



## TROILUS GOLD CORP.

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

You are invited to the 2018 annual and special meeting of shareholders (the “**Meeting**”) of Troilus Gold Corp. (the “**Corporation**”).

**When:** Monday, January 21, 2019 at 11:00 a.m. (Toronto time).

**Where:** Sheraton Centre Hotel, 123 Queen Street West, Linden Room, Mezzanine Level, Toronto, Ontario.

The purpose of the Meeting is as follows:

1. **Financial Statements.** Receive and consider the audited financial statements as at and for the fiscal year ended July 31, 2018, together with the report of the auditors thereon;
2. **Auditors.** Re-appoint UHY McGovern Hurley LLP as auditor of the Corporation and authorize the directors to fix their remuneration;
3. **Directors.** Elect the directors for the ensuing year;
4. **Stock Option Plan.** Re-approve the Corporation’s rolling 10% stock option plan; and
5. **Other Business.** Consider other business as may properly come before the Meeting or any postponement(s) or adjournment(s) thereof.

This notice is accompanied by a form of proxy or voting instruction form, a management information circular, and the audited consolidated financial statements of the Corporation as at and for the fiscal year ended July 31, 2018 and the related management’s discussion and analysis of the Corporation (collectively, the “**Meeting Materials**”).

The directors of the Corporation have fixed the close of business on December 14, 2018 as the record date, being the date for the determination of the registered shareholders entitled to notice and to vote at the Meeting and any adjournments(s) or postponement(s) thereof.

You may vote your common shares by proxy if you are unable to attend the Meeting. Shareholders that are unable to attend the Meeting are asked to please review the enclosed Meeting Materials and complete, date, sign and return the enclosed form of proxy (non-registered shareholders must deliver their completed proxies or other voting instruction form in accordance with the instructions given by their financial institution or other intermediary that forwarded the form of proxy or voting instruction form) to the Corporation’s transfer agent, TSX Trust Company (the “**Transfer Agent**”), at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1, by no later than: (i) 11:00 a.m. (Toronto time) on Thursday, January 17, 2019; or (ii) no later than 48 hours (excluding Saturdays, Sundays and holidays) before any adjourned or postponed Meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. You may appoint some other person or entity to represent you at the Meeting by inserting such person's name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed form of proxy at the office of the Transfer Agent indicated above not later than the times set out above. In addition to revocation in any other manner permitted by law, you may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by you or by an attorney authorized in writing at the office of the Transfer Agent at any time up to and including the last business day preceding the day of the Meeting.

**DATED** at Toronto, Ontario as of the 14<sup>th</sup> day of December, 2018

BY ORDER OF THE BOARD OF DIRECTORS

*(Signed) Justin Reid*

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Chief Executive Officer

# TROILUS GOLD CORP.

## MANAGEMENT INFORMATION CIRCULAR

### ABOUT THE SHAREHOLDER MEETING

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#### Solicitation of Proxies

You have received this management information circular (the “**Circular**”) as a holder of common shares (the “**Common Shares**”) of Troilus Gold Corp. (“**Troilus**” or the “**Corporation**”) as of December 14, 2018. You are therefore entitled to vote at the 2018 annual and special meeting of shareholders (the “**Meeting**”) to be held at 11:00 a.m. (Toronto time) on January 21, 2019, and any postponement(s) or adjournment(s) thereof.

The board of directors of the Corporation (the “**Board**”) has set the record date for the Meeting as December 14, 2018 (the “**Record Date**”).

Management is soliciting your proxy for the Meeting. The Board has fixed: (i) 11:00 a.m. (Toronto time) on January 17, 2019; or (ii) 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) or postponement(s) of the Meeting, as the time by which proxies to be acted upon at the Meeting have to be deposited with the Corporation’s transfer agent, TSX Trust Company (the “**Transfer Agent**”), at 100 Adelaide Street West, Suite 301, Toronto, Ontario M5H 4H1. In addition to solicitation by mail, certain officers, directors, employees and agents of Troilus may solicit proxies by telephone, email or in person. Costs associated with the solicitation by management will be borne by Troilus.

These materials are being sent to both registered and non-registered holders (“**Shareholders**”) of the Common Shares of Troilus. The Corporation or its agent has obtained information regarding non-registered Shareholders in accordance with the applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation shall make a list of all persons who are registered Shareholders on the Record Date and the number of Common Shares registered in the name of each person on that date. Each Shareholder is entitled to one vote on each matter to be acted on at the Meeting for each Common Share registered in his name as it appears on the list.

Unless otherwise stated, the information contained in this Circular is as of the Record Date. All dollar amount references in this Circular, unless otherwise indicated, are expressed in Canadian dollars. United States dollars are referred to as “United States dollars” or “US\$”.

#### Voting

##### *Appointment and Revocation of Proxies*

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. **You may appoint some other person or entity to represent you at the Meeting by inserting such person’s name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the Transfer Agent indicated above not later than the times set out above.** Please ensure this person or entity is aware that you appointed them as your proxyholder and that they must attend the Meeting to vote on your behalf and according to your instructions. If you do not indicate your voting instructions, your proxyholder can vote as he or she sees fit.

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing at the office of the Transfer Agent indicated above at any time up to and including the last business day preceding the day of the Meeting.

### ***Voting of Proxies***

#### *Registered Shareholders*

You can vote in person at the Meeting or by proxy. If you wish to vote at the Meeting, do not complete or return the form of proxy included with this Circular. Your vote will be taken and counted at the Meeting. If you do not wish to attend the Meeting or do not wish to vote in person, complete and deliver a form of proxy in accordance with the instructions above. Voting by proxy is the easiest way to vote because, as noted above, you can appoint a person or entity to be your proxyholder to attend the Meeting and vote your Common Shares according to your instructions. This person or entity does not need to be a shareholder. The executive officers named in the form of proxy can act as your proxyholder and will vote your shares according to your instructions.

**If you appoint the Troilus proxyholders and you do not indicate your voting instructions, such proxyholders will vote your Common Shares as follows:**

- **FOR the Re-Appointment of the Auditors**
- **FOR the Nominated Directors**
- **FOR the Stock Option Plan**

At the time of printing this Circular, management is not aware of any amendments, variations or other matters to come before the Meeting. If other matters are properly brought before the Meeting, your proxyholder can vote as he or she sees fit.

The Transfer Agent must receive the completed proxy form by no later than: (i) 11:00 a.m. (Toronto time) on January 17, 2019; or (ii) 48 hours (excluding Saturdays, Sundays or holidays) before any postponement(s) or adjournment(s) of the Meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting at his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

#### *Non-Registered Shareholders*

Non-Registered Shareholders are those Shareholders who beneficially own Common Shares in the name of an intermediary, such as banks, trust companies, securities dealers (all, an “**Intermediary**”), or in the name of a clearing agency such as CDS & Co. Securities laws require the Corporation to send the Meeting materials to the Intermediaries and clearing agencies so they can distribute them to our non-registered Shareholders. These materials include the Notice of Meeting, the Circular, a form of proxy or voting instruction form, a copy of the Corporation’s annual consolidated financial statements and management’s discussion and analysis (if the Non-Registered Shareholder requested a copy) and documents by electronic delivery (the “**Meeting Materials**”).

Intermediaries and clearing agencies must forward the Meeting Materials to non-registered Shareholders unless the shareholder has waived the right to receive them. If you are a non-registered Shareholder and have not waived the right to receive the Meeting Materials, your package should include either a voting instruction form (not signed by your Intermediary) or a form of proxy (signed by your Intermediary). Troilus management does not intend to pay Intermediaries to forward the Meeting Materials to objecting beneficial owners. Objecting beneficial owners will not receive Meeting Materials unless the objecting beneficial owner’s Intermediary assumes the cost of delivery.

Either form instructs your Intermediary (the respective registered Shareholder) to vote your Common Shares according to your instructions. Please ensure to return your completed form as soon as possible to

ensure your Intermediary carries out your voting instructions accordingly. Non-registered Shareholders should contact their Intermediaries promptly if they need assistance.

### ***Voting Securities and Principal Holders***

The authorized capital of the Corporation consists of an unlimited number of Common Shares. Each Common Share entitles the holder thereof to one vote on each matter to be acted on. As of the Record Date, the Corporation had 52,487,222 Common Shares issued and outstanding. To the knowledge of the directors and officers of the Corporation, as at the Record Date, no person beneficially owns, directly or indirectly, or exercises control or direction over, securities carrying more than 10% of the voting rights attached to the Common Shares, except for Sulliden Mining Capital Inc., which holds 14,533,293 Common Shares, constituting 27.7% of the issued and outstanding Common Shares.

### ***Interest of Certain Persons in Matters to be Acted Upon***

Other than in respect of the election of directors and re-approval of the Stock Option Plan (as defined herein), none of the persons who have been directors or executive officers of the Corporation since the commencement of the Corporation's last completed financial year, no proposed nominee for election as a director of the Corporation, and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### ***Interest of Informed Persons in Material Transactions***

No informed person (as such term is defined under applicable securities laws) of the Corporation or Nominee (and each of their associates or affiliates) has had any direct or indirect material interest in any transaction involving the Corporation since August 1, 2017 or in any proposed transaction that has materially affected or would materially affect the Corporation or its subsidiaries.

## **BUSINESS OF THE MEETING**

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### **Financial Statements**

The audited consolidated financial statements for the financial year ended July 31, 2018, together with the auditor's report thereon, will be presented to Shareholders for review at the Meeting and were mailed to Shareholders with the Notice of Meeting and this Circular. No vote by the Shareholders is required or will take place with respect to this matter.

### **Appointment of Auditors**

Unless authority to do so is withheld, **the persons named in the accompanying form of proxy intend to vote for the re-appointment of UHY McGovern Hurley LLP, Chartered Accountants, as auditors of the Corporation until the close of the next annual meeting of shareholders of the Corporation and to authorize the directors to fix their remuneration.** UHY McGovern Hurley LLP, Chartered Accountants, have been the auditors of the Corporation since March 7, 2006.

The following table sets out the fees billed by the Corporation's auditors for the years ended July 31, 2018 and 2017.

| <b>Service</b>     | <b>2018</b>     | <b>2017</b>     |
|--------------------|-----------------|-----------------|
| Audit Fees         | \$45,900        | \$18,360        |
| Audit-Related Fees | \$5,763         | NIL             |
| Tax Fees           | \$24,200        | \$4000          |
| Other Fees         | NIL             | \$30,540*       |
| <b>Total:</b>      | <b>\$75,863</b> | <b>\$52,900</b> |

\*fees incurred in relation to the RTO transaction that closed December 20, 2017

For additional information about the Corporation's auditors and the Audit Committee, please refer to the section "Committees of the Board – Audit Committee".

## Election of Directors

The Corporation has nominated six persons (the "Nominees") for election as directors of the Corporation, who will hold office until the next annual meeting of the Corporation or until his or her successor is elected or appointed. At the Meeting, Shareholders will be asked to elect these Nominees as directors of the Corporation. **The persons in the enclosed form of proxy intend to vote for the election of each of the Nominees.** Management does not contemplate that any of the Nominees will be unable to serve as a director.

As the Corporation has adopted a Majority Voting Policy, the process for voting for election of each director will be by individual voting and not by slate. The Shareholders can vote for or withhold from voting on the election of each director on an individual basis. See "Corporate Governance Practices" for more information on our Majority Voting Policy.

### Director Profiles

Each of the six nominated directors is profiled below, including his or her background and experience, committee memberships, share ownership and other public company directorships.

#### JUSTIN REID, CHIEF EXECUTIVE OFFICER & DIRECTOR

AGE: 45

ONTARIO, CANADA

DIRECTOR SINCE DECEMBER 20, 2017

Mr. Reid is a geologist and capital markets executive with over 20 years of experience focused exclusively in the resource space. From February 2013 to August 2014, Mr. Reid served as President of Sulliden Gold Corporation Ltd. From the sale of Sulliden Gold Corporation Ltd. to Rio Alto Mining Limited, Mr. Reid served as the CEO of Sulliden Mining Capital Inc. until the completion of the RTO. Mr. Reid holds a B.Sc from the University of Regina, an M.Sc from the University of Toronto and MBA from the Kellogg School of Management at Northwestern University. Mr. Reid started his career as a geologist with the SGS and Cominco Ltd after which he became a partner and senior mining analyst at Cormark Securities in Toronto. In 2009, Mr. Reid was named Executive General Manager at Paladin Energy responsible for leading all merger and acquisition, corporate and market related activities. He returned to Canada in early 2011 assuming the role of Managing Director Global Mining Sales at National Bank Financial, where he directed the firm's sales and trading in the mining sector.

#### **Shareholdings:**

661,332 Common Shares (1.25%)

#### **Other Reporting Issuer Boards:**

Agua Resources Limited

Euro Sun Mining Inc.

#### HONOURABLE PIERRE PETTIGREW, P.C., DIRECTOR

AGE: 67

ONTARIO, CANADA

DIRECTOR SINCE DECEMBER 20, 2017

From January 1996 to February 2006, Pierre Pettigrew served as a member of the Government of Canada where he led a number of senior government departments in successive federal Canadian governments. Among other positions, he has served Canada as the Minister of Foreign Affairs, Minister for International Trade and the Minister for International Cooperation. Pierre Pettigrew presently works with Deloitte & Touche, LLP in the role of Executive Advisor, International and he serves as a director of several public

companies.

**Shareholdings:** 360,000 Common Shares (0.7%)  
**Other Public Company Boards:** African Gold Group, Inc.  
Belgravia Capital International Inc.  
Black Iron Inc.  
Blue Sky Energy Inc.  
Sulliden Mining Capital Inc.

BRUCE HUMPHREY, DIRECTOR

AGE: 66  
ONTARIO, CANADA

DIRECTOR SINCE SEPTEMBER 14, 2018

Mr. Humphrey brings over 45 years of experience as a mining engineer. He served as the President and Chief Executive Officer of Desert Sun Mining Corp. from October 2004 to April 2006. From May 1998 to May 2004, Mr. Humphrey served as Senior Vice President and Chief Operating Officer of Goldcorp Inc. He is a member of the Professional Engineers of Ontario. He also serves as a director of several public companies in the resource sector.

**Shareholdings:** 30,488 Common Shares (<0.5%)  
**Other Reporting Issuer Boards:** African Gold Group Inc.  
Black Iron Inc.  
Belo Sun Mining Corp.

PETER TAGLIAMONTE, EXECUTIVE DIRECTOR

AGE: 56  
ONTARIO, CANADA

DIRECTOR SINCE DECEMBER 20, 2017

Mr. Tagliamonte is a professional mining engineer and also holds an MBA from the Richard Ivey School of Business at the University of Western Ontario. He is the former President and CEO of Central Sun Mining, Chief Executive Officer of Sulliden Gold Corporation Ltd. and former Chief Operating Officer of Desert Sun Mining where he developed the Jacobina Mine in Brazil into a 4,200-tonne-per-day mining operation. Mr. Tagliamonte is the current CEO of Belo Sun Mining Corp., a precious metal resource exploration and development company focused on the Volta Grande property in Brazil. Mr. Tagliamonte has over 25 years of progressive managerial experience building and operating mines worldwide, notably in Central and South America. In 2005, he received the Mining Journal's "Mine Manager of the Year" award in recognition for his work in the mining sector. Mr. Tagliamonte also serves as a director of several public companies in the resource sector.

**Shareholdings:** 335,366 Common Shares (0.6%)  
**Other Reporting Issuer Boards:** Belo Sun Mining Corp.  
Euro Sun Mining Inc.

DIANE LAI

AGE: 51  
ONTARIO, CANADA

NOMINEE DIRECTOR

Ms. Lai is seasoned executive and entrepreneur with 20+ years of global marketing and product management experience in the technology sector. She began her career in product development, working for Vodaphone in the UK, returning to North America after six years she went to work for Entrata Communications based out of San Diego, California. After a successful exit she relocated to Toronto for FloNetwork as their Director of Product Marketing (acquired by DoubleClick and then Google). In 2010 Diane founded an organic skincare company to address severe allergies and medical challenges of her



son. More recently Diane served as the Vice President of Marketing and IT for Yellow Pages Media (TSX: Y), and Chief Operating Officer for ARHT Media Inc. (TSXV: ART). Diane currently teaches at the University of Toronto in the Entrepreneurship Program and consults for the Bank of Montreal Agile Center of Excellence. Diane also serves on the board of Aguia Resources and the Flato Markham Theatre. Diane graduated from the University of Waterloo, earned an MBA from the Kellogg School of Management and received the ICD.D designation by the Institute of Corporate Directors.

**Shareholdings:** 5000 (<0.5%)  
**Other Public Company Boards:** Aguia Resources Limited

THOMAS OLESINSKI  
AGE: 50  
ONTARIO, CANADA

DIRECTOR SINCE DECEMBER 20, 2017

Mr. Olesinski, CPA, CMA, has over 20 years of finance and management experience. Mr. Olesinski worked as a managing forensic accountant for BDO Dunwoody, where he earned a Certified Fraud Examiner designation, before moving into the marketing communications industry, where he worked for Cossette Communication Group in various roles, including Director of Finance and Operations. Mr. Olesinski currently serves as Chief Executive Officer of Havas Media Canada as well as Chief Financial Officer of Havas Worldwide Canada.

**Shareholdings:** Nil  
**Other Public Company Boards:** Copper One Inc.  
Savary Gold Corp.

#### *Other Information about the Director Nominees*

No director or proposed director is or has been, within the ten years before the date of this Circular, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

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

No director or proposed director has been subject to (i) 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 (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

No director or proposed director of the Corporation is, or within ten years prior to the date hereof has been, a director, chief executive officer or chief financial officer of any company (including the Corporation) that was subject to an order that was issued while the director was acting in the capacity as director, chief executive officer or chief financial officer; or was subject to an order that was issued after the 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.

#### **Re-Approval of Stock Option Plan**



Following listing on the TSX, the Corporation revamped its stock option plan (the “**Stock Option Plan**”) to comply with TSX requirements. The TSX requires that securities based compensation arrangements be approved by shareholders every three years from the date of implementation. The Stock Option Plan of the is considered a “rolling” 10% stock option plan as the number of stock options (“**Options**”) available to grant increases as the number of issued and outstanding Common Shares increases, without further action. The Stock Option Plan is also considered to be an “evergreen plan” because the Common Shares covered by options which have been exercised shall be again made available for subsequent grants under the Stock Option Plan without further action. At the Meeting, Shareholders entitled to vote on the matter will be asked to consider and, if thought advisable, pass an ordinary resolution approving the Stock Option Plan, the full text of which is set out below (the “**Stock Option Plan Resolution**”).

A summary of the Stock Option Plan may be found under the heading “Executive Compensation – Long Term Incentives and Options”, and a full copy of the Stock Option Plan is attached hereto at Schedule “A”. In the event that the Stock Option Plan Resolution is not passed by the requisite number of votes cast at the Meeting, the Corporation will not have an operative stock option plan and therefore the Board will not be able to issue additional Options until such time as another stock option plan is created and approved, and may consequently have difficulty attracting and retaining high caliber personnel. However, whether or not the Stock Option Plan Resolution is approved, all Options currently outstanding under the Stock Option Plan will remain in effect in accordance with their terms.

The rules of the TSX require that the Stock Option Plan Resolution receives the affirmative vote of a majority of the votes cast at the Meeting.

**Unless otherwise indicated, the persons named in the accompanying proxy intend to vote FOR the Stock Option Plan Resolution.**

The text of the Stock Option Resolution is as follows:

**Whereas:**

1. the Board of Directors of the Corporation adopted a stock option plan (the “**Stock Option Plan**”), the full text of which is set forth in Schedule “A” of the Circular;
2. the Stock Option Plan does not include a fixed maximum number of Common Shares that may be issuable pursuant to the exercise of Options under the Stock Option Plan; and
3. the rules of the Toronto Stock Exchange provide that all unallocated Options, rights or other entitlements under a security based compensation arrangement that does not have a fixed number of maximum securities issuable, be approved every three years;

**Be it resolved that:**

1. the Stock Option Plan is hereby re-approved;
2. all unallocated Options under the Stock Option Plan be and are hereby approved;
3. the Corporation be and is hereby authorized to continue granting Options under the Stock Option Plan until January 21, 2022, which is the date that is three years from the date of the shareholder meeting at which shareholder approval is being sought; and
4. any director or officer of the Corporation be and is hereby authorized to do such things and to sign, execute and deliver all documents that such director and officer may, in their discretion, determine to be necessary in order to give full effect to the intent and purpose of this resolution.

## CORPORATE GOVERNANCE

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The Corporation and the Board recognize the importance of corporate governance in effectively managing the Corporation, protecting employees and Shareholders, and enhancing shareholder value.

The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. The directors are kept informed regarding the Corporation's operations at regular meetings and through reports and discussions with management on matters within their particular areas of expertise. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Corporation's affairs and in light of opportunities or risks the Corporation faces.

The Corporation believes that its corporate governance practices are in compliance with applicable Canadian corporate and securities laws requirements. The Corporation is committed to monitoring governance developments to ensure its practices remain current and appropriate.

### **Ethical Business Conduct**

The Board is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants, officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct.

### *Code of Conduct*

The Board has adopted a Code of Business Conduct and Ethics (the "**Code**") for its directors, officers, consultants and employees. The Corporate Governance Committee has responsibility for monitoring compliance with the Code by ensuring all directors, officers, consultants and employees receive and become thoroughly familiar with the Code and acknowledge their support and understanding of the Code. Any non-compliance with the Code is to be reported to Troilus' legal counsel or chair of the Audit Committee.

The Board takes steps to ensure that directors, officers, consultants and employees exercise independent judgment in considering transactions and agreements in respect of which a director, officer, consultant or employee of the Corporation has a material interest, which include ensuring that directors, officers, consultants and employees are thoroughly familiar with the Code and, in particular, the rules concerning reporting conflicts of interest and obtaining direction from the Corporation's Directors and the Chairman and CEO regarding any potential conflicts of interest.

The Board encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations in all jurisdictions in which the Corporation conducts business; providing guidance to directors, officers, consultants and employees to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary action for violations of ethical business conduct.

A copy of the Code may be found under the governance tab of the Corporation's website at <https://www.troilusgold.com/company/governance/> or upon request to the Corporation by contacting legal counsel to the Corporation by email at [bdavies@troilusgold.com](mailto:bdavies@troilusgold.com) or by telephone at (416) 216-5443.

### *Whistleblower Policy*

The Corporation has adopted a Whistleblower Policy that allows its directors, officers, consultants and employees who feel that a violation of the Code has occurred, or who have concerns regarding financial statement disclosure issues, accounting, internal accounting controls or auditing matters, to report such

violations or concerns on a confidential and anonymous basis. Reporting a violation of the Code is made by informing anonymously to a member of the Audit Committee, who then investigates each matter so reported and takes corrective and disciplinary action, if appropriate. Reporting concerns regarding financial statement disclosure or other appropriate issues are to be forwarded in a sealed envelope to the Chairman of the Audit Committee who then investigates each matter reported and takes corrective and disciplinary action, if appropriate.

### ***Anti-Corruption and Anti-Bribery Policy***

The Corporation has adopted an Anti-Bribery and Anti-Corruption Policy that outlines the requirements that must be fulfilled by all employees, consultants, officers, and directors of the Corporation, as well as any third party working for or acting on behalf of the Corporation. These requirements include the prohibition of bribing government officials and making facilitation payments. The Anti-Bribery and Anti-Corruption Policy also provides the Corporation's employees with further clarity regarding books and records transparency, as well as the conditions with respect to gift giving to government officials, political contributions, charitable contributions, third party oversight and due diligence, internal controls and management's responsibility to promote and create awareness of the Anti-Bribery and Anti-Corruption Policy.

## **ABOUT THE BOARD**

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### **Independence of the Board**

The Board is currently comprised of six members, three of whom the Board (50%) has determined are independent as at July 31, 2018.

| <b>Director</b>   | <b>Independent</b> | <b>Not Independent</b> | <b>Reason for Non-Independence</b>         |
|-------------------|--------------------|------------------------|--|
| Justin Reid       |                    | √                      | Chief Executive Officer of the Corporation |
| Pierre Pettigrew  | √                  |                        |  |
| Bruce Humphrey    | √                  |                        |  |
| Peter Tagliamonte |                    | √                      | Executive Director                         |
| Scott Moore       |                    | √                      | Former CEO of Pitchblack Resources Ltd.    |
| Tom Olesinski     | √                  |                        |  |

The independent directors comprise the committees of the Board and hold in camera sessions without management at their committee meetings to review the business operations, corporate governance, compensation, and financial results of the Corporation.

To facilitate the functioning of the Board independently of management, the following structures and processes are additionally in place:

- members of management, including without limitation, the CEO of the Corporation, are not present for the discussion and determination of certain matters at meetings of the Board unless required;
- each of the Audit, Corporate Governance and Compensation Committees of the Board are comprised solely of independent directors;
- under the by-laws of the Corporation, any one director may call a meeting of the Board;
- each of the Chairman's and the CEO's compensation is considered by the Board, in their absence, and by the Compensation Committee at least once a year;
- in addition to the standing committees of the Board, independent committees will be appointed from time to time, when appropriate; and
- the Board policy is to hold in-camera meetings with the independent directors at the end of each meeting of the Board or committee of the Board, to the extent required.

## Meeting Attendance

The following table shows the attendance record of each director at meetings of the Board and meetings of the respective committees of the Board for the year ended July 31, 2018.

| Director          | Board         | Audit Committee | Compensation Committee | Corporate Governance Committee |
|-------------------|---------------|-----------------|------------------------|--------------------------------|
| Justin Reid       | 4 of 4 (100%) | N/A             | N/A                    | N/A                            |
| Pierre Pettigrew  | 4 of 4 (100%) | 3 of 3 (100%)   | 3 of 3 (100%)          | 3 of 3 (100%)                  |
| Bruce Humphrey    | 1 of 1 (100%) | 1 of 1 (100%)   | 1 of 1 (100%)          | 1 of 1 (100%)                  |
| Peter Tagliamonte | 4 of 4 (100%) | N/A             | N/A                    | N/A                            |
| Scott Moore       | 2 of 4 (50%)  | N/A             | N/A                    | N/A                            |
| Thomas Olesinski  | 4 of 4 (100%) | 3 of 3 (100%)   | 3 of 3 (100%)          | 3 of 3 (100%)                  |
| Diane Lai         | n/a           | n/a             | n/a                    | n/a                            |

Note: Mr. Humphrey was appointed to the Board and each of the respective committees of the Board as noted above on September 14, 2018.

## The Board Mandate & Position Descriptions

At present, the Board has not adopted a written Board Mandate based on its current size and stage. The Corporate Governance Committee will consider whether a formal Board Mandate should be adopted in the best interests of the Corporation.

The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee, and the Corporate Governance Committee. See "Committees of the Board of Directors".

The Board has not adopted formal position descriptions for the Chairman, the committee chairs or the chief executive officer as their respective roles are well understood within the Troilus organization.

## Nomination of Directors

Generally, the Corporate Governance Committee, which is composed entirely of independent directors, is responsible for identifying and recruiting new candidates for nomination to the Board, and reviewing the qualifications of new candidates proposed by other members of the Board. The process by which the Board anticipates that it will identify new candidates is through recommendations of the Corporate Governance Committee and of management whose responsibility it is to develop, and periodically update and recommend to the Board for approval, a long-term plan for Board composition that takes into consideration the following: (a) the independence of each director; (b) the competencies and skills the Board, as a whole, should possess such as financial literacy, integrity and accountability, the ability to engage in informed judgment, governance, strategic business development, excellent communications skills and the ability to work effectively as a team; (c) the current strengths, skills and experience represented by each director, as well as each director's personality and other qualities as they affect Board dynamics; (d) diversity; and (d) the strategic direction of the Corporation.

## Diversity

The Board is committed to maintaining high standards of corporate governance in all aspects of the Corporation's business and affairs, and recognizes the benefits of fostering greater diversity in the boardroom. A fundamental belief of the Board is that a diversity of perspectives maximizes the effectiveness of the Board and decision-making in the best interests of the Corporation. In evaluating potential candidates, they will be considered against objective criteria, having due regard to the benefits of diversity on the Board, including gender. Accordingly, consideration of the number of women on the Board, along with consideration of whether other diverse attributes are sufficiently represented, is an important component in the search for and selection of candidates.

When the Board selects candidates for executive officer positions, it considers not only the qualifications, personal qualities, business background and experience of the candidates, it also considers the composition of the group of nominees, to best bring together a selection of candidates allowing the Corporation's management to perform efficiently and act in the best interest of the Corporation and its shareholders. The Corporation is aware of the benefits of diversity both on the Board and at the executive level, and therefore female representation is one factor taken into consideration during the search process to fill leadership roles within the Corporation.

The Corporation aspires towards Board composition in which each gender comprises at least one-third of the independent directors. The Board has not adopted any specific target with respect to the minimum number of women on its management given the small size of the Corporation. The Corporate Secretary and Vice-President, Corporate Communications are women and a female director has been nominated for election at the Meeting to join the board as Chairperson.

#### **Director Term Limits and Other Mechanisms of Board Renewal**

The Corporation has not adopted term limits for the directors on its Board or other mechanisms of Board renewal. Based on the current stage of development of the Corporation, management and the Board do not feel that such policies are necessary.

#### **Policies Regarding the Representation of Women on the Board**

The Corporation has not adopted a written policy relating to the identification and nomination of female directors. Based on the current stage of the development of the Corporation, management and the Board do not feel that such a policy is necessary.

#### **Consideration of the Representation of Women in the Director Identification and Selection Process**

The Corporation does not specifically consider the level of representation of women on the Board in identifying and nominating candidates for election or re-election to the Board. Based on the current stage of the development of the Corporation, management and the Board do not feel that such a policy is necessary.

#### **Consideration Given to the Representation of Women in Executive Officer Appointments**

The Corporation does not specifically consider the level of representation of women in executive officer positions when making executive officer appointments. Based on the current composition of the Corporation's executive officers, coupled with the current stage of the development of the Corporation, management and the Board do not feel that such a policy is necessary. There are currently two female officers. Ms. Brianna Davies serves as Legal Counsel and Corporate Secretary and Ms. Caroline Arsenault serves as Vice President, Corporate Communications.

#### **Issuer's Targets Regarding the Representation of Women on the Board and in Executive Office**

The Corporation has not adopted a target regarding women on the Board or in executive officer positions. Based on the current composition of the Corporation's executive officers, coupled with the current stage of the development of the Corporation, management and the Board do not feel that such a policy is necessary. There are currently two female officers and the Corporation has nominated Ms. Diane Lai to join the Corporation's board of directors as Chair.

#### **Number of Women on the Board and in Executive Officer Positions**

There is not currently a female member on the Board, however, the Corporation has nominated Ms. Diane Lai to join the Board as Chair. There are currently two female officers of the Corporation representing approximately 20% of the Corporation's senior management.

## **Board Assessments**

The Board and its individual directors are assessed on an informal basis continually as to their effectiveness and contribution. All directors are free to make suggestions for improvement of the practice of the Board at any time and are encouraged to do so.

## **Majority Voting Policy**

The Corporation has adopted a Majority Voting Policy to provide a meaningful way for the Shareholders to hold individual directors accountable and to require the Corporation to closely examine directors that do not have the support of a majority of Shareholders. The policy provides that forms of proxy for the election of directors will permit a Shareholder to vote in favour of, or to withhold from voting, separately for each director nominee and that where a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Pursuant to the policy, such a nominee will forthwith submit his or her resignation to the Board, such resignation to be effective on acceptance by the Board. The Board will then establish an advisory committee (the “**Committee**”) to which it shall refer the resignation for consideration. In such circumstances, the Committee will make a recommendation to the Board as to the director’s suitability to continue to serve as a director after reviewing, among other things, the results of the voting for the nominee and the Board will consider such recommendation. This policy does not apply where an election involves a proxy battle (i.e., where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board).

## **Orientation and Continuing Education**

Generally, the Corporate Governance Committee is responsible for ensuring that new directors are provided with an orientation and education program, which will include written information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all meetings of the Board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board notes that it has benefited from the experience and knowledge of individual members of the Board in respect of the evolving governance regime and principles. The Board ensures that all directors are apprised of changes in the Corporation’s operations and business as well as developments in the resource industry and applicable laws.

## **COMMITTEES OF THE BOARD**

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The Board has the following three standing committees:

- Audit Committee
- Corporate Governance Committee
- Compensation Committee

All of the standing committees are comprised of directors who are independent of management and each of the committees report directly to the Board. From time to time, when appropriate, additional ad hoc committees of the Board may be appointed by the Board.

### **Audit Committee**

The purposes of the Audit Committee are to assist the Board’s oversight of: the integrity of the Corporation’s financial statements; the Corporation’s compliance with legal and regulatory requirements; the

qualifications and independence of the Corporation's independent auditors; and the performance of the independent auditors and the Corporation's internal audit function.

As of the Record Date, the Corporation's Audit Committee was comprised of three directors: Pierre Pettigrew, Bruce Humphrey and Tom Olesinski (Chair). Each of the members was considered financially literate and independent, as required by applicable securities laws. Please refer to "Director Profiles", above, for the relevant education and experience of each of the members of the Audit Committee.

The members of the Audit Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

Additional information about the Audit Committee is disclosed in accordance with Canadian securities laws requirements in the annual information form of the Corporation dated October 10, 2018 (the "AIF"), which has been posted on SEDAR ([www.sedar.com](http://www.sedar.com)). The AIF includes a copy of the Audit Committee Charter in Schedule "A" thereto.

### ***External Auditor***

The Audit Committee pre-approves all non-audit services to be provided to the Corporation by its external auditors.

See "Business of the Meeting – Appointment of Auditors" above for the fees paid to external auditors in 2018 and 2017.

### **Corporate Governance Committee**

The Corporate Governance Committee is comprised of Pierre Pettigrew (Chair), Bruce Humphrey (Chair) and Tom Olesinski, each of whom is an independent director. Please refer to "Director Profiles" above for the relevant education and experience of each of the members of the Corporate Governance Committee.

The Corporate Governance Committee's responsibilities include periodically reviewing the charters of the Board and the committees of the Board; assisting the Chairman of the Board in carrying out his or her responsibilities; considering and, if thought fit, approving requests from directors for the engagement of independent counsel in appropriate circumstances; preparing and recommending to the Board a set of corporate governance guidelines, the Code and annually preparing and reviewing the Corporation's Corporate Governance disclosure to be included in the Corporation's management information circular; annually reviewing the Board's relationship with management to ensure the Board is able to, and in fact does, function independently of management; assisting the Board by identifying individuals qualified to become Board members and members of Board committees; leading the Board in its annual review of the Board's performance; and assisting the Board in monitoring compliance by the Corporation with legal and regulatory requirements.

The members of the Corporate Governance Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

### **Compensation Committee**

The Compensation Committee is comprised of Pierre Pettigrew (Chair), Bruce Humphrey and Tom Olesinski, each of whom is an independent director. Please refer to "Director Profiles" above for the relevant education and experience of each of the members of the Compensation Committee.

The Compensation Committee is established by the Board to assist the Board in fulfilling its responsibilities relating to human resources and compensation issues and to establish a plan of continuity for executive officers and other members of senior management (collectively, "**Executive Management**"). The Compensation Committee ensures that the Corporation has an executive compensation plan that is both



motivational and competitive so that it will attract, retain and inspire performance of executive management of a quality and nature that will enhance the sustainable profitability and growth of the Corporation.

The Compensation Committee's role is to review compensation philosophy and practices for the Corporation, which includes reviewing the compensation philosophy and practices (a) for Executive Management, for recommendation to the Board for its consideration and approval, and (b) relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs.

The members of the Compensation Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

It is the general compensation philosophy of the Corporation to provide a blend of base salaries, bonuses and an equity incentive component, as summarized under the heading "Executive Compensation: Compensation Discussion & Analysis".

## **EXECUTIVE COMPENSATION**

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### **Compensation Discussion and Analysis**

For the financial year ended July 31, 2018, the objectives of the Corporation's compensation strategy was to ensure that compensation for the individuals carrying out the roles of the CEO, the Chief Financial Officer of the Corporation ("**CFO**") and each of the three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was individually more than \$150,000 for that financial year (the "**Named Executive Officers**" or "**NEOs**"), is sufficiently attractive to recruit, retain and motivate high performing individuals to assist Troilus in achieving its goals. During the financial year, Troilus announced the following major transactions:

- Raised over \$38.7 million in connection with the successful RTO subscription receipt and flow through offerings;
- Exercised its option with FQM to acquire 100% of the Troilus Gold Project;
- Graduated to the Toronto Stock Exchange;
- Obtained OTCQB listing in the United States as well as DTC eligibility;
- Opened offices in Chibougamau and Mistissini;
- Completed and Signed a Pre-Development Agreement (PDA) with the Cree First Nation of Mistissini and the Cree First Nation at the national level;
- Completed a 36,000-metre drill program;
- Released an updated mineral resource estimate significantly increasing existing estimates; and
- Completed the acquisition of the Troilus North Project from Emgold Mining Corporation.

The Corporation attempts to ensure that compensation is also fair, balanced and linked to the performance of the Corporation and the individual NEO.

Compensation for the NEOs is composed primarily of three components: base fees, performance bonuses and security based compensation. The determination of each component is based on informal discussions among the members of the Compensation Committee who may draw upon their experience and broad knowledge of industry standards and performance based on informal expectations and goals. In establishing the levels of base fees, performance bonuses, and the award of security based compensation, the Corporation informally considers individual performance, responsibilities and length of service. Performance is broadly reviewed and includes achievement of the Corporation's strategic objective of growth and the enhancement of shareholder value through its investments. Performance bonuses have been structured to encourage management to source and complete an acquisition or other investment that will be transformative to the Corporation. The compensation determination process is discretionary and is not based on formal benchmarks or formal and specific quantified measures.

The Board does not have a pre-determined compensation plan, but rather reviews the performance of the NEOs and considers a variety of factors informally. The Board believes that the compensation paid to each NEO during the last fiscal year was commensurate with the NEO's position, experience and performance.

### ***Executive Director Compensation***

Peter Tagliamonte is the Executive Director of the Corporation.

In his capacity as Executive Director, Mr. Tagliamonte provides management of the Corporation with technical advisory services relating to his extensive experience exploring, developing and bringing assets into production. The services provided by Mr. Tagliamonte are advisory in nature stemming from his specific expertise.

See "Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts" below for detailed information with respect to Mr. Tagliamonte's compensation.

### ***Chief Executive Officer Compensation***

Justin Reid is the Chief Executive Officer of the Corporation.

The Compensation Committee:

- (a) will periodically review the terms of compensation of the Corporation's Chief Executive Officer and recommend any changes to the Board for approval;
- (b) upon listing of the Corporation, the Committee approved the establishment of a milestone cash bonus that was earned and paid in the past financial year;
- (c) will review corporate goals and objectives relevant to the compensation of the Chief Executive Officer and recommend them to the Board for approval; and
- (d) reviews, and if appropriate recommends to the Board for approval, any agreements between the Corporation and the Chief Executive Officer, as appropriate.

The components of the Chief Executive Officer's compensation are the same as those that apply to the other senior executive officers of the Corporation, namely base salary, cash bonus and long-term security-based compensation.

### ***Risks Associated with Compensation***

In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's executive compensation program, the Board does not presently deem it necessary to consider the implications of the risks associated with its compensation policies and practices.

### ***Financial Instruments***

The Corporation does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, 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. However, to the knowledge of the Corporation as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

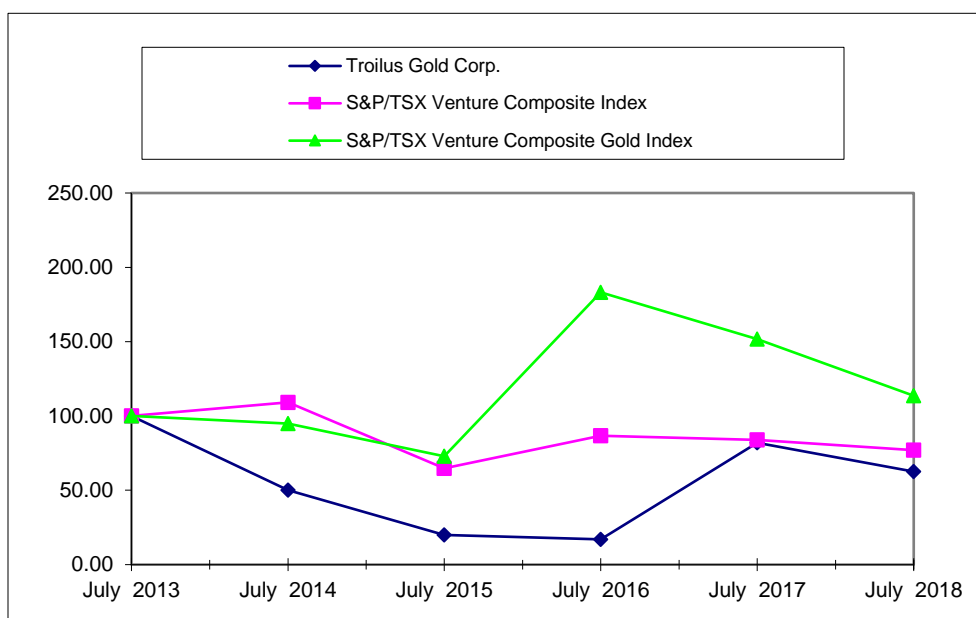
### ***Performance Graph***

The following graph compares the yearly percentage change in the cumulative total shareholder return for \$100 invested in Common Shares on July 31, 2013 against the cumulative total shareholder return of the

S&P/TSX Venture Composite Index and the S&P/TSX Venture Gold Index for the first and only completed financial year of the Corporation, assuming the reinvestment of all dividends.

The performance graph relates to the total cumulative shareholder return. The Corporation completed an RTO in December 2017 pursuant to which it acquired the option to the Troilus Gold Project and changed its name to Troilus Gold Corp. Accordingly, the Corporation, at the end of its most recent fiscal year, being July 31, 2018 had only been operating its current business for approximately seven months and therefore it is difficult to establish compensation trends or compare compensation trends to share performance since the current NEOs had been engaged by Troilus for less than one year as at July 31, 2018 .

|                                      | July 2013 | July 2014 | July 2015 | July 2016 | July 2017 | July 2018 |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|
| Troilus Gold Corp.                   | 100.00    | 50.00     | 20.00     | 17.00     | 82.00     | 62.50     |
| S&P/TSX Venture Composite Index      | 100.00    | 109.18    | 64.79     | 86.79     | 83.98     | 77.06     |
| S&P/TSX Venture Composite Gold Index | 100.00    | 94.89     | 72.91     | 183.17    | 151.72    | 113.62    |



## Components of Compensation

### Base Fees

Salaries form an essential component of the Corporation's compensation mix as they are the first base measure to remain competitive relative to industry compensation practices, are fixed and therefore not subject to uncertainty and can be used as the base to determine other elements of compensation and benefits. In determining the base salary of an executive officer, the Compensation Committee takes into account the recommendations from the President and Chief Executive Officer of the Corporation and may consider the particular responsibilities related to the position; what the Compensation Committee members believe is industry practice; the experience, expertise and level of the executive officer; his or her length of service; level of responsibilities; and his or her overall performance based on informal feedback. There is no mandatory framework that determines which of these factors may be more or less important and the emphasis placed on any of these factors may vary among the executive officers. The determination of base salaries relies principally on negotiations between the respective NEO and the Corporation and is therefore

heavily discretionary.

#### *Performance Bonus Payments*

The purpose of the Corporation's bonus program is to provide the NEOs with the opportunity to receive an annual cash incentive that is related to the progress of the Corporation and individual performance. Through informal discussions among management, as approved by the Compensation Committee and the Board, officers are eligible for annual cash bonuses. The Compensation Committee believes that financial incentives should relate to the accomplishment of key milestones relating to the success of the Corporation's corporate developments.

#### **Compensation Governance**

The Company has established the Compensation Committee which, among other things, has been charged with the task of considering executive and director compensation. The Compensation Committee is comprised of Pierre Pettigrew (Chair), Bruce Humphrey and Tom Olesinski, each of whom is an independent director.

The Company believes that the members of the Compensation Committee have the relevant experience to act as the members of this committee, as noted by their experience under the heading "Business of the Meeting – Director Profiles".

#### **Long-term Incentives and Options**

##### *Stock Option Awards*

The Compensation Committee believes that granting Options to key personnel encourages retention and more closely aligns the interests of executive management with the interests of Shareholders. The inclusion of options in compensation packages allows the Corporation to compensate employees while not drawing on limited cash resources. The number of options to be granted is based on the relative contribution and involvement of the individual in question and consideration of previous option grants.

##### *Summary of Stock Option Plan*

The Corporation is seeking approval of the Stock Option Plan at the Meeting. The following is a summary of the terms of the proposed Stock Option Plan, which is qualified in its entirety by the provisions of the Stock Option Plan, the full text of which can be found at Schedule A attached hereto.

The number of stock options ("**Options**") that may be granted under the Stock Option Plan and together with any other security based compensation arrangement may not exceed 10% of the number of issued and outstanding Common Shares at the time of the Option grant, from time to time. The Stock Option Plan is considered a "rolling" 10% stock option plan as the number of Options available to grant increases as the number of issued and outstanding Common Shares increases, without further action. The Stock Option Plan is also considered to be an "evergreen plan" because the Common Shares covered by options which have been exercised shall be again made available for subsequent grants under the Stock Option Plan without further action.

Options are non-assignable and may be granted to employees, officers, directors and certain consultants of the Corporation and designated affiliates.

The number of Common Shares issuable to insiders, at any time, under the Stock Option Plan and any other security-based compensation arrangement, cannot exceed 10% of issued and outstanding Common Shares and the number of Common Shares issued to insiders, within any one year period, under the Stock Option Plan and any other security-based compensation arrangement, cannot exceed 10% of issued and outstanding Common Shares. The aggregate number of Common Shares reserved for issuance to any one

person pursuant to the grant of Options shall not exceed 5% of the total number of outstanding Common Shares.

In the event of the termination or retirement of a holder of an Option, each Option held will cease to be exercisable within a period of 30 days after the termination date or retirement date, as the case may be, or such longer period as determined by the Board, in accordance with the Stock Option Plan. For greater certainty, such provision applies regardless of whether the holder of an Option was dismissed with or without cause and regardless of whether such person received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest.

The periods within which Options may be exercised and the number of Shares which may be issuable upon the exercise of Options in any such period shall be determined by the Board at the time of granting the Options provided, however, that all Options must be exercisable during a period not extending beyond ten years from the date of the stock option grant.

In the event that the expiry of an Option Period falls within, or within ten days of, a trading blackout period imposed by the Corporation (the "**Blackout Period**"), the expiry date of such Option Period shall be automatically extended to the tenth business day following the end of the Blackout Period.

The exercise price per Option shall be determined by the Board at the time the Option is granted, but, in any event, shall not be less than the closing price of the Shares on the TSX on the trading day immediately preceding the date of the grant of the Option.

The Board may, subject to prior receipt of Shareholder and, if required, regulatory approval, make the following amendments to the Stock Option Plan:

- (a) any increase to the maximum number or percentage of securities issuable under the Stock Option Plan;
- (b) any amendment granting additional powers to the Board to amend the plan or entitlements without security holder approval;
- (c) any amendment reducing the exercise price of Options or other entitlements and any amendment extending the term of Options beyond their original expiry date;
- (d) any amendment changing the insider participation limits that result in the security holder approval to be required on a disinterested basis;
- (e) any change to the definition of the "Eligible Persons" in the Stock Option Plan that which would have the potential of broadening or increasing insider participation or deduce limitations to participation by non-employee directors;
- (f) the addition of any form of financial assistance;
- (g) any amendment to a financial assistance provision that is more favourable to participants;
- (h) any amendment that would permit Options granted under the Stock Option Plan to be transferable or assignable other than for normal settlement purposes;
- (i) any addition to this Plan of a cashless exercise feature, payable in cash or securities that does not provide for a full deduction of the number of underlying securities from the Plan reserve; and

- (j) the addition of a deferred or restricted share unit or any other provision that results in participants receiving securities while no cash consideration is received by the Corporation.

The Board may, subject to receipt of requisite regulatory approval, where required, in its sole discretion (without Shareholder approval) make all other amendments to the Stock Option Plan or an Option that are not of the type contemplated above including, but not limited to:

- (a) a minor change of a house-keeping nature
- (b) amending options under the Stock Option Plan, including with respect to the Option period provided that the period during which an option is exercisable does not exceed ten years from the date the Option is granted and that such Option is not held by an insider), vesting period, exercise method and frequency, subscription price (provided that such Option is not held by an insider) and method of determining the subscription price, assignability and effect of termination of a participant's employment or cessation of the participant's directorship;
- (c) changing the class of participants eligible to participate under the Stock Option Plan;
- (d) accelerating vesting or extending the expiration date of any Option (provided that such Option is not held by an insider), provided that the period during which an Option is exercisable does not exceed 10 years from the date the Option is granted;
- (e) changing the terms and conditions of any financial assistance which may be provided by the Corporation to participants to facilitate the purchase of Common Shares under the Stock Option Plan; and
- (f) adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Common Shares from the Stock Option Plan reserve.

There is no transformation of Options granted under the Stock Option Plan into stock appreciation rights involving the issuance of securities from the treasury of the Corporation.

The Corporation will not provide financial assistance to any Optionholder to facilitate the exercise of Options under the Stock Option Plan.

The following table provides details of the burn rate under the Stock Option Plan for the year ended July 31, 2018 and the year ended July 31, 2017.

| <b>Fiscal Year Ended</b> | <b>Burn Rate<sup>(1)</sup></b> | <b>Number of Options Granted</b> | <b>Weighted Average Number of Shares Outstanding</b> |
|--------------------------|--------------------------------|----------------------------------|--|
| Year Ended July 31, 2018 | 12.5%                          | 4,211,250                        | 33,470,956   |
| Year Ended July 31, 2017 | 0%                             | Nil                              | 15,000,000   |

Note:

- (1) Calculated by dividing the number of Options granted under the current Stock Option Plan during the applicable period by the weighted average number of Common Shares outstanding for the applicable period.
- (2) Pursuant to the requirements of the TSX, as the Stock Option Plan has not existed for three fiscal years, the burn rate has been provided for the most recent two fiscal years.

### *Summary of Restricted Share Unit Incentive Plan*

Prior to the year ended July 31, 2018, the Board of Directors approved and authorized the creation of a Restricted Share Unit Incentive Plan (the “**RSU Plan**”) which was approved by shareholders on October 18, 2017 (the “**RSU Plan**”). In accordance with the rules of the TSX, the Corporation is authorized to grant RSU’s under the RSU Plan until October 18, 2020, which is the date that is three years from the date of the shareholder meeting at which shareholder approval was obtained.

The Board of Directors determined that it was desirable to broaden the range of incentive plans available to directors, officers, employees and consultants of the Corporation beyond the grant of stock options.

The following is a summary of the key terms of the RSU Plan, which summary is qualified in its entirety by the full terms of the RSU Plan attached hereto as Schedule “B”. The RSU Plan provides that restricted share units (“RSUs”) may be granted by the Board of Directors or the Compensation Committee and is for the benefit of directors, officers, employees and direct and indirect service providers of the Corporation or its subsidiaries. A RSU is a unit credited by means of an entry on the books of the Corporation to a participant, representing the right to receive one Common Share or cash (at the Board of Directors’ discretion) equal to the market price of the Common Share on the vesting date. The number of Common Shares reserved for issuance pursuant to the RSU Plan and all other security-based compensation arrangements of the Corporation and its subsidiaries shall, in the aggregate, not exceed 10% of the number of Common Shares then issued and outstanding, calculated on a non-diluted basis. Any Common Shares subject to a RSU which are cancelled or terminated in accordance with the terms of the RSU Plan without settlement will again be available for issuance under the RSU Plan.

Grants of RSUs under the RSU Plan are subject to a number of restrictions including the following:

- (i) the aggregate number of Common Shares which may be reserved for issuance to insiders under the RSU Plan and all other security-based compensation arrangements of the Corporation and its subsidiaries shall not, in the aggregate, exceed 10% of the issued and outstanding Common Shares, calculated on a non-diluted basis; and
- (ii) during any one-year period, the Corporation shall not issue to insiders under the RSU Plan and all other security-based compensation arrangements of the Corporation and its subsidiaries, in the aggregate, a number of Common Shares exceeding 10% of the issued and outstanding Common Shares, calculated on a non-diluted basis.

In addition the aggregate number of Common Shares made available for issuance from treasury to all nonemployee directors of the Corporation or any of its subsidiaries under the RSU Plan, or when combined with all of the other security based compensation arrangements of the Corporation and its subsidiaries, shall not exceed 1% of the Corporation’s total issued and outstanding Common Shares, calculated on a non-diluted basis.

The number and terms of RSUs granted to participants will be determined by the Compensation Committee and credited to the participant’s account effective on the date of grant. Subject to the Compensation Committee’s discretion, RSUs granted to directors and officers will vest in their entirety within three years after the date of grant.

In the event dividends are paid to shareholders while RSUs are outstanding, additional RSUs in lieu of any cash dividends will be credited to participants. For the avoidance of doubt, no cash payment will be made to a participant if cash dividends are paid to shareholders other than cash paid to a participant on an entitlement date.

In the event of a participant’s resignation or employment termination with cause, the RSUs will be forfeited and of no further force or effect at the date of termination, unless otherwise determined by the Compensation Committee.



In the event of the participant's employment termination without cause, their RSUs will be forfeited at the date of termination except as may otherwise be stipulated at the time of grant of the RSUs or by the Board of Directors.

Subject to the terms of the applicable grant agreement, in the event of a participant's death, all unvested RSUs will vest and be settled as soon as reasonably practical. Subject to the terms of the applicable grant agreement, in the event of a change of control, all RSUs outstanding will vest immediately prior to the date of such change of control., or as otherwise determined by the Board of Directors.

All of the termination provisions in the RSU Plan shall be subject to the terms of any employment or severance agreement between the applicable participant and the Corporation. RSUs are not transferable other than by will or the laws of dissent and distribution.

The purpose of the RSU Plan is to attract, retain and motivate individuals with the requisite training, experience and leadership to carry out key roles with the Corporation, to advance the interests of the Corporation by providing such individuals with appropriate compensation and to strengthen the alignment of the RSU holders' interest with the interests of shareholders.

During the year ended July 31, 2018 the Corporation did not grant RSUs.

#### *Securities Authorized for Issuance Under Equity Compensation Plans*

The following table provides details of the Corporation's equity compensation plans as at the date hereof.

|  | <b>Number of securities to be issued upon exercise of outstanding options, warrants and rights</b> | <b>Weighted-average exercise price of outstanding options, warrants and rights</b> | <b>Number of securities remaining available under equity compensation plans (excluding securities reflected in column (a))</b> |
|--|--|--|--|
| <b>Plan Category</b>                                       | <b>(a)</b>   | <b>(b)</b>   | <b>(c)</b>   |
| Equity compensation plans approved by security holders     | 4,871,250  | \$1.54   | 377,472  |
| Equity compensation plans not approved by security holders | NIL  | NIL  | NIL  |
| <b>TOTAL</b>   | 4,871,250  | \$1.54   | 377,472  |

Note:

(1) Options granted under the Stock Option Plan are the only securities that have been granted under any compensation plans of the Corporation.

The total number of Common Shares issuable on the exercise of actual Options that have been granted and remain outstanding under the Stock Option Plan is 4,871,250 Common Shares, representing approximately 9.3% of the Common Shares outstanding.

As at the date hereof, there are 52,487,222 Common Shares of the Corporation outstanding and 10% of the current issued and outstanding share capital is 5,248,722. Based on the current number of issued and outstanding Common Shares, 377,472 Common Shares remain available for issuance pursuant to grants or exercises under all of the Corporation's security based compensation arrangements, including the Stock Option Plans and the Plans (representing approximately 0.7% of the issued and outstanding Common Shares).

#### ***Other Compensation Matters***

##### *Indebtedness of Directors and Officers*

As at the date of this Circular, and during the financial year ended July 31, 2018, no director or executive officer of the Corporation or Nominee (as defined herein) (and each of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Corporation or its subsidiaries, or (ii) any other entity which is, or was at any time during the financial year ended July 31,

2018, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries.

#### *Directors' and Officers' Insurance and Indemnification*

The Corporation maintains insurance for the benefit of its directors and officers against liability in their respective capacities as directors and officers. The Corporation has purchased in respect of directors and officers an aggregate of \$12,000,000 in coverage. The policy is subject to a limit of \$10,000,000 plus an additional \$2,000,000 in Side A limits. The approximate amount of premiums paid by the Corporation during the financial year ended July 31, 2018 in respect of such insurance was \$22,680.

### **2018 Executive Compensation**

#### *Summary Compensation Table*

The following table summarizes the compensation paid during the financial years ended July 31, 2016, 2017 and 2018 in respect of the NEOs, being the individuals who were carrying out the role of the CEO, the CFO and each of the three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was individually more than \$150,000 for that financial year.

| Name and principal position             | Year Ended | Salary (\$) <sup>(1)</sup> | Share-based awards (\$) | Option-based awards (\$) <sup>(2)</sup> | Non-equity incentive plan compensation (\$) |                           | All other compensation (\$) | Total compensation (\$) |
|---|------------|----------------------------|-------------------------|---|---|---------------------------|-----------------------------|-------------------------|
|   |            |                            |                         |   | Annual incentive plans <sup>(3)</sup>       | Long-term incentive plans |                             |                         |
| Justin Reid<br>CEO                      | 2018       | 242,429                    | Nil                     | 312,922                                 | 300,000                                     | Nil                       | Nil                         | 855,351                 |
|   | 2017       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
|   | 2016       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
| Paul Pint<br>President                  | 2018       | 147,143                    | Nil                     | 195,576                                 | 150,000                                     | Nil                       | Nil                         | 492,719                 |
|   | 2017       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
|   | 2016       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
| Denis Arsenault<br>CFO                  | 2018       | 132,762                    | Nil                     | 195,576                                 | 25,000                                      | Nil                       | Nil                         | 353,338                 |
|   | 2017       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
|   | 2016       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
| Peter Tagliamonte<br>Executive Director | 2018       | 147,619                    |                         | 312,922                                 | 50,000                                      | N/A                       | N/A                         | 510,541                 |
|   | 2017       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
|   | 2016       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |
| Blake Hylands<br>VP Exploration         | 2018       | 127,000                    | N/A                     | 136,904                                 | 50,000                                      | N/A                       | N/A                         | 313,904                 |
|   | 2017       | 95,000                     | N/A                     | Nil                                     | Nil   | Nil                       | Nil                         | 95,000                  |
|   | 2016       | N/A                        | N/A                     | N/A                                     | N/A   | N/A                       | N/A                         | N/A                     |

Notes:

- (1) Compensation paid as consulting fees under the independent contractor agreements with the Named Executive Officers as described under the heading "Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts" of this Circular.
- (2) The value ascribed to Option grants represents non-cash consideration and has been estimated using the Black-Scholes Model, as at the date of grant. Key assumption and parameter described in Troilus' financial statements.

(3) Compensation received in the form of discretionary performance based bonuses in accordance with the bonus compensation policy of the Corporation as described under the heading "Executive Compensation – Compensation Discussion and Analysis" set out above.

### Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each Named Executive Officer outstanding as of July 31, 2018.

#### Outstanding Share-Based Awards and Option-Based Awards

| 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 (\$) <sup>(1)</sup> | Number of shares or units of shares that have not vested (#) | Market or payout value of share awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed |
| Justin Reid<br>CEO <sup>(2)</sup>                      | 400,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil   |
| Paul Pint<br>President <sup>(3)</sup>                  | 250,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil   |
| Denis Arsenault<br>CFO <sup>(4)</sup>                  | 250,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil   |
| Peter Tagliamonte<br>Executive Director <sup>(5)</sup> | 400,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil   |
| Blake Hylands<br>VP Exploration <sup>(6)</sup>         | 175,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil   |

Notes:

- (1) Based on the trading price of Common Shares as of July 31, 2018 of \$1.25 per Common Share.
- (2) Mr. Reid also holds 95,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (3) Mr. Pint also holds 50,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (4) Mr. Arsenault also holds 50,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (5) Mr. Tagliamonte also holds 75,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (6) Mr. Hylands also holds 75,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.

#### Value on Pay-Out or Vesting of Incentive Plan Awards

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for the financial year ended July 31, 2018.

| Name                   | Option-based awards – Value during the year on vesting (\$) <sup>(1)</sup> | Share-based awards – Value during the year on vesting (\$) | Non-equity incentive plan compensation – Pay-out during the year (\$) |
|------------------------|--|--|---|
| Justin Reid<br>CEO     | Nil  | Nil  | 300,000   |
| Paul Pint<br>President | Nil  | Nil  | 150,000   |
| Denis Arsenault        | Nil  | Nil  | 25,000  |

|   |     |     |        |
|---|-----|-----|--------|
| CFO                                     |     |     |        |
| Peter Tagliamonte<br>Executive Director | Nil | Nil | 50,000 |
| Blake Hylands<br>VP Exploration         | Nil | Nil | 50,000 |

Note:

(1) Based on the trading price of Common Shares as of July 31, 2018 of \$1.25 per Common Share.

### ***Termination of Employment, Change in Responsibilities, and Employment Contracts***

The following describes the respective employment agreements entered into by the Corporation and the Named Executive Officers in effect as of the Record Date.

#### ***Justin Reid, CEO***

The Corporation entered into an employment agreement with the Corporation on December 20, 2017, of which Mr. Reid is the Chief Executive Officer. Mr. Reid is entitled to compensation for the provision of management services in the amount of \$33,000 per month. In the event of termination, Mr. Reid is entitled to the equivalent of twelve months base fees. Additionally, in the event of Change of Control, either the Corporation or Mr. Reid may terminate this agreement within one year from the date of such Change of Control and he shall be entitled to a lump sum termination payment that is equivalent to 36 months base fees plus an amount that is equivalent to the greater of (i) all cash bonuses paid to Mr. Reid in the 36 months prior to the Change of Control and (ii) \$200,000. Following a Change of Control all security based compensation granted to Mr. Reid shall be dealt with accordingly: all Options granted to Mr. Reid but not yet vested, shall vest immediately and have the validity for exercising by Mr. Reid extended to the full term of the options granted. Similarly, following a Change of Control, any RSU's and/or DSU's granted to Mr. Reid under the Corporation's RSU and DSU plan respectively, but not yet vested, shall vest immediately.

#### ***Paul Pint, President***

The Corporation entered into an employment agreement with Paul Pint on January 1, 2018, of which Mr. Pint is the President. Mr. Pint is entitled to compensation for the provision of management services in the amount of \$20,000 per month. In the event of termination, Mr. Pint is entitled to the equivalent of twelve months base fees. Additionally, in the event of Change of Control, either the Corporation or Mr. Pint may terminate this agreement within one year from the date of such Change of Control and he shall be entitled to a lump sum termination payment that is equivalent to 36 months base fees plus an amount that is equivalent to the greater of (i) all cash bonuses paid to Mr. Pint in the 36 months prior to the Change of Control and (ii) \$200,000. Following a Change of Control all security based compensation granted to Mr. Pint shall be dealt with accordingly: all Options granted to Mr. Pint but not yet vested, shall vest immediately and have the validity for exercising by Mr. Pint extended to the full term of the options granted. Similarly, following a Change of Control, any RSU's and/or DSU's granted to Mr. Pint under the Corporation's RSU and DSU plan respectively, but not yet vested, shall vest immediately.

#### ***Denis Arsenault, CFO***

The Corporation entered into an employment agreement with Denis Arsenault effective December 20, 2017, pursuant to which Mr. Arsenault agreed to provide management services to the Corporation. Mr. Arsenault is entitled to compensation for the provision of such services in the amount of \$14,600 per month. In the event of termination without cause, Mr. Arsenault is entitled to receive the equivalent of twelve months in base fees. Additionally, in the event of a Change of Control of the Corporation, either the Corporation or Mr. Arsenault may terminate the agreement within one year from the date of such Change in Control and she shall be entitled to a lump sum termination payment equivalent to 36 months base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Arsenault in the 36 months prior to the Change of Control. Following a Change in Control all security based compensation granted to Mr. Arsenault shall be dealt with accordingly: all Options granted to Mr. Arsenault, but not yet vested, shall vest immediately and have the validity for exercising by Mr. Arsenault extended to the full life term of the options granted. Similarly, following a Change in Control, any RSUs granted to Mr. Arsenault under the Corporation's RSU

plan, but not yet vested, shall vest immediately.

***Peter Tagliamonte, Executive Director***

The Corporation entered into an employment agreement with Peter Tagliamonte effective December 20, 2017, pursuant to which Mr. Tagliamonte agreed to provide management services to the Corporation. Mr. Tagliamonte is entitled to compensation for the provision of such services in the amount of \$20,000 per month. In the event of termination, Mr. Tagliamonte is entitled to the equivalent of 36 months base fees. Additionally, in the event of Change of Control, either the Corporation or Mr. Tagliamonte may terminate this agreement within one year from the date of such Change of Control and he shall be entitled to a lump sum termination payment that is equivalent to 36 months base fees plus an amount that is equivalent to (i) all cash bonuses paid to Mr. Tagliamonte in the 36 months prior to the Change of Control and (ii) \$200,000. Following a Change of Control all security based compensation granted to Mr. Tagliamonte shall be dealt with accordingly: all Options granted to Mr. Tagliamonte, but not yet vested, shall vest immediately and have the validity for exercising by Mr. Tagliamonte extended to the full term of the options granted. Similarly, following a Change of Control, any RSU's granted to Mr. Tagliamonte under the Corporation's RSU plan, but not yet vested, shall vest immediately.

***Blake Hylands, VP Exploration***

The Corporation entered into an employment agreement with Blake Hylands effective January 1, 2018 amended June 2018 pursuant to which Mr. Hylands agreed to provided management services to the Corporation. Mr. Hylands is entitled to compensation for the provision of such services in the amount of \$13,500 per month. In the event of termination, Mr. Hylands is entitled to the equivalent of three months base fees. Additionally, in the event of Change of Control, either the Corporation or Mr. Hylands may terminate this agreement within one year from the date of such Change of Control and he shall be entitled to a lump sum termination payment that is equivalent to 12 months base fees plus an amount that is equivalent to all cash bonuses paid to Mr. Hylands in the 12 months prior to the Change of Control. Following a Change of Control all security based compensation granted to Mr. Hylands shall be dealt with accordingly: all Options granted to Mr. Hylands, but not yet vested, shall vest immediately and have the validity for exercising by Mr. Hylands extended to the full term of the options granted. Similarly, following a Change of Control, any RSU's granted to Mr. Hylands under the Corporation's RSU plan, but not yet vested, shall vest immediately. Effective October 1, 2018, Mr. Hylands employment agreement was amended such that Mr. Hylands is now entitled to CAD\$17,000 per month.

**"Change in Control"** is defined as (1) the occurrence of any one or more of the following events: (1) the acquisition, directly or indirectly, by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the *Business Corporations Act* (Ontario) or group of persons acting jointly or in concert, as such terms are defined in the *Securities Act* (Ontario) of: (A) shares or rights or options to acquire shares of the Corporation or securities which are convertible into shares of the Corporation or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 30% or more of the votes entitled to be cast at a meeting of the shareholders of the Corporation; (B) shares or rights or options to acquire shares, or their equivalent, of any material subsidiary of the Corporation or securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 30% or more of the votes entitled to be cast a meeting of the shareholders of the material subsidiary; or (C) other than in the ordinary course of business of the Corporation, more than 30% of the material assets of the Corporation, including the acquisition of more than 30% of the material assets of any material subsidiary of the Corporation; or (2) a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent management information circular of the Corporation for election to the Corporation's board of directors do not constitute a majority of the Corporation's board of directors.

### Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the Named Executive Officers pursuant to the above noted agreements in the event of termination without cause or after a Change in Control are detailed below assuming the individuals were terminated effective July 31, 2018:

| Named Executive Officer        | Termination not for Cause (\$) | Termination on a Change of Control as of July 31, 2018 (\$) |
|--------------------------------|--------------------------------|---|
| Justin Reid                    |                                |   |
| Salary and Quantified Benefits | 396,000                        | 1,188,000   |
| Bonus                          | -                              | 300,000   |
| Accelerated Options & RSUs     | -                              | -   |
| <b>Total</b>                   | <b>396,000</b>                 | <b>1,488,000</b>  |
| Paul Pint                      |                                |   |
| Salary and Qualified Benefits  | 240,000                        | 720,000   |
| Bonus                          | -                              | 200,000   |
| Accelerated Options & RSUs     | -                              | -   |
| <b>Total</b>                   | <b>240,000</b>                 | <b>920,000</b>  |
| Denis Arsenault                |                                |   |
| Salary and Quantified Benefits | 175,200                        | 525,600   |
| Bonus                          | -                              | 25,000  |
| Accelerated Options & RSUs     | -                              | -   |
| <b>Total</b>                   | <b>175,200</b>                 | <b>550,600</b>  |
| Peter Tagliamonte              |                                |   |
| Salary and Quantified Benefits | 240,000                        | 720,000   |
| Bonus                          | -                              | 200,000   |
| Accelerated Options & RSUs     | -                              | -   |
| <b>Total</b>                   | <b>240,000</b>                 | <b>920,000</b>  |
| Blake Hylands                  |                                |   |
| Salary and Quantified Benefits | 51,000                         | 204,000   |
| Bonus                          | -                              | 50,000  |
| Accelerated Options & RSUs     | -                              | -   |
| <b>Total</b>                   | <b>51,000</b>                  | <b>254,000</b>  |
| <b>TOTAL</b>                   | <b>1,102,200</b>               | <b>4,132,600</b>  |

### Director Compensation

During the financial year ended July 31, 2018, independent directors were granted fees in their capacity as directors of the Corporation as is set out in the table below. Note that disclosure regarding the compensation of Justin Reid and Peter Tagliamonte (as NEOs) can be found above under the heading “Executive Compensation – Summary Compensation Table” Mr. Tagliamonte and Mr. Reid do not receive additional compensation relating to their roles as directors in addition to the compensation received in their capacity as executive officers. The directors, other than Mr. Reid and Mr. Tagliamonte, received their compensation exclusively in their capacity as directors.

**Director Summary Compensation Table**

| Name             | Fees earned (\$) | Share-based awards (\$) | Option-based awards (\$) <sup>(2)</sup> | Non-equity incentive plan compensation (\$) <sup>(3)</sup> | All other compensation (\$) <sup>(4)</sup> | Total (\$) |
|------------------|------------------|-------------------------|---|--|--|------------|
| Pierre Pettigrew | 39,583           | NIL                     | 117,346                                 | 25,000   | NIL  | 181,929    |
| Tom Olesinki     | 39,583           | NIL                     | 117,346                                 | 25,000   | NIL  | 181,929    |
| Scott Moore      | 39,583           | NIL                     | 195,576                                 | 25,000   | NIL  | 260,159    |

|                |     |     |     |     |     |     |
|----------------|-----|-----|-----|-----|-----|-----|
| Bruce Humphrey | NIL | NIL | NIL | NIL | NIL | NIL |
|----------------|-----|-----|-----|-----|-----|-----|

Notes:

- (1) Other benefits did not exceed the lesser of \$50,000 and 10% of the total annual compensation for the named director.
- (2) The dollar value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Scholes Model as at the date of grant.
- (3) Compensation received in the form of discretionary performance based bonuses accrued in accordance with the bonus compensation policy as described in further detail under the heading "Executive Compensation – Compensation Discussion & Analysis" set out above.

The Corporation adopted a non-executive independent director fee compensation plan. Pursuant to this compensation plan, non-executive independent directors are entitled to receive \$25,000 in directors' fees per annum.

Directors may also receive discretionary cash bonuses from time to time, which the Corporation awards to directors for serving in their capacity as a member of the Board as described in the Director Summary Compensation Table above.

The Corporation does not currently prescribe a set of formal objective measures to determine discretionary bonus entitlements. Rather the Corporation uses informal goals which may include an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Corporation. Precise goals or milestones are not pre-set by the Board with the exception of the calculation of the bonus pool as it relates to performance bonuses, as set out under the heading "Executive Compensation – Compensation Discussion & Analysis".

In addition, directors are entitled to participate in the Corporation's Deferred Share Unit Plan, which are designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Corporation.

Executive officers who also act as directors of the Corporation do not receive any additional compensation for services rendered in their capacity as directors.

### Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each director outstanding as of July 31, 2018, other than Messrs. Reid and Tagliamonte, whose compensation was included above under "Executive Compensation".

#### Outstanding Share-Based Awards and Option-Based Awards

| Name                            | Option Awards   |                            |                        |   | Share Awards   |  |  |
|---------------------------------|---|----------------------------|------------------------|---|--|--|--|
|                                 | Number of securities underlying unexercised options (#) | Option exercise price (\$) | Option expiration date | Value of unexercised in-the-money options (\$) <sup>(1)</sup> | Number of shares or units of shares that have not vested (#) | Market or payout value of share awards that have not vested (\$) | Market or payout value of vested share-based awards not paid out or distributed (\$) |
| Scott Moore <sup>(2)</sup>      | 50,000  | \$0.40                     | November 7, 2021       | \$20,000  | Nil  | Nil  | Nil  |
|                                 | 250,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil  |
| Pierre Pettigrew <sup>(3)</sup> | 150,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil  |
| Tom Olesinski <sup>(4)</sup>    | 37,500  | \$1.20                     | April 20, 2022         | \$45,000  | Nil  | Nil  | Nil  |
|                                 | 150,000   | \$1.64                     | January 3, 2023        | Nil   | Nil  | Nil  | Nil  |



|                               |     |     |     |     |     |     |     |
|-------------------------------|-----|-----|-----|-----|-----|-----|-----|
| Bruce Humphrey <sup>(5)</sup> | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
|-------------------------------|-----|-----|-----|-----|-----|-----|-----|

Notes:

- (1) Based on the closing market price of \$1.25 of the Common Shares on July 31, 2018.
- (2) Mr. Moore also holds 20,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (3) Mr. Pettigrew also holds 20,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (4) Mr. Olesinski also holds 20,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.
- (5) Mr. Humphrey was appointed as a director of the Corporation on September 14, 2018. Mr. Humphrey holds 100,000 stock options with an exercise price of \$1.20 and expiring on September 14, 2023.

### Value on Pay-Out or Vesting of Incentive Plan Awards

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for non-executive directors for the financial year ended July 31, 2018.

| Name                          | Option awards – Value during the year on vesting (\$) <sup>(1)</sup> | Share awards – Value during the year on vesting (\$) | Non-equity incentive plan compensation – Pay-out during the year (\$) |
|-------------------------------|--|--|---|
| Pierre Pettigrew              | Nil  | Nil  | 25,000  |
| Tom Olesinski                 | Nil  | Nil  | 25,000  |
| Bruce Humphrey <sup>(2)</sup> | N/A  | N/A  | N/A   |
| Scott Moore                   | Nil  | Nil  | 25,000  |

Notes:

- (1) Based on the closing market price of \$1.25 of the Common Shares on July 31, 2018.
- (2) Mr. Humphrey was appointed as a director of the Corporation on September 14, 2018.

## ADDITIONAL INFORMATION AND CONTACT INFORMATION

### Additional Information

Additional information relating to the Corporation may be found under the profile of the Corporation on SEDAR at [www.sedar.com](http://www.sedar.com). Additional financial information is provided in the Corporation's AIF, audited financial statements and related management's discussion and analysis for the financial year ended July 31, 2018, which can be found under the profile of the Corporation on SEDAR. Shareholders may also request these documents from the legal counsel to the Corporation by email at [bdavies@troilusgold.com](mailto:bdavies@troilusgold.com) or by telephone at (416) 216-5443.

### Board of Directors Approval

The contents of this Circular and the sending thereof to the Shareholders of the Corporation have been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

*“Justin Reid”*

Chief Executive Officer

Toronto, Ontario  
December 14, 2018

## SCHEDULE "A"

### STOCK OPTION PLAN OF TROILUS GOLD CORP. (the "Corporation")

#### ARTICLE 1

#### GENERAL

##### 1.1 Purpose

The purpose of this Plan is to advance the interests of the Corporation by (i) providing Eligible Persons with additional incentive; (ii) encouraging stock ownership by Eligible Persons; (iii) increasing the proprietary interest of Eligible Persons in the success of the Corporation; (iv) encouraging Eligible Persons to remain with the Corporation or its Affiliates; and (v) attracting new employees, officers and Consultants to the Corporation or its Affiliates.

##### 1.2 Administration

- (a) This Plan will be administered by the Board or a committee of the Board duly appointed for this purpose by the Board and consisting of not less than three directors. If a committee is appointed for this purpose, all references to the term "Board" will be deemed to be references to the committee.
- (b) Subject to the limitations of this Plan, the Board has the authority: (i) to grant Options to purchase Shares to Eligible Persons; (ii) to determine the terms, including the limitations, restrictions and conditions, if any, upon such grants; (iii) to interpret this Plan and to adopt, amend and rescind such administrative guidelines and other rules and Regulations relating to this Plan as it may from time to time deem advisable, subject to required prior approval by any applicable regulatory authority; and (iv) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable. The Board's guidelines, rules, Regulations, interpretations and determinations will be conclusive and binding upon all parties.

##### 1.3 Interpretation

For the purposes of this Plan, the following terms will have the following meanings unless otherwise defined elsewhere in this Plan:

- (A) "**Affiliate**" means any corporation that is an affiliate of the Corporation as defined in the *Securities Act* (Ontario);
- (B) "**Affiliated Entity**" means a person or corporation which is a related entity of the Corporation as defined in Part 2, Division 4 of National Instrument 45-106 – *Prospectus and Registration Exemptions*;
- (C) "**Associate**", where used to indicate a relationship with any person or company, means:
  - (i) any company of which such person or company beneficially owns, directly or indirectly, voting securities carrying more than 10 per cent of the voting rights attached to all voting securities of the company for the time being outstanding; (ii) any partner of that person or company; (iii) any trust or estate in which such person or company has a substantial beneficial interest or as to which such person or company serves as trustee or in a similar capacity; (iv) any relative of that person who resides in the same home as

that person; (v) any person who resides in the same home as that person and to whom that person is married, or any person of the opposite sex or the same sex who resides in the same home as that person and with whom that person is living in a conjugal relationship outside marriage; or (vi) any relative of a person mentioned in clause (v) who has the same home as that person;

- (D) **“Board”** means the Board of Directors of the Corporation or a committee thereof appointed in accordance with the Plan;
- (E) **“Change of Control”** means the occurrence of any one or more of the following events:
  - (i) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisition involving the Corporation or any of its Affiliates and another corporation or other entity, as a result of which the holders of Shares prior to the completion of the transaction hold less than 50% of the outstanding shares of the successor corporation after completion of the transaction;
  - (ii) the sale, lease, exchange or other disposition, in a single transaction or a series of related transactions, of assets, rights or properties of the Corporation and/or any of its Subsidiaries which have an aggregate book value greater than 30% of the book value of the assets, rights and properties of the Corporation and its Subsidiaries on a consolidated basis to any other person or entity, other than a disposition to a wholly-owned subsidiary of the Corporation in the course of a reorganization of the assets of the Corporation and its subsidiaries;
  - (iii) a resolution is adopted to wind-up, dissolve or liquidate the Corporation;
  - (iv) any person, entity or group of persons or entities acting jointly or in concert (an “Acquiror”) acquires or acquires control (including, without limitation, the right to vote or direct the voting) of Voting Securities of the Corporation which, when added to the Voting Securities owned of record or beneficially by the Acquiror or which the Acquiror has the right to vote or in respect of which the Acquiror has the right to direct the voting, would entitle the Acquiror and/or associates and/or affiliates of the Acquiror (as such terms are defined in the Act) to cast or to direct the casting of 20% or more of the votes attached to all of the Corporation’s outstanding Voting Securities which may be cast to elect directors of the Corporation or the successor corporation (regardless of whether a meeting has been called to elect directors);
  - (v) as a result of or in connection with: (A) a contested election of directors, or; (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its affiliates and another corporation or other entity, the nominees named in the most recent Management Information Circular of the Corporation for election to the Board shall not constitute a majority of the Board; or
  - (vi) the Board adopts a resolution to the effect that a Change of Control as defined herein has occurred or is imminent.

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

- (A) “**Consultants**” has the meaning ascribed to such term in section 2.22 of National Instrument 45-106 – *Prospectus and Registration Exemptions*, and if the Corporation is listed on the TSX, such person shall meet the definition of “service provider” under section 613(b) of the TSX Company Manual;
- (B) “**Corporation**” means Troilus Gold Corp.
- (C) “**Eligible Person**” means, subject to the Regulations and to all applicable law, any employee, officer, or Consultant of (i) the Corporation or (ii) any Affiliated Entity (and includes any such person who is on a leave of absence authorized by the Board or the Board of Directors of any Affiliated Entity);
- (D) “**Holding Company**” means a holding company wholly owned and controlled by an Eligible Person;
- (E) “**Insider**” has the meaning ascribed to such term under the TSX Company Manual;
- (F) “**Option**” means a right granted to an Eligible Person to purchase Shares pursuant to the terms of this Plan;
- (G) “**Participant**” means an Eligible Person to whom or to whose RRSP or to whose Holding Company an Option has been granted;
- (H) “**Plan**” means the Corporation’s Stock option Plan, as same may be amended from time to time;
- (I) “**Regulations**” means the regulations made pursuant to this Plan, as same may be amended from time to time;
- (J) “**Retirement**” in respect of a Participant means the Participant ceasing to be an employee, officer or Consultant of the Corporation or an Affiliated Entity after attaining a stipulated age in accordance with the Corporation’s normal retirement policy or earlier with the Corporation’s consent;
- (K) “**Retirement Date**” means the date that a Participant ceases to be an employee, officer or Consultant of the Corporation or an Affiliated Entity due to the Retirement of the Participant;
- (L) “**RRSP**” means a registered retirement savings plan;
- (M) “**Shares**” means the common shares in the capital of the Corporation;
- (N) “**Subsidiary**” means a corporation which is a subsidiary of the Corporation as defined under the *Securities Act* (Ontario);
- (O) “**Termination**” means: (i) in the case of an employee, the termination of the employment of the employee with or without cause by the Corporation or an Affiliated Entity or cessation of employment of the employee with the Corporation or an Affiliated Entity as a result of resignation or otherwise other than the Retirement of the employee; (ii) in the case of an officer, the removal of or failure to re-appoint the individual as an officer of the Corporation or an Affiliated Entity (other than through the Retirement of an officer); and (iii) in the case of a Consultant, the termination of the services of a Consultant by the Corporation or an Affiliated Entity (other than through the Retirement of a Consultant);

- (P) “**Termination Date**” means the date on which a Participant ceases to be an Eligible Person due to the Termination of the Participant;
- (Q) “**Transfer**” includes any sale, exchange, assignment, gift, bequest, disposition, mortgage, charge, pledge, encumbrance, grant of security interest or other arrangement by which possession, legal title or beneficial ownership passes from one person to another, or to the same person in a different capacity, whether or not voluntary and whether or not for value, and any agreement to effect any of the foregoing; and
- (R) “**TSX**” means the Toronto Stock Exchange, or such other stock exchange upon which trade the plurality of shares of the Corporation.

Words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine.

This Plan is to be governed by and interpreted in accordance with the laws of the Province of Ontario.

#### **1.4 Shares Reserved under the Stock option Plan**

- (a) The aggregate maximum number of Shares available for issuance from treasury under this Plan together with the number of Shares available for issuance under any other security based compensation arrangement is equal to 10% of the issued and outstanding Shares, from time to time, subject to adjustment or increase of such number pursuant to Section 3.04. Any Shares subject to an Option which has been granted under the Plan and which have been exercised, cancelled or terminated in accordance with the terms of the Plan will again be available under the Plan.
- (b) The number of Shares issuable to insiders, at any time, under this Plan and any other security-based compensation arrangement, cannot exceed 10% of issued and outstanding Shares and the number of Shares issued to insiders, within any one year period, under this Plan and any other security-based compensation arrangement, cannot exceed 10% of issued and outstanding Shares. The aggregate number of Shares reserved for issuance to any one person pursuant to the grant of Options shall not exceed 5% of the total number of outstanding Shares. For purposes of this Section 1.04, the number of outstanding Shares shall mean the number of Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Option or the exercise of the applicable Option.
- (c) Options granted under the Plan shall not be transformed into stock appreciation rights involving the issuance of securities from the treasury of the Corporation.

## **ARTICLE 2**

### **OPTION GRANTS AND TERMS OF OPTIONS**

#### **2.1 Grants**

Subject to this Plan, the Board will have the authority to determine the limitations, restrictions and conditions, if any, in addition to those set out in this Plan, applicable to the exercise of an Option, including, without limitation, the nature and duration of the restrictions, if any, to be imposed upon the sale or other disposition of Shares acquired upon exercise of the Option, and the nature of the events, if any, and the duration of the period in which any Participant's rights in respect of Shares acquired upon exercise of an Option may be forfeited. An Eligible Person, an Eligible Person's RRSP and an Eligible Person's Holding Company may receive Options on more than one occasion under this Plan and may receive separate Options on any one occasion.

## **2.2 Exercise of Options**

- (a) Options granted must be exercised no later than ten years after the date of grant or such lesser period as the applicable grant or Regulations may require. In the event that any Option expires during, or within ten days after, a self imposed blackout period on trading securities of the Corporation, such expiry date will become the tenth day following the end of the blackout period.
- (b) The Board may determine when any Option will become exercisable and may determine that the Option will be exercisable in instalments or pursuant to a vesting schedule.
- (c) No fractional Shares may be issued and the Board may determine the manner in which fractional Share value will be treated.
- (d) A minimum of 100 Shares must be purchased by a Participant upon exercise of Options at any one time, except where the remainder of Shares available for purchase pursuant to Options granted to such Participant totals less than 100.
- (e) The Corporation will not provide financial assistance to any Optionholder to facilitate the exercise of Options under the Plan.

## **2.3 Option Price**

The Board will establish the exercise price of an Option at the time each Option is granted provided that such price shall not be less than the closing price of the Shares on the TSX (or, if such Shares are not then listed and posted for trading on the TSX, on such other stock exchange on which the Shares are listed and posted for trading as may be selected by the Board) on the last business day immediately preceding the date of grant of such Option. If there is no trading on that date, the exercise price shall not be less than the weighted average of the bid and ask prices on the five consecutive trading days preceding the date of the grant.

## **2.4 Grant to Participant's RRSP or Holding Company**

Upon written notice from an Eligible Person, any Option that might otherwise be granted to that Eligible Person, will be granted, in whole or in part, to an RRSP or a Holding Company established by and for the sole benefit of the Eligible Person.

## **2.5 Termination, Retirement or Death**

- (a) In the event of the Termination or Retirement of a Participant, each Option held by the Participant, the Participant's RRSP or the Participant's Holding Company will cease to be exercisable within a period of 30 days after the Termination Date or Retirement Date, as the case may be, or such longer period as determined by the Board. For greater certainty, such determination of a longer period may be made at any time subsequent to the date of grant of the Options, provided that no Option shall remain outstanding for any period which exceeds the earlier of: (i) the expiry date of such Option; and (ii) twelve months following the Termination Date or Retirement Date, as the case may be, of a non-management director of the Corporation or an Affiliate, or 36 months following the Termination Date or Retirement Date, as the case may be, in the case of all other Participants. The Board may delegate authority to the Chief Executive Officer, the President and/or the Chief Financial Officer of the Corporation to make any determination with respect to the expiry or termination date of Options held by any departing Participant, other than a departing non-management director. If any portion of an Option has not vested on the Termination Date or Retirement Date, as the case may be, the Participant, the Participant's RRSP or the Participant's Holding Company may

not, after the Termination Date or Retirement Date, as the case may be, exercise such portion of the Option that has not vested, provided that the Board may determine at any time, including for greater certainty at any time subsequent to the date of grant of the Options, that such portion of the Option vests automatically or pursuant to a vesting schedule determined by the Board. The Board may delegate authority to the Chief Executive Officer, the President and/or the Chief Financial Officer to make any determination with respect to vesting of Options or any portion thereof held by any departing Participant. Without limitation, and for greater certainty only, this subsection:

- (b) will apply regardless of whether the Participant was dismissed with or without cause and regardless of whether the Participant received compensation in respect of dismissal or was entitled to a period of notice of termination which would otherwise have permitted a greater portion of the Option to vest.
  
- (a) If a Participant dies, the legal representatives of the Participant may exercise the Options held by the Participant, the Participant's RRSP and the Participant's Holding Company within a period after the date of the Participant's death as determined by the Board, for greater certainty such determination may be made at any time subsequent to the date of grant of the Options, provided that no Option shall remain outstanding for any period which exceeds the earlier of (i) the expiry date of such Option; and (ii) twelve months following the date of death of the Participant, but only to the extent the Options were by their terms exercisable on the date of death. The Board may determine at any time, including for greater certainty at any time subsequent to the date of grant of the Options, that such portion of the Option vests automatically or pursuant to a vesting schedule determined by the Board. The Board may delegate authority to the Chief Executive Officer, the President and/or the Chief Financial Officer to make any determination with respect to the expiry or termination date of Options or vesting of Options or any portion thereof held by any deceased Participant. If the legal representative of a Participant who has died exercises the Option of the Participant or the Participant's RRSP or the Participant's Holding Company in accordance with the terms of this Plan, the Corporation will have no obligation to issue the Shares until evidence satisfactory to the Corporation has been provided by the legal representative that the legal representative is entitled to act on behalf of the Participant, the Participant's RRSP or the Participant's Holding Company to purchase the Shares under this Plan.

## **2.6 Option Agreements**

Each Option must be confirmed, and will be governed, by an agreement (an "Option Agreement") signed by the Corporation and the Participant or an RRSP of which the Participant is an annuitant or the Participant's Holding Company.

## **2.7 Payment of Option Price**

The exercise price of each Share purchased under an Option must be paid in full by bank draft or certified cheque at the time of exercise, and upon receipt of payment in full, but subject to the terms of this Plan, the number of Shares in respect of which the Option is exercised will be duly issued as fully paid and non-assessable. Share certificates representing the number of Shares in respect of which the Option has been exercised will be issued only upon payment in full of the relevant exercise price to the Corporation.

## **2.8 Acceleration on Change of Control**

In the event of a Change of Control, all Options outstanding shall be immediately exercisable, notwithstanding any determination of the Board pursuant to Section 2.02 hereof, if applicable.

## **ARTICLE 3 MISCELLANEOUS**

### **3.2 Prohibition on Transfer of Options**

Options are personal to each Eligible Person. Options are non-assignable. No Eligible Person or RRSP or Holding Company of an Eligible Person may deal with any Options or any interest in them or Transfer any Options now or hereafter held by the Eligible Person or RRSP or Holding Company. If a Participant's Holding Company ceases to be wholly owned and controlled by the Participant, such Participant will be deemed to have Transferred any Options held by such Holding Company. A purported Transfer of any Options in violation of the Plan will not be valid and the Corporation will not issue any Share upon the attempted exercise of improperly Transferred Options.

### **3.3 Capital Adjustments**

If there is any change in the outstanding Shares by reason of a stock dividend or split, recapitalization, consolidation, combination or exchange of shares, or other fundamental corporate change, the Board will make, subject to any prior approval required of relevant stock exchanges or other applicable regulatory authorities, if any, an appropriate substitution or adjustment in (i) the exercise price of any unexercised Options under this Plan; (ii) the number or kind of shares or other securities reserved for issuance pursuant to this Plan; and (iii) the number and kind of shares subject to unexercised Options theretofore granted under this Plan; provided, however, that no substitution or adjustment will obligate the Corporation to issue or sell fractional shares. In the event of the reorganization of the Corporation or the amalgamation or consolidation of the Corporation with another corporation, the Board may make such provision for the protection of the rights of Eligible Persons, Participants, their RRSPs and their Holding Companies as the Board in its discretion deems appropriate. The determination of the Board, as to any adjustment or as to there being no need for adjustment, will be final and binding on all parties.

### **3.4 Non-Exclusivity**

Nothing contained herein will prevent the Board from adopting other or additional compensation arrangements for the benefit of any Eligible Person or Participant, subject to any required regulatory or shareholder approval.

### **3.5 Amendment and Termination**

Subject to the requisite shareholder and regulatory approvals set forth under subparagraphs 3.04(a) and (b) below, the Board may from time to time amend or revise the terms of the Plan or any Option or may discontinue the Plan at any time provided however that no such right may, without the consent of the Optionee, in any manner adversely affect his rights under any Option theretofore granted under the Plan.

- (a) The Board may, subject to prior receipt of shareholder and, if required, regulatory approval, make the following amendments to the Plan:
  - (a) any increase to the maximum number or percentage of securities issuable under the Plan;
  - (b) any amendment granting additional powers to the board of directors to amend the plan or entitlements without security holder approval;
  - (c) any amendment reducing the exercise price of options or other entitlements; any amendment extending the term of options beyond their original expiry date;
  - (d) any amendment changing the insider participation limits that result in the security holder approval to be required on a disinterested basis;
  - (e) any change to the definition of the Eligible Persons that which would have the potential of broadening or increasing insider participation or deduce limitations



- to participation by non-employee directors;
  - (f) the addition of any form of financial assistance;
  - (g) any amendment to a financial assistance provision that is more favourable to participants;
  - (h) any amendment that would permit Options granted under the Plan to be transferable or assignable other than for normal settlement purposes;
  - (i) any addition to this Plan of a cashless exercise feature, payable in cash or securities that does not provide for a full deduction of the number of underlying securities from the Plan reserve; and
  - (j) the addition of a deferred or restricted share unit or any other provision that results in participants receiving securities while no cash consideration is received by the Corporation.
- (b) The Board may, subject to receipt of requisite regulatory approval, where required, in its sole discretion (without shareholder approval) make all other amendments to the Plan or an Option that are not of the type contemplated in subsection 3.04(a) above including, but not limited to:
- (a) a minor change of a house-keeping nature
  - (b) amending options under the Plan, including with respect to the option period provided that the period during which an option is exercisable does not exceed ten years from the date the option is granted and that such option is not held by an Insider), vesting period, exercise method and frequency, subscription price (provided that such option is not held by an Insider) and method of determining the subscription price, assignability and effect of termination of a participant's employment or cessation of the participant's directorship;
  - (c) changing the class of participants eligible to participate under the Plan;
  - (d) accelerating vesting or extending the expiration date of any option (provided that such option is not held by an insider), provided that the period during which an option is exercisable does not exceed 10 years from the date the option is granted;
  - (e) changing the terms and conditions of any financial assistance which may be provided by the Company to participants to facilitate the purchase of Shares under the Plan; and
  - (f) adding a cashless exercise feature, payable in cash or securities, whether or not providing for a full deduction of the number of underlying Shares from the Plan reserve.
- (c) Notwithstanding the provisions of subsection 3.04(b), the Corporation shall also obtain requisite shareholder approval in respect of amendments to the Plan that are contemplated pursuant to subsection 3.04(b), if such approval is required by any applicable laws or regulations.

### **3.6 Compliance with Legislation**

The Board may postpone or adjust any exercise of any Option or the issue of any Shares pursuant to this Plan as the Board in its discretion may deem necessary in order to permit the Corporation to effect or maintain registration of this Plan or the Shares issuable pursuant thereto under the securities laws of any applicable jurisdiction, or to determine that the Shares and this Plan are exempt from such registration. The Corporation is not obligated by any provision of this Plan or any grant hereunder to sell or issue Shares in will have no obligation to issue any Shares pursuant to this Plan unless the Shares have been duly listed, upon official notice of issuance, on a stock exchange on which the Shares are listed for trading.

### **3.7 Effective Date**

This Plan shall be effective upon October 15, 2018

**Schedule B**

**TROILUS GOLD CORP.**

**RESTRICTED SHARE UNIT PLAN**

**ARTICLE 1**

**GENERAL AND INTERPRETATION**

**1.1 Title**

The Plan herein described shall be called the "Troilus Gold Corp. Restricted Share Unit Plan" and is referred to herein as the "Plan".

**1.2 Purpose**

The purpose of this Plan is to advance the interests of the Company by (i) rewarding and providing Eligible Persons with additional incentive based on past performance and results; (ii) encouraging Share ownership by Eligible Persons; (iii) encouraging Eligible Persons to remain with the Company or its Affiliates; and (iv) attracting qualified individuals to the Company.

**1.3 Administration**

- (a) This Plan will be administered by the Board of Directors of Troilus or a Committee duly appointed for this purpose by such Board of Directors. If a Committee is appointed for this purpose, all references to the term "Board" will be deemed to be references to the Committee.
- (b) Subject to the limitations of this Plan, the Board has the authority: (i) to award Restricted Share Units to Eligible Persons; (ii) to determine the terms, including the limitations, restrictions and conditions, if any, upon such awards; (iii) to interpret this Plan and to adopt, amend or rescind such administrative guidelines and other rules relating to this Plan as it may from time to time deem advisable; and (iv) to make all other determinations and to take all other actions in connection with the implementation and administration of this Plan as it may deem necessary or advisable. The Board's guidelines, rules, interpretations and determinations will be conclusive and binding upon all parties.
- (c) The Plan shall be administered by the Board for the benefit of Participants.

**1.4 Definitions**

For the purposes of the Plan, the following terms will have the following meanings unless otherwise defined elsewhere in the Plan.

**"Affiliate"** means any corporation that is an affiliate of Troilus as defined in the *Securities Act* (Ontario).

**"Award"** means an award of Restricted Share Units made to a Participant under the Plan. Awards shall be subject to the terms and conditions of the Plan and shall be evidenced by an Award Agreement with each Participant containing such additional terms and conditions as the Board shall deem desirable.

**“Award Agreement”** means any agreement entered into pursuant to the Plan by which an Award is made to a Participant.

**“Board”** means the Board of Directors of Troilus or a Committee appointed by the Board of Directors of Troilus in accordance with the Plan.

**“Change of Control”** means any of the following:

- (i) a takeover bid (as defined in the *Securities Act* (Ontario)), which is successful in acquiring Common Shares,
- (ii) the sale of all or substantially all the assets of Troilus,
- (iii) the sale, exchange or other disposition of a majority of the outstanding Common Shares in a single transaction or series of related transactions,
- (iv) the dissolution of Troilus’s business or the liquidation of its assets,
- (v) a merger, amalgamation or arrangement of Troilus in a transaction or series of transactions in which Troilus’s shareholders receive less than 51% of the outstanding shares of the new or continuing corporation,
- (vi) the acquisition, directly or indirectly, through one transaction or a series of transactions, by any person or entity, of an aggregate of more than 50% of the outstanding Common Shares, or
- (vii) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving Troilus or any of its Affiliates and another corporation or other entity, the nominees named in the most recent management information circular of Troilus for election to Troilus’s board of directors do not constitute a majority of Troilus’s board of directors.

**“Common Shares”** means the common shares in the capital of Troilus, whether presently or hereafter issued, and any other shares or security resulting from adjustment thereof as described hereinafter, or the common shares of any successor to Troilus which is designated for the purpose of the Plan.

**“Company”** means Troilus Gold Corp., any successor entity and any Affiliate which has by appropriate action adopted the Plan, except that reference in the Plan to any action to be taken, consent, approval or opinion to be given, discretion or decision to be exercised or made by the Company shall refer, unless the context indicates a contrary intention, only to Troilus acting by its Board of Directors or by any person or persons from time to time appointed, designated or authorized by the said Board of Directors.

**“Effective Award Date”** for an Award means the date of the particular Award Agreement unless otherwise specified by the Board.

**“Eligible Person”** means an individual who is an officer, director or employee of the Company and is in a position, in the opinion of the Board, to make contributions to the growth and success of the Company.

**“Fair Market Value”** on a particular date shall mean the weighted average price at which Common Shares trade on the Toronto Share Exchange during the five (5) trading days immediately prior to and including the last trading day before such particular date.

**“Participant”** means an individual who holds RSUs pursuant to the Plan.

**“Restricted Share Unit”** or **“RSU”** has the meaning ascribed thereto in Section 3.1.

**“RSU Account”** has the meaning ascribed thereto in Section 3.2.

**“Termination of Employment”** means the occurrence of any act or event whether pursuant to an employment agreement or otherwise that actually or effectively causes or results in the person ceasing, for whatever reason, to be an employee of the Company, including, without limitation, death, disability, dismissal, severance at the election of the Participant, retirement, or severance as a result of the discontinuance, liquidation, sale or transfer by the Company of all or part of the business owned or operated by the Company.

**“Termination Date”** of a Participant means the effective date of a Termination of Employment of the Participant.

**“Troilus”** means Troilus Gold Corp.

**“Vesting Date”** shall have the meaning specified in Section 4.1 hereof.

In addition, certain other terms used herein and not defined above shall have the definitions given to them in the first place in which they are used in this Plan.

## **1.5 Construction and Interpretation**

- (a) In the Plan, references to the masculine include the feminine and reference to the singular shall include the plural and vice versa, as the context shall require.
- (b) The Plan shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.
- (c) If any provision of the Plan or part thereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforceability of any other provision or part thereof.
- (d) Headings wherever used herein are for reference purposes only and do not limit or extend the meaning of the provisions herein contained.

## **ARTICLE 2**

### **ELIGIBILITY**

#### **2.1 Eligibility**

The Board may, from time to time, select Eligible Persons to receive Awards and shall determine the terms and conditions with respect thereto. In making any such determination, the Board may give consideration to the functions and responsibilities of the individual and to the individual's contributions to the Company, the value of the individual's services to the Company and such other factors deemed relevant by the Board.

## ARTICLE 3

### AWARDS AND RSU ACCOUNTS

#### 3.1 Award of Restricted Share Units

The Board, in its sole and absolute discretion, shall have authority to make Awards as a bonus in the form of restricted Share units ("Restricted Share Units" or "RSU's") under the Plan at any time or from time to time to Eligible Persons. Subject to the Participant's satisfaction in full of any conditions, restrictions or limitations imposed in accordance with the Plan or an Award Agreement (the terms and provisions of which may differ from other Award Agreements), each RSU Award shall entitle the Participant to receive from the Company one Common Share.

#### 3.2 RSU Accounts

The Company shall maintain an account, to be known as a "RSU Account", for each Participant to record all Awards and the vesting, settlement or forfeiture of RSUs.

#### 3.3 RSU's From Treasury

All RSU's issued to Participants in accordance with the Plan shall be settled through the issuance of Common Shares from treasury by the Company.

## ARTICLE 4

### VESTING

#### 4.1 Vesting

Unless otherwise provided for in any Award Agreement and subject to any other provisions of the Plan, RSUs shall vest in a Participant on the date set out in the relevant Award Agreement, which date shall be no later than the end of the third calendar year following the year in which the services of the Participant giving rise to the Award were rendered. The Board may, in its absolute discretion at any time, shorten the vesting period of all or any unvested RSUs of a Participant. The date upon which a RSU vests shall be the "Vesting Date" for the particular RSU. For certainty, vesting of RSU's may also be subject to performance criteria and conditions set forth in any Award Agreement.

#### 4.2 Termination of Employment

Unless otherwise provided in an Award Agreement, the terms of this Plan or as otherwise determined by the Board in a particular case, RSUs shall vest or be forfeited as follows:

- (a) Death - unvested RSUs awarded to a Participant shall be deemed to have vested immediately prior to the death of the Participant;

- (b) Disability - A Participant who becomes entitled to receive long-term disability benefits under the terms of a long term disability plan sponsored by the Company, whether the Participant ceases to be an officer or employee or not, shall be entitled to remain a Participant under the Plan and vesting of RSUs shall continue in accordance with the Plan as if there had not been a disability or Termination of Employment; and
- (c) Termination of Employment other than Due to Death or Disability - Where there is a Termination of Employment of a Participant for cause any unvested RSUs held by the Participant shall be forfeited unless the Board, in its absolute discretion, determines to permit vesting in the particular circumstances. Where there is a Termination of Employment of a Participant otherwise than for cause or where paragraph (a) or (b) applies, any unvested RSUs held by the Participant shall be deemed to have vested immediately prior to such Termination of Employment.

#### **4.3 Forfeited RSUs**

Subject to any other provisions of the Plan or any Award Agreement with a Participant, a Participant shall have no entitlement to receive any Common Shares or the cash equivalent in respect of any forfeited RSUs nor to any other compensation in lieu thereof.

#### **4.4 No Entitlement as a Shareholder Prior to Distribution**

A Participant shall derive no rights as a shareholder of Troilus under the Plan until such time as the Participant receives any Common Shares from the Company in accordance with the Plan. All dividends earned on Common Shares underlying RSUs prior to the vesting of such RSUs shall be paid to the Company.

#### **4.5 Change of Control**

If a Change of Control occurs all RSUs outstanding shall vest immediately prior to the date of such Change of Control notwithstanding the original Vesting Dates of such RSUs. Upon the public announcement of any proposed Change of Control, the Board may, in its sole discretion, accelerate the vesting of RSUs in advance of the completion of such Change of Control.

## **ARTICLE 5**

### **DISTRIBUTION OF COMMON SHARES**

#### **5.1 Vested RSUs**

Unless otherwise provided for in any Award Agreement, upon the vesting of each RSU, a Participant shall be entitled to receive one (1) Common Share in exchange for each vested RSU held by the Participant. Subject to Section 5.2, Troilus shall distribute Common Shares as soon as possible, but no later than thirty (30) days after the applicable Vesting Date (or the date on which vesting was accelerated in accordance with the terms of the Plan).

#### **5.2 Death**

Within one hundred and eighty (180) days of the death of a Participant but in no case later than the Vesting Date which would have applied if the Participant had not died, the Company shall distribute to the

legal personal representatives of the Participant one (1) Common Share from the Company for each vested RSU held by the Participant immediately before death.

## **ARTICLE 6**

### **MISCELLANEOUS**

#### **6.1 Prohibition on Transfer of RSUs**

RSUs are personal to each Participant. No assignment, transfer or pledge of RSUs or any other benefits under this Plan, shall be permitted or valid other than by a legal will, pursuant to a beneficiary designation, or the laws of succession, without the express written consent of Troilus.

#### **6.2 Capital Adjustments**

If there is any change in the outstanding Common Shares by reason of a Share dividend or split, recapitalization, consolidation, combination or exchange of shares, or other fundamental corporate change, the Board may make, subject to any prior approval required of relevant Share exchanges or other applicable regulatory authorities, if any, an appropriate substitution or adjustment in the number or the designation of RSUs recorded in a Participant's RSU Account. In the event of the reorganization of Troilus or the amalgamation or consolidation of the Company with another corporation, the Board may make such provision for the protection of the rights of Participants as the Board in its discretion deems appropriate. The determination of the Board, as to any adjustment or as to there being no need for adjustment, will be final and binding on all parties.

#### **6.3 Non-Exclusivity**

Nothing contained herein will prevent the Board from adopting other or additional compensation arrangements for the benefit of Participants, subject to any required regulatory or shareholder approval.

#### **6.4 Amendment and Termination**

- (a) The Board may amend, suspend or terminate the Plan or any portion thereof at any time in accordance with applicable legislation, and subject to any required regulatory or shareholder approval. No amendment, suspension or termination will adversely alter or impair any RSUs previously awarded under the Plan, or any rights pursuant thereto, made previously to a Participant without the consent of the relevant Participant.
- (b) If the Plan is terminated, the provisions of the Plan and any administrative guidelines, and other rules and regulations of the Plan adopted by the Board and in force at the time, will continue in effect as long as any RSUs under the Plan or any rights pursuant thereto remain outstanding. However, notwithstanding the termination of the Plan, the Board may make any amendments to the Plan or the RSUs the Board would be entitled to make if the Plan were still in effect.



## **6.5 Tax Withholding**

The Company shall have the right to deduct from all payments made under the Plan to or for the benefit of a Participant any foreign, federal, provincial or local taxes required by law to be withheld with respect to such payments. Notwithstanding any other provisions of the Plan, the Company shall be entitled to sell any Common Shares on behalf and for the account of a Participant to satisfy Troilus's withholding obligation with respect to the Participant.

## **6.6 Participant Rights**

None of the establishment of this Plan, any modification thereof, the creation of any fund or account, nor the payment of any benefits, shall be construed as giving to any Participant or other person any legal or equitable right against the Company, any officer, director or employee thereof, or the Board, except as herein provided. The adoption and maintenance of this Plan shall not be deemed to constitute a contract of employment or otherwise between the Company and any Participant, or to be consideration for, or an inducement or condition of, any employment or continuing employment. Nothing contained herein shall be deemed to give a Participant the right to be retained in the service of the Company or interfere with the Company's right to discharge, with or without cause, a Participant at any time without regard to the existence of the Plan.

## **6.7 Compliance with Legislation**

The Company is not obligated by any provision of the Plan or any award hereunder to issue RSUs in violation of any applicable law.

## **6.8 Effective Date**

The Plan shall be effective upon the receipt of approval of the shareholders of the Company.