial Shareholding Requirements Met
		(#)	(\$)	(\$10,000 min)
Mark Cruise CEO	February 2008	749,467	801,930	Yes
Anna Ladd CFO	May 2011	35,666	38,163	Yes
Paul Keller COO	May 2011	45,833	49,041	Yes
Alan Hughes VP HR	May 2013	14,000	14,980	Yes
Steve Stakiw VP IR/CC	November 2012	165,667	177,264	Yes

Notes:

- (1) Held directly and indirectly.
- (2) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.

Performance Graph

The following chart compares the total cumulative shareholder return on \$100 invested in Common Shares on December 31, 2009 with the cumulative total returns of the S&P/TSX Composite Index for the five most recently completed financial years.



YEAR	2009	2010	2011	2012	2013	2014
Trevali Mining Corporation	100	156	93	106	100	107
S&P/TSX Composite Index	100	114	102	106	116	125
S&P/TSX Global Mining Index	100	126	93	89	71	61

The Corporation's closing prices were as follows:

Dec. 31/2009=\$1.01; Dec. 31/2010=\$1.58; Dec. 31/2011=\$0.94; Dec. 31/2012=\$1.07; Dec. 31/2013=\$1.01, Dec 31/2014=\$1.07

Over the past five years, the Company has experienced significant changes. Specifically in 2011, with the acquisition of the Halfmile, Stratmat and Ruttan properties located in Canada, through the acquisition of Kria Resources Ltd. In early January 2012, the Company made the transition from a mineral explorer/developer to producer with the development of its mine at Halfmile, New Brunswick, and on November 2, 2012 the Company completed the acquisition of the Caribou mill and property located in New Brunswick, through the acquisition of Maple Minerals Corporation. In 2013, the Company commissioned and commenced commercial production at its Santander mine in Peru, and 2014 represented the Company's first full year of commercial production at Santander. In addition, the Company anticipates bringing its Caribou mine into production in 2015. The Company's compensation to the NEOs has also increased over this period to reflect the growing business and increased complexities of the executive positions; however, the percentage increase in the NEOs' compensation is not consistent with the trend of total return on investment charted for the Company in the above performance graph. The Company does not base its executive compensation on total return on investment. As mentioned previously, the Company relies exclusively on the Compensation Committee and the Board to determine executive compensation.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to the each NEO for the Company's three most recently completed financial years:

Name	Year	Salary/ Fee	Share- based awards ⁽¹⁾ (Bonus Shares, RSUs)	Option- based awards ⁽²⁾	Non-equity incentive Plan contribution		Pension Value	All Other Compensation	Total Compensation
					Annual Incentive Plans ⁽³⁾	Long-term Incentive Plans			
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Mark Cruise ⁽⁴⁾ CEO	2014	353,004	849,794	109,489	-	-	-	-	1,312,287
	2013	353,004	267,650	111,344	250,000	-	-	-	981,998
	2012	324,996	-	62,347	130,094	-	-	-	517,437
Anna Ladd ⁽⁵⁾ CFO	2014	250,000	444,264	59,505	-	-	-	-	753,769
	2013	250,000	145,440	110,813	125,000	-	-	-	631,253
	2012	250,000	-	44,042	68,337	-	-	-	362,379
Paul Keller ⁽⁶⁾ COO	2014	300,000	540,671	83,571	-	-	-	-	924,242
	2013	300,000	205,030	120,995	175,000	-	-	-	801,025
	2012	258,500	-	44,042	85,969	-	-	-	388,511
Steve Stakiw ⁽⁷⁾ VP IR/CC	2014	200,000	260,438	28,827	-	-	-	-	489,265
	2013	200,000	82,820	52,877	40,000	-	-	-	375,697
	2012	174,225	-	193,988	19,067	-	-	-	387,280
Alan Hughes ⁽⁸⁾ VP HR	2014	220,000	154,615	31,736	-	-	-	-	406,351
	2013	146,667	103,727	106,831	-	-	-	-	357,225

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, as follow:
2014 - \$1.07;
2013 - \$1.01.
- (2) Option-based awards were earned pursuant to the Stock Option and Stock Bonus Plan. Fair value of stock option grants have been calculated using the Black-Scholes option pricing model, based on the following assumptions:

- for the fiscal year ended December 31, 2014 (note these option grants have a 3 year vesting period):

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
June 24, 2014	1.58%	5 years	61%	-

- for the fiscal year ended December 31, 2013 (note these option grants have a 3 year vesting period):

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
May 31, 2013	1.48%	5 years	80%	-
May 1, 2013	1.15%	5 years	80%	-

- for the fiscal year ended December 31, 2012:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
February 1, 2012	0.98%	2 years	66%	-
September 19, 2012	1.17%	2 years	61%	-
October 16, 2012	1.08%	2 years	60%	-

- (3) Short-term incentive cash bonus.
- (4) Paid to Cruise Geoservices Ltd., a private company controlled by Dr. Cruise, for management and exploration services to the Company.
- (5) Paid to Ladd Mining Incorporated, a private company controlled by Ms. Ladd, for financial and management services to the Company.
- (6) Paid to Paul Keller doing business as Keller Consulting, for management services to the Company.
- (7) Mr. Stakiw was appointed VP IR/CC of the Company on November 27, 2012.
- (8) Mr. Hughes was appointed VP HR of the Company on May 1, 2013. Paid to Concept 2 Creation Inc., a private company controlled by Mr. Hughes, for management services to the Company.

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based and option-based awards outstanding for the NEOs as of December 31, 2014:

Name	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested ⁽²⁾	Market or payout value of vested share-based awards not paid out or distributed
	(#)	(\$)		(\$)	(#)	(\$)	(\$)
Mark Cruise CEO	40,000	0.975	Sep 16/15	3,800			-
	197,500	0.77	May 1/18	59,250	220,833	236,291	-
	47,500	0.62	May 31/18	21,375			-
	207,000	1.01	Jun 24/19	12,420	794,200	849,794	-
Anna Ladd CFO	107,500	0.77	May 1/18	32,250	120,000	128,400	-
	150,000	0.62	May 31/18	67,500			-
	112,500	1.01	Jun 24/19	6,750	415,200	444,264	-
Paul Keller COO	60,000	2.00	Feb 1/16				-
	151,000	0.77	May 1/18	45,300	169,167	181,009	-
	125,000	0.62	May 31/18	56,250			-
	158,000	1.01	Jun 24/19	9,480	505,300	540,671	-
Steve Stakiw VP IR/CC	70,000	0.77	May 1/18	21,000	68,333	73,116	-
	50,000	0.62	May 31/18	22,500			-
	54,500	1.01	Jun 24/19	3,270	243,400	260,438	-
Alan Hughes VP HR	264,150	0.62	May 31/18	118,868	85,583	91,574	-
	60,000	1.01	Jun 24/19	3,600	144,500	154,615	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$1.07 for the Common Shares on the Exchange on December 31, 2014 and the exercise price of the options, multiplied by the number of unexercised options.
- (2) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each NEO during the year ended December 31, 2014:

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	(\$)	(\$)	(\$)
Mark Cruise CEO	28,108	49,467	-
Anna Ladd CFO	28,542	26,880	-
Paul Keller COO	30,950	37,893	-
Steve Stakiw VP IR/CC	13,500	15,307	-
Alan Hughes VP HR	28,176	16,090	-

Notes:

- (1) The “value vested during the year” is calculated based on the positive difference between the closing price for the Common Shares on the Exchange as of the date of vesting (being the anniversary date) and the exercise price of the options, multiplied by the number of vested options.
- (2) Represents the number of shares vested multiplied by the closing market price on the date of vesting.

Termination and Change of Control Benefits

Dr. Mark Cruise, CEO & President

The Company entered into a revised consulting agreement (the “**Cruise Agreement**”) dated January 1, 2013 with Cruise Geoservices Limited (“**CGL**”), a private company beneficially owned by Dr. Cruise, whereby the Company agreed to pay C\$353,000 per year for providing management and exploration services to the Company. Effective June 12, 2013, the consulting agreement was revised to reflect that any potential bonus would fall under the new STIP plan and that any termination following a change of control would now also require cause (double trigger) for any termination payment to occur. Under the Cruise Agreement, CGL is eligible to receive a cash STIP award at the end of each calendar year based on attainment of corporate and personal objectives and Board approval. In the event of the death of the Dr. Cruise, CGL is eligible to receive a pro-rated STIP assuming 100% attainment on any personal objectives and respective achievement of any corporate objectives. The services of CGL under the Cruise Agreement are provided by Dr. Cruise, who acts as CEO and President of the Company.

CGL is entitled to receive the following payments if Dr. Cruise is terminated by the Company without cause:

- (a) payment of base fee to the date of termination and any outstanding vacation pay thereto; and
- (b) 12 months’ notice plus one additional month per completed year of service, to a maximum of an additional 12 months’ notice (“**Working Notice**”), or
- (c) a lump sum payment to Dr. Cruise in lieu of the Working Notice, equal to the base fee and STIP that Dr. Cruise would have otherwise earned during the Working Notice period, plus an additional lump sum payment of 30% in lieu of lost benefits, the total lump sum payment being the “**Termination Payment**”; or
- (d) the Company, in its sole and absolute discretion, may provide Dr. Cruise with a combination of part Working Notice and part termination payment (the “**Combined Option**”).

Assuming that the event of termination without cause took place on December 31, 2014, the following are estimates of the lump sum amounts payable by the Company to CGL in such circumstances:

Payment Type	Amount
Lump sum payment of base consultancy fee ⁽¹⁾	\$353,000
One additional month salary per completed year of service ⁽²⁾	\$205,917
Benefits (30% of total lump sum base fee in lieu of benefits)	\$167,675
Total Compensation ⁽¹⁾	\$726,592

Notes:

(1) The total amount will vary depending on the termination date.

(2) Based on seven completed years of service as of December 31, 2014.

For a period of 18 months from a change of control, CGL is eligible for severance payments in the event of either an involuntary termination or a termination for Good Reason (as defined in the Cruise Agreement).

In the case of Good Reason, CGL may elect to terminate the Cruise Agreement and its engagement with the Company by providing written notice to the Company of its intention to immediately terminate the Cruise Agreement as a result of Good Reason. In the event of termination for Good Reason following a change in control, CGL would be entitled to a lump sum payment equal to three times the sum of: (a) the then annual base fees; (b) the average annual bonus received by Dr. Cruise from the Company during the most recent three years prior to such termination; and (c) immediate vesting of any outstanding and unvested Options and non-performance based awards under the SUP, plus an additional 30% of annual base fee for lost benefits. Any performance-based awards under the SUP do not fully accelerate if the performance goals have not been met. Acceleration of any performance-based awards under the SUP whose performance goals have been met are proportionate to the date of the change of control calculated using actual performance at that time vs. proportionate measure to the date of the change of control and included in the above lump sum payment.

Assuming that the event of termination took place on December 31, 2014 for Good Reason following a change of control, the following are estimates of the amounts payable by the Company to CGL in such circumstances:

Payment Type	Amount
Lump sum payment of 3x base consultancy fee ⁽¹⁾	\$1,059,000
Average STIP Award (Bonus) ⁽²⁾	\$126,698
Vesting of Outstanding Options, Bonus Shares and RSUs ⁽³⁾	\$1,376,918
Benefits (30% of base consultancy fee in lieu of benefits)	\$317,700
Perquisites	\$Nil
Total Compensation ⁽¹⁾	\$2,880,316

Notes:

- (1) The total amount will vary depending on the termination date;
(2) Average of annual bonus received in the most recent three years prior to December 31, 2014;
(3) Options value calculated using the Black-Scholes option pricing model, based on the following assumptions:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
June 24, 2014	1.58%	5 years	61%	-
May 31, 2013	1.48%	5 years	80%	-
May 1, 2013	1.15%	5 years	80%	-
September 16, 2010	2.52%	4.45 years	97%	-

Unvested Bonus Share and RSU awards calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.

Other Named Executive Officers

Effective July 1, 2011, as amended January 1, 2015, the Company entered into consulting agreements with Ladd Mining Incorporated (for the services of Ms. Anna Ladd in her capacity as CFO of the Company) (“**Ladd**”) pursuant to which an annual fee of \$280,000 plus benefits will be paid.

Effective July 1, 2011, as amended January 1, 2015, the Company entered into a consulting agreement with Keller Consulting (for the services of Mr. Paul Keller in his initial capacity as Vice President Operations and then Chief Operating Officer of the Company) (“**Keller**”) pursuant to which an annual fee of \$330,000 plus benefits will be paid.

Effective November 27, 2012, as amended January 1, 2015, the Company entered into a consulting agreement with Steve Stakiw (“**Stakiw**”) for his services in his capacity as Vice President IR/Corporate Communications pursuant to which an annual fee of \$220,000 plus benefits will be paid.

Effective May 1, 2013, the Company entered into consulting agreements with Concept 2 Creation Inc. (for the services of Mr. Alan Hughes in his capacity as Vice President Human Resources of the Company) (“**Hughes**”) pursuant to which an annual fee of \$220,000 plus benefits will be paid.

Effective June 12, 2013 the consulting agreements with each of Ladd, Keller, Stakiw and Hughes, (the “**Executives**” and each, an “**Executive**”) were revised to include provisions similar to the Cruise Agreement relating to STIP and termination for Good Reason. Under the agreements, each the Executives is eligible to receive a STIP payment at the end of each calendar year based on attainment of corporate and personal objectives, subject to Board approval. In addition, each Executive is entitled to receive the following benefits if the respective executive officer is terminated without cause:

- (a) payment of base fee to the date of termination and any outstanding vacation pay thereto; and
- (b) 12 months' notice plus one additional month per completed year of service, to a maximum of an additional 12 months' notice ("**Executive Working Notice**"); or
- (c) a lump sum payment to the Executive in lieu of the Executive Working Notice, equal to the base fee and STIP that the Executive would have otherwise earned during the Executive Working Notice period, plus an additional lump sum payment of 30% in lieu of lost benefits, the total lump sum payment being the "**Termination Payment**"; or
- (d) the Company, in its sole and absolute discretion, may provide the Executive with a combination of part Working Notice and part Termination Payment (the "**Combined Option**").

Assuming that the event of termination took place on December 31, 2014 without cause, the following are estimates of the lump sum amounts payable by the Company to each of the Executives in such circumstances:

Payment Type	Ladd Amount ⁽²⁾	Keller Amount ⁽²⁾	Stakiw Amount ⁽³⁾	Hughes Amount ⁽⁴⁾
Lump sum payment of base consultancy fee ⁽¹⁾	\$250,000	\$300,000	\$200,000	\$220,000
One additional month salary per completed year of service to a maximum of 12 months	\$62,500	\$75,000	\$83,333	\$18,333
Benefits (30% of base fee in lieu of benefits)	\$93,750	\$112,500	\$85,000	\$71,500
Total Compensation ⁽¹⁾	\$406,250	\$487,500	\$368,333	\$309,833

Notes:

- (1) The total amount will vary depending on the termination date.
- (2) Based on three years of service as of December 31, 2014.
- (3) Based on five years of service as of December 31, 2014.
- (4) Based on one year of services as of December 31, 2014.

For a period of 18 months from a change of control, the Executives are eligible for severance payments in the event of either an involuntary termination or a termination for Good Reason (as defined in the consulting agreement with each Executive).

In the case of Good Reason, each Executive may elect to terminate their respective agreement and its engagement with the Company by providing written notice to the Company of its intention to immediately terminate their Agreement as a result of Good Reason. In the event of termination for good reason following a change in control, each Executive would be entitled to a lump sum payment equal to two times the sum of: (a) the then annual base fees; and (b) the average annual bonus received by each respective Executive from the Company during the most recent three years prior to such termination; and (c) immediate vesting of any outstanding, unvested Stock Options and non-performance based awards under the SUP, plus an additional 30% of annual base fee for lost benefits. Any performance-based awards under the SUP do not fully accelerate if the performance goals have not been met. Acceleration of any performance-based awards under the SUP whose performance goals have been met are proportionate to the date of the change of control calculated using actual performance at that time vs. proportionate measure to the date of the change of control and included in the above lump sum payment.

Each Executive has the right for a period of nine months following a change of control to elect to terminate the respective consulting agreement. In such event, the Company is obligated to pay the Executive a lump sum payment equal to two times the annual fee plus an additional 30% for lost benefits.

Assuming that the event of termination took place on December 31, 2014, for Good Reason following a change of control, the following are estimates of the amounts payable to the Executives in such circumstances:

Payment Type	Ladd Amount	Keller Amount	Stakiw Amount	Hughes Amount
Lump sum payment of 2x base consultancy fee ⁽¹⁾	\$500,000	\$600,000	\$400,000	\$440,000
Average STIP Award (Bonus) ⁽²⁾	\$85,679	\$110,790	\$34,789	\$0
Vesting of Outstanding Options, Bonus Shares and RSUs ⁽³⁾	\$742,982	\$1,021,646	\$415,258	\$384,755
Benefits (30% of base consultancy fee in lieu of benefits)	\$150,000	\$180,000	\$120,000	\$132,000
Total Compensation ⁽¹⁾	\$1,478,661	\$1,912,436	\$970,047	\$956,755

Notes:

- (1) The total amount will vary depending on the termination date.
(2) Average of annual bonus received in the most recent three (3) years prior to December 31, 2014.
(3) Options value calculated using the Black-Scholes option pricing model, based on the following assumptions:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
June 24, 2014	1.58%	5 years	61%	
May 31, 2013	1.48%	5 years	80%	-
May 1, 2013	1.15%	5 years	80%	-
February 1, 2011	2.52%	4.82 years	97%	

Unvested Bonus Share and RSU awards calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.

DIRECTORS' COMPENSATION

The Company recognizes the contribution that its directors make to the Company and seeks to compensate them accordingly. The Compensation Committee is responsible for making recommendations as to director compensation for the Board's consideration and ultimate approval.

The Company uses the same comparator companies to determine the competitiveness and composition of their director compensation as they do for their executive compensation. The Company sets compensation based on the average (P50) compensation paid within the comparator group, factoring out data that lies outside of one standard deviation. The Company also reviews continuing market trends from an analysis of comparator proxy information and data obtained from the Canadian Spencer Stuart Board Index ("CSSBI").

Based on their review, the Compensation Committee concluded that the Company's Board compensation was below its peer group and recommended that the Company increase its director compensation to bring it in line with that of its peers and market compensation trends. The monthly cash retainer was increased from \$3,250 to \$3,750, but the meeting fees were unchanged for 2015, while the equity portion of the Directors compensation was increased from \$55,000 to \$60,000 annually. Market data also showed that the majority of CSSBI 100 Boards and comparator companies gave directors the option to receive equity instead of their cash compensation. The Compensation Committee recommended in 2014 and the Board agreed to allow directors to voluntarily elect to take any or all of their cash compensation (annual cash retainer and any additional Chair retainer) in the form of DSUs. This election is offered on an annual basis. For 2015, Mr. Peter Meredith elected to take to take 100% of his annual cash retainer and per meeting fees in equivalent DSUs and Ms. Catherine Gignac elected to take 50% of her annual cash retainer in equivalent DSUs.

Director compensation includes:

- an annual director retainer;
- an additional annual retainer for serving as a committee chair;
- attendance fees for each meeting attended in person or by conference call;
- an equity value paid by way of Options, Bonus Shares, DSUs, or a combination thereof; and
- in addition, the Company reimburses directors for their out-of-pocket costs incurred in attending Board or Board committee meetings.

Position	Annual Cash Retainer	Additional Chair Retainer	Per Meeting Fee	Annual Equity Value	Total
Director	\$45,000	n/a	\$1,200	\$60,000	\$106,200
Board Chair	\$45,000	\$36,000	\$1,200	\$60,000	\$142,200
Audit Chair	\$45,000	\$15,000	\$1,200	\$60,000	\$121,200
Compensation Chair	\$45,000	\$10,000	\$1,200	\$60,000	\$116,200
Sustainability Chair and Nominating and Governance Chair	\$45,000	\$10,000	\$1,200	\$60,000	\$116,200

Committee Membership

The following table set forth the current committee members, all of whom are non-executive directors:

Committee Members	Audit Committee	Compensation Committee	Sustainability Committee	Nominating and Governance Committee
Anton Drescher	Chair	Member	-	-
Michael Hoffman	-	Chair	Chair	-
Catherine Gignac	Member	-	Member	Member
Christopher Eskdale ⁽¹⁾	-	-	-	-
Valentin Paniagua	-	-	-	Member
David Huberman ⁽²⁾⁽³⁾	-	Member	Member	Chair
Peter Meredith	Member	-	-	-

Notes:

- (1) Mr. Eskdale is the director nominee appointed for Glencore International AG (“Glencore”) and, as such, does not sit on any committees and does receive any compensation as a director for the Company.
- (2) With the resignation of Mr. Anthony Holler from the Board effective February 14, 2014, Mr. David Huberman was elected the new Chairman of the Board on February 17, 2014.
- (3) With the retirement of Paul Klipfel from the Board effective June 24, 2014, Mr. David Huberman was elected to the Sustainability Committee on October 10, 2014.

Fees Paid

The following table provides a breakdown of the fees paid to all non-executive directors for the year ended December 31, 2014. Fees are paid monthly.

Name	Retainer Fee (\$)	Chair Fee (\$)	Per Meeting Fees (\$)	Out of Pocket Expenses Reimbursed (\$)	Total Fees Paid (\$)
Anthony Holler ⁽¹⁾	6,500	4,500	1,200	-	\$12,200
Paul Klipfel ⁽²⁾	19,500	-	3,600	2,437	\$25,537
Anton Drescher	39,000	15,000	4,800	322	\$59,122
Michael Hoffman	39,000	20,000	4,800	2,785	\$66,585
Catherine Gignac	39,000	-	4,800	3,304	\$47,104
Christopher Eskdale	-	-	-	-	
Valentin Paniagua	39,000	-	3,600	-	\$42,600
David Huberman ⁽³⁾	39,000	31,286	4,800	665	\$75,751
Peter Meredith	39,000	-	4,800	8,512	\$52,312

Notes:

- (1) Mr. Holler resigned from the Company on February 14, 2014.
- (2) Mr. Klipfel resigned from the Company on June 24, 2014.
- (3) Mr. Huberman was appointed Board Chair on February 17, 2014.

Equity Based Compensation

A component of the director's compensation is the granting of Options, and/or the issuance of Bonus Shares pursuant to the terms of the Company's Stock Option and Stock Bonus Plan and the granting of DSUs under the SUP. The Compensation Committee or the Board may grant Options, Bonus Shares, and DSUs, or any combination thereof, on an annual basis to directors. Each director is also entitled to participate in any security-based compensation arrangement or other plan adopted by the Company from time to time with the approval of the Board.

The use of Bonus Shares and DSUs moves the Company towards its goal of decreasing the use of Options for non-executive directors and promotes greater alignment between directors and shareholders. The form of the incentive award (whether Options, Bonus Shares, PSUs or RSUs) for each executive and the percentage split between each long-term incentive component is at the discretion of the Compensation Committee and the Board.

Currently, Options granted under the Stock Option and Stock Bonus Plan vest in 1/3 increments starting one year after the date of the grant and must be exercised no later than five years after the date of grant. DSUs vest for non-U.S. directors on the first anniversary date following grant and are settled when the non-executive director ceases to hold office. DSUs for non-executive directors that are U.S. citizens, residents or green card holders vest, and are settled, on the date of their retirement or death. When settled or redeemed, each DSU pays the holder the then current cash equivalent of the market price per share on date of settlement.

For 2014, it was determined that 25% of the annual equity value would be awarded in Options; 25% in Bonus Shares and 50% in DSUs. For 2015, it was determined that 100% of the annual equity value would be awarded in DSUs.

During the year ended December 31, 2014, the Company granted Options to purchase 129,000 Common Shares, 77,400 Bonus Shares and 154,200 DSUs to non-executive directors as follows:

Name	Options⁽¹⁾⁽²⁾	Bonus Shares	DSUs⁽³⁾
Paul Klipfel⁽⁴⁾	-	-	-
Anton Drescher	21,500	12,900	25,700
Michael Hoffman	21,500	12,900	25,700
Catherine Gignac	21,500	12,900	25,700
Christopher Eskdale⁽⁵⁾	-	-	-
Valentin Paniagua	21,500	12,900	25,700
David Huberman	21,500	12,900	25,700
Peter Meredith	21,500	12,900	25,700

Notes:

- (1) Options vest in 1/3 increments starting on the first year anniversary of grant and fully vest on the third anniversary of the date of grant.
- (2) Exercisable at a price of \$1.01.
- (3) DSUs vest for non-U.S. directors on the first anniversary date following grant and are settled when the non-executive director ceases to hold office. DSUs for non-executive directors that are U.S. citizens, residents or green card holders vest, and are settled, on the date of their retirement or death.
- (4) Mr. Klipfel retired as a director of the Company on June 24, 2014.
- (5) Mr. Eskdale is the director nominee appointed for Glencore and, as such, does not receive any compensation as a director of the Company.

NEOs who also act as directors of the Company do not receive any additional compensation for services rendered in such capacity, other than as paid by the Company to such NEOs in their capacity as executive officers.

The following table discloses the particulars of the compensation provided to the non-executive directors of the Company for the financial year ended December 31, 2014:

**Non-Executive Director Compensation
During the Year Ended December 31, 2014**

Name	Fees Earned	Share-based awards ⁽¹⁾	Option-based awards ⁽²⁾	Non-equity Incentive Plan Compensation	Pension Value	All other compensation	Total
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Anthony Holler ⁽³⁾	12,200	-	-	-	-	-	12,200
Paul Klipfel ⁽⁴⁾	23,100	-	-	-	-	-	23,100
Anton Drescher	58,800	41,302	11,372	-	-	-	111,474
Michael Hoffman	63,800	41,302	11,372	-	-	-	116,474
Catherine Gignac ⁽⁵⁾	43,800	41,302	11,372	-	-	-	96,474
Christopher Eskdale ⁽⁶⁾	-	-	-	-	-	-	-
Valentin Paniagua ⁽⁷⁾	42,600	41,302	11,372	-	-	-	95,274
David Huberman ⁽⁸⁾	75,086	41,302	11,372	-	-	-	127,760
Peter Meredith ⁽⁹⁾	43,800	41,302	11,372	-	-	-	96,474

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.
- (2) Option-based awards were earned pursuant to the Stock Option and Stock Bonus Plan. Fair value of stock option grant have been calculated using the Black-Scholes option pricing model, based on the following assumptions for the fiscal year ended December 31, 2014:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
June 24, 2014	1.58%	5 years	61%	-

- (3) Mr. Holler resigned from the Company on February 14, 2014.
- (4) Mr. Klipfel retired from the Company on June 24, 2014.
- (5) Ms. Gignac was appointed as a director of the Company on March 2, 2012.
- (6) Mr. Eskdale was appointed as a director of the Company on March 5, 2012. Mr. Eskdale is the director nominee appointed for Glencore and, as such, does not receive any compensation as a director of the Company.
- (7) Mr. Paniagua was appointed as a director of the Company on September 19, 2012.
- (8) Mr. Huberman was appointed as a director of the Company on September 27, 2012, and subsequently appointed Board Chair on February 14, 2014.
- (9) Mr. Meredith was appointed as a director of the Company on May 6, 2013.

Director Share Ownership Guidelines

In an effort to align the interests of members of the Board with those of the Company's shareholders, in March 2013 the Company adopted a director share ownership policy.

Effective March 1, 2013, each non-executive director of the Company must purchase and hold at least \$10,000 worth of Common Shares within one year of appointment and within five years are to purchase and hold Common Shares representing at least three times the amount of the annual cash retainer payable to each non-executive director of the Company. These requirements must be maintained throughout their tenure as a director.

The Nominating and Governance Committee will periodically review and make recommendations to the Board as to what level of director shareholding requirement is appropriate for the Company. The calculations are made as at December 31 of each year.

As 2013 was the first year that the director share ownership policy was adopted, all current non-executive directors had until March 1, 2014 to meet their minimum \$10,000 worth of Common Shares ownership requirements and will have until March 1, 2018 to purchase and hold Common Shares representing at least three times the amount of their annual cash retainer.

Director Share Ownership Requirements

The following table sets forth the number and value of the Common Shares currently held by each non-executive director of the Company as at December 31, 2014:

**Director Share Ownership Requirements and
Actual Share Ownership at December 31, 2014**

Name	Director Since	Number of Common Shares Held⁽¹⁾	Total Market Value of Common Shares⁽²⁾	Initial Shareholding Requirements Met
		(#)	(\$)	(\$10,000 min)
Anton Drescher	May-07	129,667	138,744	Yes
Michael Hoffman	Apr-11	202,999	217,209	Yes
Catherine Gignac	Mar-12	104,667	111,994	Yes
Christopher Eskdale ⁽³⁾	Mar-12	-	-	n/a
Valentin Paniagua	Sep-12	136,497	146,052	Yes
David Huberman	Sep-12	204,667	218,994	Yes
Peter Meredith	May-13	75,000	80,250	Yes

Notes:

- (1) Held directly and indirectly.
- (2) Calculated using the closing price of the Common Shares on the TSX on December 31, 2014 of \$1.07.
- (3) Mr. Eskdale is the director nominee appointed for Glencore and, as such, does not hold any Common Shares.

Incentive Plan Awards - Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all awards outstanding for each of the non-executive directors of the Company as of December 31, 2014:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested	Market or payout value of vested share-based awards not paid out or distributed
	(#)	(\$)		(\$)	(#)	(\$)	(\$)
Anthony Holler ⁽³⁾	-	-	-	-	-	-	-
Paul Klipfel ⁽⁴⁾	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	12,500	0.62	May 31/18	5,625	-	-	-
Anton Drescher	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	12,500	0.62	May 31/18	5,625	-	-	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-
Michael Hoffman	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	12,500	0.62	May 31/18	5,625	-	-	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-
Catherine Gignac	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-
Christopher Eskdale	-	-	-	-	-	-	-
Valentin Paniagua	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-
David Huberman	20,500	0.77	May 1/18	6,150	23,333	24,966	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-
Peter Meredith ⁽²⁾	218,800	0.62	May 31/18	98,460	26,000	27,820	-
	21,500	1.01	Jun 24/19	1,290	38,600	41,302	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of \$1.07 for the Common Shares on the Exchange on December 31, 2014 and the exercise price of the options, multiplied by the number of unexercised options.
- (2) Mr. Meredith was appointed as a director of the Company on May 6, 2013.
- (3) Mr. Holler resigned from the Company on February 14, 2014.
- (4) Mr. Klipfel retired from the Company on June 24, 2014.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each non-executive director of the Company during the year ended December 31, 2014:

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾	Non-equity incentive plan compensation – Value earned during the year
	(\$)	(\$)	(\$)
Anthony Holler	-	-	-
Paul Klipfel	3,725	20,907	-
Anton Drescher	3,725	20,907	-
Michael Hoffman	3,725	20,907	-
Catherine Gignac	2,392	41,772	-
Christopher Eskdale	-	-	-
Valentin Paniagua	2,392	20,907	-
David Huberman	2,392	20,907	-
Peter Meredith ⁽³⁾	23,339	61,282	-

Notes:

- (1) The “value vested during the year” is calculated based on the positive difference between the closing price for the Common Shares on the Exchange as of the date of vesting and the exercise price of the options, multiplied by the number of vested options.
- (2) Mr. Eskdale was appointed as a director of the Company on March 5, 2012. Mr. Eskdale is the director nominee appointed for Glencore and, as such, does not receive any option-based/share-based awards as a director of the Company.
- (3) Mr. Meredith was appointed as a director of the Company on May 6, 2013.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding the number of Common Shares to be issued upon the exercise of outstanding options and the weighted-average exercise price of the outstanding options in connection with the Stock Option and Stock Bonus Plan as at December 31, 2014:

Plan Category	Number of Common Shares to be issued upon exercise of outstanding options #	Weighted-average exercise price of outstanding options \$	Number of Common Shares remaining available for future issuance under equity compensation plans ⁽¹⁾ #
Equity compensation plans approved by security holders	3,857,301	0.86	24,288,985
Equity compensation plans not approved by security holders	-	-	-
Total	3,857,301	0.86	24,288,985

Note:

- (1) Based on the total number of shares authorized for issuance under the Company’s Stock Option and Stock Bonus Plan, less the number of Options outstanding as at December 31, 2014.

Stock Option and Stock Bonus Plan

The Stock Option and Stock Bonus Plan was established by the Board on September 15, 2010, and was amended and restated on June 23, 2011 and June 25, 2012. In addition, certain housekeeping amendments were made to the Stock Option and Stock Bonus Plan and approved by shareholders of the Company in June of 2014.

The purpose of the Stock Option and Stock Bonus Plan is to give the Board the ability to (i) provide the Company’s directors, officers and services providers the opportunity to participate in the progress of the Company by granting to such individuals options (“**Options**”) to purchase Common Shares; and (ii) provide additional compensation by issuing to such individuals Bonus Shares.

The purpose of granting such Options and/or Bonus Shares is to assist the Company in attracting, retaining and motivating executive officers, directors and service providers and to align the personal interests of such executive officers, directors and service providers to those of the Company's shareholders. The Stock Option and Stock Bonus Plan is intended to be competitive with the benefit programs of other companies in the mining industry, and has been prepared in accordance with the rules and policies of the TSX.

Pursuant to the Stock Option and Stock Bonus Plan, the maximum number of Common Shares which may be issuable pursuant to Options granted or Bonus Shares issued under the Stock Option and Stock Bonus Plan together with all of the Company's other previously established or proposed share compensation arrangements, in aggregate, will not any time exceed 10% of the total number of issued and outstanding Common Shares as of the date of grant on a non-diluted basis.

During the year ended December 31, 2014, Options to purchase 1,651,700 Common Shares were granted under the Stock Option and Stock Bonus Plan, representing 0.59% of the issued and outstanding Common Shares.

As at May 5, 2015, a total of 6,948,009 Common Shares were issuable under the Stock Option and Stock Bonus Plan, representing 2.4% of the issued and outstanding Common Shares.

Bonus Shares

Pursuant to the Stock Option and Stock Bonus Plan, the Compensation Committee can also issue up to an aggregate of 2,000,000 Bonus Shares per annum to those directors, officers and service providers of the Company who the Compensation Committee, in its sole discretion, deems to have provided extraordinary contributions to the advancement of the Company.

Stock Appreciation Rights

Pursuant to the Stock Option and Stock Bonus Plan, the Compensation Committee may, from time to time, grant stock appreciation rights ("SARs") to any Optionee in conjunction with any grant of Options. An Optionee may only exercise a SAR at the same time, and to the same extent, that the Option related thereto is exercisable. On the exercise of a SAR, the Optionee shall be entitled to receive such number of Common Shares as is equal to the excess, if any, of (i) the weighted average trading price of the Common Shares entitled to be acquired upon exercise of such Option as of the date of exercise of the Option, over (ii) the exercise price of such Option. The provisions in the Stock Option and Stock Bonus Plan applicable to Options apply equally to SARs. No SAR may be exercised beyond the stated expiry date of the corresponding Option, and SARs terminate on the termination of the corresponding Option.

As at May 5, 2015, the Company has not granted any SARs under the Stock Option and Stock Bonus Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended December 31, 2014 was, a director or executive officer of the Company, a proposed management nominee for election as a director of the Company, or an associate of any such director, executive officer or proposed nominee, was indebted to the Company or any of its subsidiaries during the financial year ended December 31, 2014 or as at the date of this Circular in connection with security purchase programs or other programs.

REPORT ON CORPORATE GOVERNANCE

The Board and the Company's management are committed to sound corporate governance practices, which are both in the interest of its shareholders and contribute to effective and efficient decision making. National Policy 58-201

Corporate Governance Guidelines 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.

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. A description of the Company’s corporate governance practices, which addresses the matters set out in NI 58-101, is set out at Schedule “A” to this Circular. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

In early 2014, the Corporate Governance Committee recommended and the Board approved a majority voting policy for director elections. The policy stipulates that for any uncontested elections of directors, if the votes in favour of the election of a director nominee at a shareholders’ meeting represent less than the majority of the shares voted and withheld, the nominee will submit his or her resignation promptly after the meeting, for the Corporate Governance Committee’s consideration. The Corporate Governance Committee will make a recommendation to the Board after reviewing the matter and any extenuating circumstances, and the Board will act on the Corporate Governance Committee’s recommendation within 90 days following certification of the shareholder vote. The Board’s decision to accept or reject the resignation offer will promptly be disclosed to the public by press release. The nominee will not participate in any Corporate Governance Committee or Board deliberations on the resignation offer. The majority voting policy does not apply in circumstances involving contested director elections.

AUDIT COMMITTEE

The Audit Committee is presently comprised of Anton Drescher, Catherine Gignac and Peter Meredith, each of whom is a director of the Company and is “independent” as such term is defined in National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”). The Chairman of the Audit Committee is Mr. Drescher. All members of the Audit Committee are financially literate. The members of the Audit Committee are elected by the Board at its first meeting following each annual shareholders’ meeting to serve a one year term and are permitted to serve an unlimited number of consecutive terms.

The Audit Committee’s assists the Board in fulfilling its oversight responsibilities as they relate to the integrity of the Company’s financial statements and accounting processes, and the independent auditors’ qualifications and independence. In this regard, the Audit Committee has primary responsibility for the Company’s financial reporting, accounting systems and internal controls over financial reporting. The Audit Committee also assists the Board with the oversight of financial strategies and risk management.

The Audit Committee will periodically assess the adequacy of procedures for the public disclosure of financial information and review on behalf of the Board, and report to the Board, the results of its review and its recommendations regarding all material matters of a financial reporting and audit nature, including, but not limited to the following main subject areas: (i) financial statements, including management’s discussion and analysis thereof; (ii) financial information in any annual information form, management proxy circular, prospectus or other offering document, material change report or business acquisition report; (iii) reports to shareholders and others; (iv) annual and interim press releases regarding financial results or containing earnings guidance; (v) internal controls; (vi) audits and reviews of financial statements of the Company; and (vii) filings to securities regulators containing financial information.

The Audit Committee will meet as many times per year as necessary to carry out its responsibilities. The Audit Committee will ensure satisfactory procedures for receipt, retention and treatment of complaints and for the confidential, anonymous submission by employees regarding any accounting, internal accounting controls or auditing matters. The Board will be kept informed of the Audit Committee’s activities by reports delivered to the Board.

Detailed information with respect to the Company’s audit committee and a copy of the charter of the Audit Committee (the “**Audit Committee Charter**”) is contained in the Company’s annual information form for the financial year ended December 31, 2014 filed on SEDAR at www.sedar.com.

Relevant Education and Experience

All the members of the Audit Committee have the education and/or practical experience required to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements.

Anton Drescher – Mr. Drescher has been a Certified Management Accountant since 1981. He is also the President of Westpoint Management Consultants Limited, a private company engaged in tax and accounting consulting for business reorganizations since 1979 and the President of Harbour Pacific Capital Corp., a private British Columbia company involved in regulatory filings for businesses in Canada since 1998.

Catherine Gignac – Ms. Gignac serves on the Audit Committees of Cameco Corporation and St. Andrew Goldfields Ltd. She has served as a mining equity research analyst where she has covered the mining and minerals sector, including large-cap to small-cap precious and base metal mining companies, for approximately 25 years at several global brokerage firms (UBS Securities, RBC Capital Markets, Merrill Lynch Canada) as well as independent boutique firms (Wellington West Capital Markets, Loewen Ondaatje McCutcheon and Dundee Securities), and was most recently with Northland Capital Partners. She is a member and has served as President of the Mineral Resources Analyst Group, is a member of the CFA Institute, the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association of Canada. Ms. Gignac received a Bachelor of Science (Honours Geology) from McMaster University and received the ICD.D designation from the Institute of Corporate Directors in April 2014.

Peter Meredith – Mr. Meredith is a Chartered Professional Accountant, a member of the Canadian Institute of Chartered Accountants and the Institute of Corporate Directors. Professionally he spent 31 years with Deloitte & Touche LLP, Chartered Accountants and has extensive experience in regulatory compliance and corporate finance, with an emphasis on public resource companies. He was a Director of Turquoise Hill Resources Ltd. (previously Ivanhoe Mines Ltd.) from 2005 until 2012 and served as its Deputy Chairman from May 2006 until April 2012. He also served as Ivanhoe's Chief Financial Officer from June 1999 to November 2001 and from May 2004 to May 2006. Additionally he was CEO of SouthGobi Resources Ltd. from June 2007 until October 2009 and then served as its Chairman from October 2009 until September 2012. He has served on the Board of Directors of many companies, including but not limited to, Turquoise Hill Resources Ltd., Great Canadian Gaming Corp., China Gold International Resources Corp Ltd., SouthGobi Resources Ltd., Ivanhoe Energy Inc., Entree Gold Inc., Ivanhoe Australia Ltd., Asia Gold Corp., Besra Gold Inc. (formerly Olympus Pacific Minerals Inc.), Jinshan Gold Mines Inc. and Peregrine Diamonds.

Audit Committee Oversight

At no time since the commencement of the Company's most recently completed financial year have any recommendations by the Audit Committee respecting the appointment and/or compensation of the Company's external auditors not been 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 any of the exemptions contained in NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee shall approve all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor.

External Auditor Service Fees (By Category)

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

Financial Year Ending	Audit Fees	Audit-Related Fees ¹	Tax Fees ²	All Other Fees ³
2014	\$202,000	\$56,700	\$29,000	\$23,500
2013	\$185,000	\$60,000	\$51,748	\$30,300

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit or review of the Company's financial statements, 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.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth elsewhere in this Information Circular or set forth below, no "informed person" (as such term is defined in NI 51-102) or proposed nominee for election as a director of the Company or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Company has participated since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

1. Election of Directors

The following tables set out certain information as of the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed. The enclosed form of proxy permits Shareholders to vote for each nominee on an individual basis. Information regarding Common Shares owned by each director of the Corporation is presented to the best knowledge of management of the Corporation and has been furnished to management of the Corporation by such directors. Information regarding Board and committee meeting attendance is presented for meetings held in 2014.

Pursuant to the advance notice policy adopted by the Board on May 1, 2013, any additional director nominations for the Meeting must have been received by the Company in compliance with the advance notice policy no later than the close of business on May 5, 2015. If no such nominations are received by the Company prior to such date, management's nominees for election as directors set forth below shall be the only nominees eligible to stand for election at the Meeting.

UNLESS THE SHAREHOLDER SPECIFIES IN THE ENCLOSED FORM OF PROXY THAT THE COMMON SHARES REPRESENTED BY THE PROXY ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS, THE PERSON NAMED IN THE FORM OF PROXY SHALL VOTE THE COMMON SHARES REPRESENTED BY THE PROXY IN FAVOUR OF THE ELECTION OF THE PERSONS WHOSE NAMES ARE SET FORTH BELOW. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS. HOWEVER, IF FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED FOR ANOTHER NOMINEE IN THEIR DISCRETION.

The following tables set out certain information as at the date of this Circular (unless otherwise indicated) with respect to the persons being nominated at the Meeting for election as directors. Information regarding Common Shares owned by each director of the Company is presented to the best knowledge of management of the Company and has been furnished to management of the Company by such directors.

DR. MARK CRUISE		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: March 18, 2008 NOT INDEPENDENT	<p>Dr. Cruise has been President of the Company since February 25, 2008 and Chief Executive Officer since May 28, 2009. Dr. Cruise was Vice-President, Business Development of Cardero Resources Corp., a public company listed on the TSX and NYSE-Amex, from March 2007 to September 2011, and was the Vice-President, Exploration from November 2004 to March 2007. From 1996 to 2004, Dr. Cruise was Senior Geologist with Anglo American plc.</p> <p>Dr. Cruise received a Bachelor of Geology from the University of Dublin, Trinity College and a Doctorate of Geology from the University of Dublin, Trinity College. Dr. Cruise is a professional member of the Institute of Geologists of Ireland and the European Federation of Geologists.</p>		
Current Board/Committee Membership	2014 Attendance	Other Public Board Memberships	
Member of the Board	5 of 5	100%	Ethos Capital Corp. (TSXV)
Number of Common Shares Beneficially Owned, Controlled or Directed			749,467

ANTON DRESCHER		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: May 23, 2007 INDEPENDENT		<p>Mr. Drescher was President of the Company from May 23, 2007 to February 25, 2008. Mr. Drescher has also been Chief Financial Officer of Oculus Visiontech Inc., a public company listed for trading on the TSXV and the OTC Bulletin Board (since December 1994), Chief Financial Officer of Xiana Mining Inc., a public company listed on the TSXV (since March 2, 2012) and the President of Ravencrest Resources Inc., a public company listed on the CDNX (since 2007). He is also the President of Westpoint Management Consultants Limited, a private company engaged in tax and accounting consulting for business reorganizations and the President of Harbour Pacific Capital Corp., a private British Columbia company involved in regulatory filings for businesses in Canada.</p> <p>Mr. Drescher has been a Certified Management Accountant since 1981.</p>	
Current Board/Committee Membership	2014 Attendance		Other Public Board Memberships
Member of the Board	4 of 5	90%	Corvus Gold Inc. (TSX)
Member of the Audit Committee	4 of 4	100%	Xiana Mining Inc. (TSXV)
Member of the Compensation Committee	2 of 2	100%	International Tower Hill Mines Ltd. (TSX and NYSE-MKT) Oculus Visiontech Inc. (TSXV and OTC Bulletin Board) Ravencrest Resources Inc. (CDNX) River Wild Exploration Inc. (CDNX)
Number of Common Shares Beneficially Owned, Controlled or Directed			129,667

CHRIS ESKDALE		Principal Occupation During Past 5 Years and Biographical Information			
Unteraegeri, Switzerland Director Since: March 5, 2012 INDEPENDENT		<p>Mr. Eskdale joined Glencore International A.G. in January 1997 as Asset Manager. Prior to this, he was an accountant at Deloitte & Touche in London and Moscow. Mr. Eskdale is on the board of directors of a number of international mining companies, including Perubar SA, a Peru-based company primarily engaged in the provision of storage services and loading of mineral concentrates (since 2003), Empresa Minera Los Quenuales SA, a Peru-based mining company engaged in the extraction and production of zinc, lead and bulk concentrates (since 2003) and Compania Minera Volcan SAA, a Peruvian listed mining company engaged in the extraction and production of zinc, lead and copper concentrates (since 2012) and the Noranda Income Fund (since 2013).</p> <p>Mr. Eskdale holds a Master of Arts (Honours) degree from the University of Oxford and qualified as a Chartered Accountant in July 1994 with the Institute of Chartered Accountants in England and Wales.</p>			
Current Board/Committee Membership		2014 Attendance		Other Public Board Memberships	
Member of the Board		2 of 5	30%	None	
Number of Common Shares Beneficially Owned, Controlled or Directed				None ⁽¹⁾	

Note:

(1) Mr. Eskdale is the director nominee appointed for Glencore and does not hold, directly or indirectly, any Common Shares.

CATHERINE GIGNAC		Principal Occupation During Past 5 Years and Biographical Information	
<p>Ontario, Canada</p> <p>Director Since: March 2, 2012</p> <p>INDEPENDENT</p>		<p>Ms. Gignac is an independent consultant, and served as a mining research analyst for nearly 25 years, including most recently, NCP Northland Capital Partners and Wellington West Capital Markets. Her early years were spent as an exploration geologist with Barrick Gold Corporation. She is a member and has served as President of the Mineral Resources Analyst Group, is a member of the CFA Institute, the Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association of Canada. Ms. Gignac is a director of Cameco Corporation, St. Andrew Goldfields Ltd. and Chairman and director of Corvus Gold Inc., public companies listed on the TSX. Ms. Gignac was a director of copper explorer Azul Ventures Inc. a public company listed on the TSXV from February 2012 to October 2013, and will step down as director of St. Andrew Goldfields May 13, 2015.</p> <p>Ms. Gignac received a Bachelor of Science Degree (Honours Geology) from McMaster University and received the ICD.D designation from the Institute of Corporate Directors in April 2014.</p>	
Current Board/Committee Membership	2014 Attendance		Other Public Board Memberships
Member of the Board	5 of 5	100%	St. Andrew Goldfields Ltd. (TSX)
Member of the Audit Committee	4 of 4	100%	Azul Ventures Inc. (TSXV)
Member of the Sustainability Committee	2 of 2	100%	Corvus Gold Inc. (TSX)
Member of the Nominating and Governance Committee	n/a		
Number of Common Shares Beneficially Owned, Controlled or Directed			104,667

MICHAEL HOFFMAN			Principal Occupation During Past 5 Years and Biographical Information	
Ontario, Canada Director Since: April 6, 2011 INDEPENDENT			<p>Mr. Hoffman is a professional mining engineer with over 30 years of experience in mine operations, projects, engineering and corporate development. Mr. Hoffman is currently President of M Hoffman Consulting Ltd providing strategic and consulting services to the mining industry. He has also served in senior executive positions at Great Lakes Capital (2013-present), Belo Sun Mining (2012-2014), Crocodile Gold (from July 2009 to June 17, 2011), Crowflight Minerals Inc. (from September 2007 to July 2009), Goldcorp Inc. (from April 2003 to June 2006), Desert Sun Mining Corp. (from September 2006 to April 2007) and Yamana Gold Inc. (from April 2006 to June 2007). He also served as President and Chief Executive Officer of Kria Resources Ltd. ("Kria"), prior to Kria's plan of arrangement with the Company. He is also currently a director of Kombat Copper Inc.</p> <p>Mr. Hoffman received a Bachelor of Applied Science (Mining Engineering) from Queen's University and is a Professional Engineer.</p>	
Current Board/Committee Membership			2014 Attendance	Other Public Board Memberships
Member of the Board			5 of 5	100%
Member of the Compensation Committee			2 of 2	100%
Member of the Sustainability Committee			2 of 2	100%
Number of Common Shares Beneficially Owned, Controlled or Directed			202,999	

DAVID HUBERMAN			Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: September 27, 2012 INDEPENDENT			<p>Mr. Huberman is currently President of Coda Consulting Corp., a business consulting firm, and practised business law from 1972 until 1996 as a senior partner of a Canadian business law firm, specializing in corporate, commercial, banking, securities, regulatory and mining law. He also served as a director of Ivanhoe Mines Ltd. (recently renamed Turquoise Hill Resources) from 2003 to 2012 and as its Chairman from 2011 to 2012. From 1997 to 1999, Mr. Huberman served as Executive Vice-President and General Counsel of Lions Gate Entertainment Corp. Mr. Huberman was appointed Chairman of Board of the Company on February 17, 2013.</p> <p>Mr. Huberman holds a Bachelor of Arts degree and a Bachelor of Laws degree from University of British Columbia, and a Master of Laws from Harvard University.</p>	
Current Board/Committee Membership			2014 Attendance ⁽¹⁾	Other Public Board Memberships
Member of the Board			5 of 5	100%
Member of the Nominating and Governance Committee ⁽¹⁾			No meetings	n/a
Member of the Compensation Committee ⁽²⁾			2 of 2	100%
Member of the Sustainability Committee ⁽³⁾			1 of 2	50%
Board Chairman ⁽⁴⁾				
Number of Common Shares Beneficially Owned, Controlled or Directed			204,667	

Notes:

- (1) Mr. Huberman was appointed to the Nominating and Governance Committee on January 16, 2013.
- (2) Mr. Huberman was appointed to the Compensation Committee on February 17, 2014.
- (3) Mr. Huberman was appointed to the Sustainability Committee on October 10, 2014.
- (4) Mr. Huberman was appointed Board Chair on February 17, 2014.

PETER MEREDITH		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: May 6, 2013 INDEPENDENT		Mr. Meredith was a Director of Turquoise Hill Resources Ltd. (previously Ivanhoe Mines Ltd.) until 2012. He served as its Deputy Chairman from May 2006 until April 2012. Additionally he was CEO of SouthGobi Resources Ltd. from June 2007 until October 2009 and then served as its Chairman from October 2009 until September 2012. He has served on the Board of Directors of many companies including, but not limited to, Turquoise Hill Resources Ltd., Great Canadian Gaming Corp., China Gold International Resources Corp Ltd., SouthGobi Resources Ltd., Entree Gold Inc., Ivanhoe Australia Ltd., Asia Gold Corp., Besra Gold Inc. (formerly Olympus Pacific Minerals Inc.), Jinshan Gold Mines Inc. and Peregrine Diamonds. Mr. Meredith is a Chartered Accountant, a member of the Canadian Institute of Chartered Accountants and the Institute of Corporate Directors. Professionally he spent 31 years with Deloitte & Touche LLP, Chartered Accountants and has extensive experience in regulatory compliance and corporate finance, with an emphasis on public resource companies.	
Current Board/Committee Membership	2014 Attendance ⁽¹⁾		Other Public Board Memberships
Member of the Board ⁽¹⁾ Member of the Audit Committee ⁽¹⁾	5 of 5 4 of 4	100% 100%	Ivanhoe Mines Limited (TSX) Great Canadian Gaming Corporation (TSX) Peregrine Diamonds Ltd. (TSX) Ivanhoe Energy Inc. (TSX and NASDAQ) Entrée Gold Inc. (TSX and NYSE-MKT)
Number of Common Shares Beneficially Owned, Controlled or Directed			75,000

Note:

(1) Mr. Meredith was appointed to the Board and the Audit Committee on May 6, 2013.

VALENTIN PANIAGUA		Principal Occupation During Past 5 Years and Biographical Information		
Lima, Peru Director Since: September 19, 2012 INDEPENDENT		Mr. Paniagua is currently partner at the Peruvian law firm Estudio Echecopar and head of its Natural Resources Department where he advises Peruvian and international mining companies on mining, environmental, mergers and acquisitions, corporate law, project finance, option, joint venture and royalty agreements, ore sales and marketing arrangements, and tenure and permitting issues. Mr. Paniagua holds a Bachelor of Law Degree from Pontificia Universidad Catolica del Peru.		
Current Board/Committee Membership		2014 Attendance		Other Public Board Memberships
Member of the Board Member of the Nominating and Governance Committee ⁽¹⁾		4 of 5 No meetings	100% n/a	None
Number of Common Shares Beneficially Owned, Controlled or Directed				136,479

Note:

(1) Mr. Paniagua was appointed to the Nominating and Governance Committee on April 18, 2013.

Corporate Cease Trade Orders

To the knowledge of the Company, no proposed director is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) 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 applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

The foregoing information, not being within the knowledge of the Company, has been furnished by the proposed directors.

Bankruptcies, or Penalties or Sanctions

The following information, not being within the knowledge of the Company, has been furnished by the respective directors and executive officers.

No director or executive officer of the Company is, as at the date of this Information Circular, or has been within the last ten years, a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) 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 applicable securities legislation, and which in all cases was in effect for a period of more than 30 consecutive days (an “**Order**”), which Order was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer of such company; or
- (b) was subject to an Order 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 of such company.

Other than as set forth below, no director or executive officer of the Company or any shareholder holding a sufficient number of Common Shares to affect materially the control of the Company:

- (c) is, as at the date of this AIF, or has been within the last ten years, 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;
- (d) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;

- (e) has been subject to 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
- (f) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision regarding the Company.

On March 10, 2010, the TSX Venture Exchange (“TSXV”) rendered a decision with respect to a review concerning certain unauthorized loans by Xiana Mining Inc. (formerly “Dorato Resources Inc.”) to the Company. As part of its decision, the TSXV required Mr. Drescher (who was a director of Xiana at the relevant time) to seek prior written approval from the TSXV should he propose to be involved with any other TSXV listed issuer as a director and/or officer. On May 14, 2010, the TSX, upon review of the TSXV’s decision, required Mr. Drescher to seek approval from the TSX should he propose to be involved with any other TSX listed issuers as a director and/or officer. In addition, the TSX required Mr. Drescher to inform the TSX of any future actions commenced against him by any regulatory entity. Subsequently, Mr. Drescher applied to the TSX for reconsideration of the abovementioned restrictions and, on May 1, 2013, the TSX agreed to remove all such restrictions.

Peter Meredith served as a director of Ivanhoe Energy Inc. (“Ivanhoe Energy”) from December 2007 to December 2014. On February 20, 2015 Ivanhoe Energy filed a Notice of Intention to Make a Proposal under subsection 50.4(1) of the Bankruptcy and Insolvency Act (Canada). Further proceedings are pending.

2. Appointment of Auditor

Management proposes to nominate PricewaterhouseCoopers LLP, Chartered Accountants, which firm has been auditor of the Company since March 2012 as auditor of the Company to hold office until the next annual meeting of Shareholders.

COMMON SHARES REPRESENTED BY PROXIES IN FAVOUR OF MANAGEMENT NOMINEES WILL BE VOTED IN FAVOUR OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP, CHARTERED ACCOUNTANTS, AS AUDITOR OF THE COMPANY AND THE AUTHORIZING OF THE DIRECTORS TO FIX ITS REMUNERATION, UNLESS THE SHAREHOLDER HAS SPECIFIED IN THE PROXY THAT HIS, HER OR ITS COMMON SHARES ARE TO BE WITHHELD FROM VOTING IN RESPECT THEREOF.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who is, or at any time during the financial year ended December 31, 2014 was, a director or executive officer of the Company, a proposed management nominee for election as a director of the Company, or an associate or affiliate of any such director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors and the shareholder rights plan agreement.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Company’s audited financial statements and Management’s Discussion and Analysis (“MD&A”) for the year ended December 31, 2014. In addition, copies of the Company’s annual financial statements and MD&A and this Circular may be obtained upon request to the Company. Shareholders may contact the Company to request copies of the financial statements and MD&A by: (i) mail to Suite 2300 – 1177 West Hastings Street, Vancouver, BC, V6E 2K3; or (ii) fax to (604) 408-7499. The Company may require the payment of a reasonable charge if the request is made by a person who is not a Shareholder.

APPROVAL OF BOARD OF DIRECTORS

The contents of this Circular and the sending of it to each director of the Company, to the auditor of the Company, to the Shareholders and to the appropriate governmental agencies, have been approved by the directors of the Company.

Dated: May 5, 2015

“Mark D. Cruise”

Mark D. Cruise
President, Chief Executive Officer and Director

SCHEDULE “A”
STATEMENT OF GOVERNANCE PRACTICES

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Board of Directors	
1.(a) Disclose the identity of directors who are independent.	The board of directors (the “ Board ”) of Trevali Mining Corporation (the “ Company ”) currently consists of eight directors of which Anton Drescher, Christopher Eskdale, Mike Hoffman, Catherine Gignac, Valentin Paniagua, David Huberman and Peter Meredith are “independent”, as such term is defined in NI 58-101.
(b) Disclose the identity of directors who are not independent, and describe the basis for that determination.	Dr. Mark Cruise is a member of the Company’s management in his capacity as President and Chief Executive Officer (“ CEO ”) and therefore is not considered an independent director.
(c) Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Board does to facilitate its exercise of independent judgement in carrying out its responsibilities.	A majority (7 out of 8) of the directors are independent for the purpose of NI 58-101.
(d) If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	Please refer to the management information circular dated May 5, 2015 (the “ Circular ”) under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.
(e) Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer’s most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.	The independent directors do not have regularly scheduled meetings in the absence of the non-independent directors and management, but can do so on an <i>ad hoc</i> basis, at the expense of the Company, as they see fit. The independent directors met as a group, without the non-independent directors or management being present, once during the fiscal year ended December 31, 2014.
(f) Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.	The Chairman of the Board is David Huberman who is independent.
(g) Disclose the attendance record of each director for all board meetings held since the beginning of the issuer’s most recently completed financial year.	Please refer to the Circular under the heading “Particulars of Matters to be Acted Upon - Election of Directors”.

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Board Mandate	
2. Disclose the text of the board’s written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.	The directors have adopted a formal written mandate. A copy of the mandate may be found as Schedule “B” to the Circular.
Position Descriptions	
3. (a) Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.	The Board, together with the Company’s CEO, is currently developing a Board Policy Manual which will provide position descriptions for the chair of the Board and the chair of each board committee, including the definition of the limits to management’s responsibilities. At present, the Board has delegated the day-to-day management of the business and affairs of the Company to the executive officers of the Company. Generally, operations in the ordinary course or that are not in the ordinary course and do not exceed material levels of expenditures or commitment on the part of the Company have been delegated to management. Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Company require prior approval of the Board. Any responsibility which is not delegated to management or a Board committee remains with the Board.
(b) Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.	<p>The Board, together with the Company’s CEO, is currently developing a Board Policy Manual which will provide position descriptions for the CEO of the Company, including the definition of the limits to management’s responsibilities.</p> <p>The CEO reviews corporate objectives with the Board on a quarterly basis. In this manner, the Board approves or develops the corporate objectives which the CEO is responsible for meeting.</p>
Orientation and Continuing Education	
4. (a) Briefly describe what measures the board takes to orient new directors regarding (i) the role of the board, its committees and its directors, and (ii) the nature and operation of the issuer’s business.	The Nominating and Governance Committee, in conjunction with the chair of the Board and the CEO of the Company, are responsible for ensuring that the new directors are provided with an orientation and education program which includes written information about the business and operations of the Company, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. New directors are also given the opportunity to independently consult with the legal counsel to the Company to better understand their legal obligations as directors of the Company.
(b) Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.	<p>The following activities are performed by the Company to ensure that directors maintain the knowledge necessary to meet their obligations as a Board director:</p> <p>a) Management of the Company takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers and committee members of the Company as a whole. The Company continually reviews the latest securities rules and policies</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
	<p>and is on the mailing list of the TSX to receive updates to any of those policies. Any such changes or new requirements are then brought to the attention of the Company's directors either by way of director or committee meetings or by direct communications from management to the directors.</p> <p>b) Management assists directors by providing them with regular updates on relevant developments and other information that management considers of interest to the Board.</p> <p>c) Directors may attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Company's business and developments in areas where they are not commonly exposed.</p> <p>d) At each quarterly Board meeting, the CEO makes a presentation to the Board to provide a comprehensive explanation of the Company's financial performance, anticipated future financial results and market trends.</p> <p>e) With respect to novel business, accounting and industry issues, management will arrange for an industry or related professional to make a presentation to or provide advice to the Board on a topic relevant to those issues, if required.</p> <p>f) In September 2014, Peter Meredith visited the Santander mine site in Peru, and the entire Audit Committee visited the Caribou mine site in New Brunswick in September 2014. In June 2012, the majority of the Board visited the Company's operations in New Brunswick. During the site visit, the Board reviewed the Halfmile mine site and met with the local First Nation Community.</p>
Ethical Business Conduct	
<p>5.(a) Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:</p>	<p>The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives according to the highest ethical standards. To this end, in May 2008, the Board adopted a Code of Business Conduct and Ethics (the "Code") for its directors, officers and employees. The Code was updated by the Board in January 2013. Pursuant to the Code, the Company has appointed David Huberman, the Chairman of the Company's Nominating and Governance Committee, to serve as the Company's Ethics Officer to ensure adherence to the Code, reporting directly to the Board. Training in the Code is included in the orientation of new employees and, to ensure familiarity with the Code, directors, officers and employees are asked to read the Code and are required to sign a Compliance Certificate annually. Directors, officers and employees are required to report any known violations of the Code to the Ethics Officer or the Chairman of the Audit Committee.</p> <p>As one measure to ensure compliance with the Code, the Board has established a Whistleblower Policy to discourage illegal activity and business conduct that damages the Company's good name, business interest, and its relationship with shareholders, tenants and the community at large.</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 ("NI 58-101")	Comments
	<p>The Board has also adopted a "Share Trading Policy", which prescribes rules with respect to trading in securities of the Company where there is any undisclosed material information or a pending material development. Strict compliance with the provisions of this policy is required, with a view to enhancing investor confidence in the Company's securities and contributing to ethical business conduct by the Company's personnel.</p> <p>In April 2012, the Board also created a Sustainability Committee in order to reflect the Company's continuing commitment to improving the environment and ensuring that its activities are carried out in a safe, sustainable and environmentally sound manner (see "Other Board Committees" below).</p>
(i) disclose how a person or company may obtain a copy of the code;	<p>A copy of the Code is available free of charge to any person upon request to the Company at Suite 2300 – 1177 West Hastings Street, Vancouver, British Columbia, V6E 2K3 (Telephone: 604.488.1661 or Fax: 604.408.7499) and may be found on www.sedar.com.</p>
(ii) describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and	<p>The Board monitors compliance with the Code and management provides an annual report to the Board regarding issues, if any, arising under the Code. The Nominating and Governance Committee reviews the adequacy of the Code on an annual basis. In addition, the Company uses a confidential and anonymous reporting system that allows reporting by anyone having a concern about unethical or illegal activities. All employees of the Company are expected to inform their manager or supervisor of such concerns. If an employee is not comfortable speaking to his or her supervisor or is not satisfied with the supervisor's response, the employee is encouraged to speak with anyone in management of the Company with whom he or she is comfortable approaching. All complaints are to be reported to the Company's Ethics Officer and/or the Chairman of the Audit Committee in the Whistleblower Policy who is responsible for investigating all reported complaints.</p>
(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.	<p>There have not been, since the beginning of the Company's most recent fiscal year, any material change reports filed that pertain to any conduct of a director or executive officer that constitutes a departure from the Code.</p>
(b) Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.	<p>As some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the British Columbia <i>Business Corporations Act</i>, as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke any such conflict.</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
(c) Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.	The Board adopted the Code and a Whistleblower Policy, over which the Board and the Nominating and Governance Committee have oversight. Management is required to report annually as to whether there have been any reports or incidents.
Nomination of Directors	
6. (a) Describe the process by which the board identifies new candidates for board nomination.	In order to identify new candidates for nomination to the Board, the Board considers the advice and input of the Nominating and Governance Committee. The Chairman of the Board and the Chair of the Nominating and Governance Committee, together with the CEO, develop a list of potential candidates for review by the Nominating and Governance Committee. Given that the various members of the Board have, in aggregate, a wide network of contacts, all members of the Board are encouraged to submit names of potential candidates who would make significant contributions to the Company. Through discussion, the list is refined by the Nominating and Governance Committee.
(b) Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.	The Nominating and Governance Committee is comprised of David Huberman, Valentin Paniagua and Catherine Gignac, all of whom are independent directors within the meaning of NI 58-101. The Chair of the Nominating and Governance Committee is David Huberman.
(c) If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The Nominating and Governance Committee’s charter provides that its responsibilities will include: (a) identifying and reviewing the qualifications of and recommending to the Board possible nominees for the Board to be proposed in management's proxy circular for election or re-election at each annual general meeting; (b) identifying and reviewing the qualifications of and recommending to the Board possible candidates to fill vacancies on the Board between annual general meetings; (c) overseeing the effective functioning of the Board; (d) overseeing the relationship between management and the Board and recommending improvements in such relationship to the Board; and (e) annually reviewing and making recommendations to the Board with respect to: (i) the size and composition of the Board, with a view to promoting effectiveness and efficiency; (ii) the appropriateness of the committees of the Board, their mandates and responsibilities and the allocation of directors to the committees; (iii) the appropriateness of the terms of the mandate and responsibilities of the Board; (iv) the compensation of the directors in light of time commitments, comparative fees, risks and responsibilities; (v) the directorships held by the Company's directors and officers in other corporations; (vi) the Company's nominees on the boards of directors of its subsidiaries and other corporations; and (vii) the corporate objectives which the Chairman of the Board is responsible for meeting, the assessment of the Chairman of the Board against these objectives and the appropriateness of the duties and responsibilities of the Chairman of the Board.

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
Compensation	
<p>7. (a) Describe the process by which the board determines the compensation for the issuer’s directors and officers.</p>	<p>The Compensation Committee conducts an annual review of the performance of the Company and the CEO as measured against objectives established in the prior year by the Compensation Committee and the CEO and approved by the Board. The results of this annual review are communicated to the full Board who then make an evaluation of the overall performance of the Company and the CEO. This performance evaluation is communicated to the CEO by the Chair and the Chair of the Compensation Committee. The evaluation is used by the Compensation Committee in its deliberations concerning the CEO’s annual compensation. The evaluation of performance against objectives forms part of the determination of the entire compensation of senior employees. The Compensation Committee also reviews the compensation of the outside directors on an annual basis, taking into account such matters as time commitment, responsibility and compensation provided by comparable organizations.</p> <p>The process undertaken by the Board and the Compensation Committee in respect of compensation is more fully described in the “Compensation Discussion and Analysis” section of the Circular.</p>
<p>(b) Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.</p>	<p>The Compensation Committee is comprised of Michael Hoffman, Anton Drescher and David Huberman, all of whom are independent directors within the meaning of NI 58-101. The Chair of the Compensation Committee is Michael Hoffman.</p> <p>Further details on the members of the Compensation Committee can be found in the “Compensation Discussion and Analysis” section of the management information circular.</p>
<p>(c) If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.</p>	<p>The Compensation Committee’s charter provides that its responsibilities will include: (a) determining the salary and benefits of the CEO, subject to the terms of any existing contractual arrangements; (b) on the recommendation of the CEO, determining the general compensation structure and policies and programs for the Company and the salary and benefit levels for the senior officers; (c) administering the Company’s stock option plan and determining its use, from time to time, as a form of compensation for salaried personnel; (d) determining the senior officers and other employees of the Company who are eligible for cash performance or incentive bonuses and, on the recommendation of the CEO, determining the bonuses to be awarded to such officers and employees; (e) reviewing and making recommendations to the board of directors on issues that arise in relation to any employment contracts in force from time to time; (f) to reviewing annually all other benefit programs for salaried personnel; and (g) reviewing and approving severance arrangements for senior officers.</p>

Governance Disclosure Requirement Under the Corporate Governance National Instrument 58-101 (“NI 58-101”)	Comments
<p>(d) If a compensation consultant or advisor has, at any time since the beginning of the issuer’s most recently completed financial year, been retained to assist in determining compensation for any of the issuer’s directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.</p>	<p>A compensation consultant and advisor was not engaged during the year ended December 31, 2014.</p>
Other Board Committees	
<p>8. If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Board does not have any standing committees other than the Compensation Committee, the Audit Committee, the Nominating and Governance Committee and the Sustainability Committee.</p>
Assessments	
<p>9. Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.</p>	<p>The entire Board will evaluate the effectiveness of the Board, its committees and individual directors on an annual basis. To facilitate this evaluation, each committee will conduct an annual assessment of its performance, consisting of a review of its charter, the performance of the committee as a whole and the performance of the committee Chair.</p>

SCHEDULE “B” CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The Board of Directors (the “**Board**”) is responsible for the stewardship of the Company and for acting in the best interests of the Company and its shareholders. The Board will discharge its responsibilities directly and through its committees, currently consisting of the Audit Committee, Compensation Committee, Nominating and Governance Committee and Sustainability Committee. The Board shall meet at least quarterly to review the business operations, corporate governance and financial results of the Company. Meetings of the Board shall also include regularly scheduled meetings of the independent members of the Board without management being present.

II. COMPOSITION

The Board shall be constituted at all times of a majority of independent Directors in accordance with National Instrument 58-201. The Chair of the Board should also be independent or alternatively the Board will appoint an independent lead Director.

III. RESPONSIBILITIES

The Board's mandate is the stewardship of the Company and its responsibilities include, without limitation to its general mandate, the following specific responsibilities:

- (a) The assignment to the various committees of Directors the general responsibility for developing the Company's approach to: (i) corporate governance and nomination of Directors related issues; (ii) financial reporting and internal controls; (iii) and issues relating to compensation of officers and employees.
- (b) With the assistance of the Nominating and Governance Committee:
 - Developing the Company's approach to corporate governance, including developing a set of corporate governance principles and guidelines specific to the Company.
 - Reviewing the composition of the Board and ensuring it respects its independence criteria.
 - Satisfying itself as to the integrity of the Chief Executive Officer and other senior officers and that such officers create a culture of integrity throughout the organization.
 - The assessment, at least annually, of the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual Directors, including, consideration of the appropriate size of the Board.
 - The assessment, at least annually, of each director regarding his or her effectiveness and contribution in consideration of the competencies and skills each individual director is expected to bring to the board.
 - Ensuring that an appropriate review selection process for new nominees to the Board is in place.
 - Ensuring that an appropriate orientation and education program for new members of the Board is in place.
 - Ensuring that continued education opportunities are available to all directors to ensure knowledge and understanding of the Company's business by the directors remain current.
 - Approving disclosure and securities compliance policies, including communications policies of the Company.
 - Approve a position description for the CEO including limits to management's responsibilities and corporate objectives which the CEO is responsible for meeting.

- Engage in succession planning including appointment, training and monitoring senior management.
 - Select, monitor and evaluate the CEO and other senior executives and ensure the adoption of management succession plan.
- (c) With the assistance of the Audit Committee:
- Recommending the appointment of the auditors and assessing the performance of the auditors.
 - Ensuring the integrity of the Company's internal controls and management information systems.
 - Ensuring the Company's ethical behaviour and compliance with laws and regulations, audit and accounting principles and the Company's own governing documents.
 - Identification of the principal risks of the Company's business and ensuring that appropriate systems are in place to manage these risks.
 - Reviewing and approving significant operational and financial matters and the provision of direction to management on these matters.
 - Reviewing and approving the Company's quarterly interim and annual financial statements and notes, including the Management's Discussion and Analysis.
 - As required and agreed upon, providing assistance to shareholders concerning the integrity of the Company's reported financial performance.
- (d) With the assistance of the Audit Committee and the Chief Executive Officer, the establishment of appropriate performance criteria for the senior management team and the approval of the compensation of the senior management team.
- (e) With the assistance of the Chief Executive Officer, develop measures for the receipt of feedback from the Company' stakeholders, and monitor and review feedback provided.
- (f) Succession planning and the selection, appointment, monitoring evaluation and, if necessary, the replacement of the senior management to ensure management succession.
- (g) The adoption of a strategic planning process, approval at least annually of a strategic plan that takes into account business opportunities and business risks identified by the Board and/or the Compensation Committee and monitoring performance against such plans.
- (h) The review and approval of corporate objectives and goals applicable to the Company's senior management and monitoring realization of those objectives.
- (i) The review and approval of the Company's approach to health, safety and environment ("HSE") issues and regular review of any HSE incidents.
- (j) Reviewing with senior management:
- major corporate decisions which require Board approval and approving such decisions as they arise.
 - major capital expenditure decisions (in excess of \$500,000) unless previously authorized in a budget or plan by the Board.
 - material decisions relating to senior personnel, major property acquisitions or divestments, major investments, etc.

- (k) Performing such other functions as prescribed by law or assigned to the Board in the Company's constituting documents and by-laws.

IV. MISCELLANEOUS

1. The Board may, at its sole discretion, retain, at the expense of the Company such advisors or consultants as it may deem necessary or advisable in order to properly and fully perform its duties and responsibilities hereunder.
2. In addition to the foregoing, the Board will:
 - (a) periodically assess the Board's performance of the duties specified in this charter;
 - (b) review and assess the adequacy of the charter at least annually;
 - (c) perform such other duties as may from time to time be required by applicable stock exchanges, regulatory authorities or applicable legislation.
3. The members of the Board are expected to attend all meetings of Board unless prior notification of absence is provided.
4. The members of the Board are required to have reviewed board materials in advance of the meeting and be prepared to discuss such materials at the meeting, to actively participate in Board deliberations, and to take full responsibility for Board decisions.
5. Board members will treat their fellow board members with respect.
6. The members of the Board should endeavour to avoid conflicts between their own personal interests and those of the Company and, where conflicts exist, to fully disclose such conflicts to the Board and refrain from participating in decisions relating to the subject matter of such conflicts.