Notice of Annual and Special Meeting of Shareholders
and
Management Information Circular

Wednesday, May 31, 2017

GLOBEX MINING ENTERPRISES INC.
86-14th Street
Rouyn-Noranda, Québec CANADA
J9X 2J1

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

TAKE NOTICE that an Annual and Special Meeting of Shareholders (the "**Meeting**") of GLOBEX MINING ENTERPRISES INC. (the "**Corporation**") will be held at:

Place: Best Western Plus Hotel Albert
84 Principale Avenue
Rouyn-Noranda, Québec

Date: May 31, 2017

Time: 11:00 a.m.

The purposes of the Meeting are to:

1. Receive and consider the consolidated financial statements of the Corporation for the fiscal year ended December 31, 2016 and the auditor's report thereon;

2. Elect directors;

3. Appoint auditors and authorize the directors to fix their remuneration;

4. Consider, and if deemed advisable, to adopt, a resolution in the form annexed as Schedule B to the Management Information Circular, ratifying and approving the Amended and Restated Shareholder Rights Plan of the Corporation; and

5. Transact such other business as may properly be brought before the meeting.

Only persons registered as shareholders on the records of the Corporation as of the close of business on April 18, 2017 are entitled to receive notice of, and to vote or act at, the Meeting. No person who becomes a shareholder after the Record Date will be entitled to vote or act at the Meeting or any adjournment thereof.

If you are unable to attend the Meeting in person, please date, sign and return the enclosed form of proxy. Proxies to be used at the Meeting must be deposited with the Corporation's transfer agent, Computershare Investor Services Inc. (Attention: Proxy Department), 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, no later than 5:00 p.m. (eastern time) on May 29, 2017 or with the Secretary of the Corporation before the commencement of the Meeting or at any adjournment thereof.

DATED at Toronto, Ontario

April 21, 2017

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Jack Stoch
President and Chief Executive Officer

GLOBEX MINING ENTERPRISES INC.
MANAGEMENT INFORMATION CIRCULAR
April 21, 2017

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SOLICITATION OF PROXIES BY MANAGEMENT

This Management Information Circular (the "Circular") is furnished in connection with the solicitation by the management of Globex Mining Enterprises Inc. (the "Corporation") of proxies to be used at the Annual and Special Meeting of shareholders (the "Meeting") of the Corporation to be held at the time and place and for the purposes set forth in the Notice of Meeting. It is expected that the solicitation will be made primarily by mail. However, officers and employees of the Corporation may also solicit proxies by telephone, telecopier, e-mail or in person. The total cost of solicitation of proxies will be borne by the Corporation. Information contained herein is given as of the date hereof unless otherwise specifically stated.

INTERNET AVAILABILITY OF PROXY MATERIALS

Notice-and-Access

The Corporation has elected to use "notice-and-access" rules ("**Notice-and-Access**") under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for distribution of its Proxy-Related Materials (as defined below) to shareholders who do not hold shares of the Corporation in their own names (referred to herein as "**Beneficial Shareholders**"). Notice-and-Access is a set of rules that allows issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies. "**Proxy-Related Materials**" refers to this Circular, the Notice of Meeting, and the voting instruction form ("**VIF**") or form of proxy.

The use of Notice-and-Access is more environmentally friendly as it helps reduce paper use. It also reduces the Corporation's printing and mailing costs. Shareholders may obtain further information about Notice-and-Access by contacting: (i) **for Beneficial Shareholders with a 15-digit Control Number**: Computershare Investor Services Inc. ("**Computershar**e") toll free at 1-866-964-0492 or at www.computershare.com/notificationandaccess; or (ii) **for Beneficial Shareholders with a 16-digit Control Number:** Broadridge Financial Solutions, Inc. toll free at 1-855-887-2244.

The Corporation is not using Notice-and-Access for delivery to shareholders who hold their shares directly in their respective names (referred to herein as "**Registered Shareholders**"). Registered Shareholders will receive paper copies of the Circular and related materials via prepaid mail.

Websites Where Proxy-Related Materials are Posted

The Proxy-Related Materials are available on the Corporation's website at www.globexmining.com/Investors/Annual-Meeting, and under the Corporation's profile on SEDAR at www.sedar.com.

Notice Package

Although the Proxy-Related Materials have been posted on-line as noted above, Beneficial Shareholders are receiving paper copies of a notice package (the "**Notice Package**") via prepaid mail, containing information and documents prescribed by NI 54-101 such as: the date, time and location of the Meeting and the website addresses where the Proxy-Related Materials are posted, a VIF, and supplemental mail list return card for Beneficial Shareholders to request they be included in the Corporation's supplementary mailing list for receipt of the Corporation's interim financial statements for the 2017 fiscal year.

How to Obtain Paper Copies of Proxy-Related Materials

Beneficial Shareholders may obtain paper copies of the Circular free of charge by contacting: (i) **for Beneficial Shareholders with a 15-digit Control Number**: Computershare at 1-866-962-0498 (within North America) or 514-982-8716 (outside North America); or (ii) **for Beneficial Shareholders with a 16-digit Control Number:** Broadridge Financial Solutions, Inc. toll free at 1-877-907-7643. Any request for paper copies which are required in advance of the Meeting should be sent so that the request is received by the Corporation by 5:00 p.m. (eastern time) on May 19, 2017 in order to allow sufficient time for Beneficial Shareholders to receive their paper copies and to return their VIFs by the due date. After the Meeting, Beneficial Shareholders may obtain paper copies of the Circular free of charge by contacting the Secretary of the Corporation at 1-819-797-5242.

APPOINTMENT AND REVOCATION OF PROXIES

Appointment of Proxy

A Registered Shareholder who is unable to attend the Meeting in person is requested to complete and sign the enclosed form of proxy and to deliver it to Computershare (i) by mail or hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775. A Registered Shareholder may also vote using the internet at www.investorvote.com or by telephone at 1-866-732-8683. In order to be valid and acted upon at the Meeting, the form of proxy must be received no later than 5:00 p.m. (eastern time) on May 29, 2017 or be deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof.

The document appointing a proxy must be in writing and executed by the Registered Shareholder or his attorney authorized in writing or, if the Registered Shareholder is a company, under its corporate seal or by an officer or attorney thereof duly authorized.

A Registered Shareholder submitting a form of proxy has the right to appoint a person (who need not be a shareholder) to represent him or her at the Meeting other than the persons designated in the form of proxy furnished by the Corporation. To exercise that right, the name of the Registered Shareholder's appointee should be legibly printed in the blank space provided. In addition, the Registered Shareholder should notify the appointee of such person's appointment, obtain such person's consent to act as appointee and instruct the appointee on how the Registered Shareholder's shares are to be voted.

Shareholders who are not Registered Shareholders should refer to "Notice to Beneficial Holders of Shares" below.

Revocation of Proxy

A Registered Shareholder who has submitted a form of proxy as directed hereunder may revoke it at any time prior to the exercise thereof. If a Registered Shareholder who has given a proxy personally attends the Meeting at which that proxy is to be voted, that Registered Shareholder may revoke the proxy and vote in person. In addition to the revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Registered Shareholder or his attorney or authorized agent and deposited with Computershare at any time up to 5:00 p.m. (eastern time) on May 29, 2017 (i) by mail or by hand delivery to Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775, or deposited with the Secretary of the Corporation before the commencement of the Meeting or any adjournment thereof, and upon either of those deposits, the proxy will be revoked.

Notice to Beneficial Holders of Shares

The information set out in this section is of importance to many shareholders, as a substantial number of shareholders are Beneficial Shareholders and do not hold shares of the Corporation in their own names. Beneficial Shareholders should note that only proxies deposited by Registered Shareholders (shareholders whose names appear on the records of the Corporation as the registered holders of shares) can be recognized and acted upon at the Meeting or any adjournment(s) thereof. If shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those shares will not be registered in the shareholder's name on the records of the Corporation. Those shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Shares held by brokers or their nominees can be voted only upon the instructions of the Beneficial Shareholder. Without specific instructions, the broker/nominees are prohibited from voting shares for their clients. Subject to the following discussion in relation to NOBOs (as defined below), the Corporation does not know for whose benefit the shares of the Corporation registered in the name of CDS & Co., a broker or another nominee, are held.

There are two categories of Beneficial Shareholders for the purposes of applicable securities regulatory policy in relation to the mechanism of dissemination to Beneficial Shareholders of proxy-related materials and other securityholder materials and the request for voting instructions from such Beneficial Shareholders. Non-objecting beneficial owners ("**NOBOs**") are Beneficial Shareholders who have advised their intermediary (such as brokers or other nominees) that they do not object to their intermediary disclosing ownership information to the Corporation, consisting of their name, address, e-mail address, securities holdings and preferred language of communication. **Securities legislation restricts the use of that information to matters strictly relating to the affairs of the Corporation**. Objecting beneficial owners ("**OBOs**") are Beneficial Shareholders who have advised their intermediary that they object to their intermediary disclosing such ownership information to the Corporation.

NI 54-101 permits the Corporation, in its discretion, to obtain a list of its NOBOs from intermediaries and use such NOBO list for the purpose of distributing the Notice Package directly to, and seeking voting instructions directly from, such NOBOs. As a result, the Corporation is entitled to deliver the Notice Package to Beneficial Shareholders in two manners: (a) directly to NOBOs and indirectly through intermediaries to OBOs; or (b) indirectly to all Beneficial Shareholders through intermediaries. In accordance with the requirements of NI 54-101, the Corporation is sending the Notice Package directly to NOBOs and indirectly through intermediaries to OBOs. The cost of the delivery of the Notice Package by intermediaries to OBOs will be borne by the Corporation.

The Corporation has used a NOBO list to send the Notice Package directly to NOBOs whose names appear on that list. If the Corporation's transfer agent, Computershare, has sent these materials directly to a NOBO at the request of the Corporation, such NOBO's name and address and information about its holdings of shares of the Corporation have been obtained from the intermediary holding such shares on the NOBO's behalf in accordance with applicable securities regulations. As a result, any NOBO of the Corporation can expect to receive a VIF from Computershare. NOBOs should complete and return the VIF to Computershare in the envelope provided. In addition, telephone voting and internet voting are available; instructions in respect of the procedure for telephone and internet voting can be found in the VIF. Computershare will tabulate the results of VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the voting of shares represented by such VIFs.

Applicable securities regulations require intermediaries, on receipt of Notice Packages that seek voting instructions from Beneficial Shareholders indirectly, to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings on Form 54-101F7 (Request for Voting Instructions Made by Intermediary). Every intermediary/broker has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting or any adjournment(s) thereof. Often, the form of request for voting instructions supplied to a Beneficial Shareholder by its broker is identical to the form of proxy provided to Registered Shareholders; however, its purpose is limited to instructing the Registered Shareholder how to vote on behalf of the Beneficial Shareholder. Beneficial Shareholders who wish to appear in person and vote at the Meeting should be appointed as their own representatives at the Meeting in accordance with the directions of their intermediaries and Form 54-101F7. Beneficial Shareholders can also write the name of someone else whom they wish to appoint to attend the Meeting and vote on their behalf. Unless prohibited by law, the person whose name is written in the space provided in

Form 54-101F7 will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in Form 54-101F7 or this Circular.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). In forwarding the Notice Package to Beneficial Shareholders, Broadridge typically includes a VIF in lieu of the form of proxy that some intermediaries employ. Beneficial Shareholders are requested to complete and return the VIF to Broadridge by mail or facsimile. Alternatively, Beneficial Shareholders can call a toll-free telephone number to vote the shares held by them or access Broadridge's dedicated voting website at https://central-online.proxyvote.com to deliver their voting instructions. Broadridge will then provide aggregate voting instructions to the Corporation's transfer agent and registrar, which tabulates the results and provides appropriate instructions respecting the voting of shares to be represented at the Meeting or any adjournment(s) thereof.

EXERCISE OF DISCRETION BY PROXIES

Shares represented by properly-executed proxies in favour of the persons designated in the enclosed form of proxy or VIFs, in the absence of any direction to the contrary, will be voted for the: (i) election of directors; (ii) appointment of auditors; and (iii) resolution ratifying and approving the Amended and Restated Shareholder Rights Plan of the Corporation, as stated under such headings in this Circular. The shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the shareholder on any ballot that may be called for, and if a shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly. With respect to amendments or variations to matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting, such shares will be voted by the persons so designated in their discretion. At the time of printing this Circular, management of the Corporation knows of no such amendments, variations or other matters.

VOTING SHARES

As at April 21, 2017, there were 49,012,706 issued and outstanding common shares of the Corporation. Each common share entitles the holder thereof to one vote. The Corporation has fixed April 18, 2017 as the record date (the "**Record Date**") for the purpose of determining shareholders entitled to receive notice of the Meeting. Pursuant to the *Canada Business Corporations Act*, the Corporation is required to prepare, no later than ten days after the Record Date, an alphabetical list of shareholders entitled to vote as of the Record Date that shows the number of shares held by each shareholder. A shareholder whose name appears on the list referred to above is entitled to vote the shares shown opposite his or her name at the Meeting. The list of shareholders is available for inspection during usual business hours at the head office of the Corporation, 89 Belsize Drive, Toronto, Ontario, M4S 1L3 and at the Meeting. Only shareholders of record as at the close of business on the Record Date will receive notice of, and be entitled to attend and vote at, the Meeting. A shareholder of record on the Record Date will be entitled to vote those shares included in the list of shareholders entitled to vote at the Meeting prepared as at the Record Date, even though the shareholder may subsequently dispose of his or her shares. No shareholder who has become a shareholder after the Record Date will be entitled to attend or vote at the Meeting or any adjournment(s) thereof.

PRINCIPAL SHAREHOLDERS

As of April 21, 2017, to the best knowledge of the Corporation, no person beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the issued and outstanding common shares of the Corporation.

ELECTION OF DIRECTORS

The Board of Directors of the Corporation currently consists of five directors. The persons named in the enclosed form of proxy intend to vote for the election of the five nominees whose names are set forth below, each of whom is currently a director of the Corporation. Each director will hold office until the next annual meeting of shareholders or until the election of his or her successor, unless he or she resigns or his or her office becomes vacant by removal, death or other cause.

The following table sets out the name and municipality of residence of each of the persons proposed to be nominated for election as director, all other positions and offices with the Corporation now held by such person, his or her principal occupation, the year in which such person became a director of the Corporation, and the number of common shares of the

Corporation that such person has advised are beneficially owned or over which control or direction is exercised, directly or indirectly, by such person as at the date indicated below.

Name, municipality of residence and position with the Corporation	Principal occupation	First year as director	Number of common shares beneficially owned or over which control or direction is exercised as at April 21, 2017
Jack Stoch Toronto, Ontario, Canada President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation	1983	3,058,444[4]
Dianne Stoch Toronto, Ontario, Canada Executive Vice-President and Director	Executive Vice-President of the Corporation	1985	1,114,647
Ian Atkinson[1] [2] [3] The Woodlands, Texas, U.S.A. Director	Corporate Director	1986	—
Chris Bryan[1] [2] [3] Cambridge, Ontario, Canada Director	Mining Analyst (retired)	1983	72,500
Johannes H. C. van Hoof[1] [2] [3] Buenos Aires, Argentina Director	Chairman and Chief Executive Officer Van Hoof Industrial Holdings Ltd. (investment company)	2014	164,000[5]

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(1) Member of the Audit Committee.
(2) Member of the Corporate Governance Committee.
(3) Member of the Compensation Committee.
(4) 2,321,162 of these shares are held by Jack Stoch Geoconsultant Services Limited, a company controlled by Jack Stoch, President and Chief Executive Officer of the Corporation.
(5) These shares are held through Van Hoof Industrial Holdings Ltd., a company controlled by Mr. van Hoof.

The information as to shares beneficially owned or over which the above-named individuals exercise control or direction is not within the knowledge of the Corporation and has been furnished by the respective nominees individually. The Corporation does not have an Executive Committee of the Board of Directors.

The following is a brief biography of each of the nominees for election to the Board of Directors of the Corporation:

Jack Stoch

Jack Stoch is President, Chief Executive Officer and a director of the Corporation and of Chibougamau Independent Mines Inc., a corporation listed on the TSX Venture Exchange. Mr. Stoch is a significant shareholder of Chibougamau Independent Mines Inc. and an experienced geologist.

Following a stint with Noranda Exploration Ltd., Mr. Stoch, in 1976, started acquiring and vending exploration projects through his own consulting businesses, Géoconseils Jack Stoch Ltée and Geosol Inc. In 1983, Mr. Stoch gained control of the Corporation, then a "shell" company, which has since amassed a mature exploration portfolio. Mr. Stoch has attracted a knowledgeable and well-connected Board of Directors and has expanded the Corporation's exploration, evaluation and mining team.

In 1972, Mr. Stoch earned a B.Sc. degree in Geology from Sir George Williams University in Montreal, Québec, and followed additional graduate courses at McGill University, also in Montreal, Québec. He was awarded the designation Acc. Dir.,

Accredited Director in 2007 by Chartered Secretaries Canada and is a registered Professional Geologist in both Québec and Saskatchewan.

Dianne Stoch

Dianne Stoch is a director of the Corporation and, since March 2011, has been its Executive Vice-President. Prior thereto, Mrs. Stoch was Chief Financial Officer and Treasurer of the Corporation. Prior to joining the Corporation more than 25 years ago, Mrs. Stoch was employed by Noranda Inc. for more than 18 years in a variety of accounting/financial positions, including Head Office Corporate Planner and Senior Accountant Analyst, revenue planner for the Horne smelter in Rouyn-Noranda, Québec. In 2007, Mrs. Stoch was awarded the designation Acc. Dir., Accredited Director, from Chartered Secretaries Canada. Mrs. Stoch is also a private consultant, as well as Executive Vice-President and a director of Chibougamau Independent Mines Inc., a corporation listed on the TSX Venture Exchange.

Ian Atkinson

Ian Atkinson, M.Sc, A.K.C., D.I.C, a geologist, is currently a director of Kinross Gold Corporation, following his appointment in February 2016, and of Argonaut Gold Inc., following his appointment in May 2016. Mr. Atkinson was previously President and Chief Executive Officer of Centerra Gold Inc. before retiring in 2015. He has more than 40 years of experience in the mining industry with an extensive background in exploration, project development and mergers and acquisitions. Prior to his ten-year tenure at Centerra Gold Inc., Mr. Atkinson held various senior leadership positions with Hecla Mining Company, Battle Mountain Gold, Hemlo Gold Mines and the Noranda Group. Mr. Atkinson has contributed to the discovery of several major mineral deposits and has been involved in a number of large mining projects in his career. Mr. Atkinson holds a Bachelor of Science degree in geology from King's College, University of London and a Master's degree in geophysics from the Royal School of Mines, University of London. Mr. Atkinson is the Chair of the Compensation Committee of the Board of Directors of the Corporation.

Chris Bryan

Chris Bryan, B.Sc. Geology, B. Comm., now retired, was formerly President of CBIM, an investment counsel registered with the Ontario Securities Commission. From 1994 to 1995, he was President of Ophir Capital, an investment management company. Prior to that, from 1989 to 1994, Mr. Bryan was Vice-President, Director and Portfolio Manager of Bolton-Tremblay Inc. He was also a mining analyst/ portfolio manager at the Caisse de dépôt et placement du Québec from 1985 to 1989. The seven previous years were spent as a mining analyst with Lévesque Beaubien Inc. and Nesbitt Thompson Bongard Inc. Mr. Bryan is the Chair of the Corporate Governance Committee of the Board of Directors of the Corporation.

Johannes H. C. van Hoof

Hans van Hoof is Chairman and Chief Executive Officer of Van Hoof Industrial Holdings Ltd., an investment company. He is also Chief Executive Officer, Chairman and a director of NSGold Corporation and President, Chief Executive Officer and a director of NSX Silver Inc., two companies listed on the TSX Venture Exchange. Mr. van Hoof has held senior positions at various European financial institutions, including PVF Pension Funds, Paribas Capital Markets and Bankers Trust. His roles during the past 22 years include senior Portfolio Manager, senior Risk Manager, Deputy Head of global equity derivatives, Managing Director responsible for M&A arbitrage, derivatives arbitrage and venture capital investments as well as Chairman and Senior Executive Officer of Soros Funds Limited in London. In 2002, Mr. van Hoof founded VHC Partners alternative investment management group, active in hedge fund management, corporate and project finance advisory services, private equity investments and charitable projects. Mr. van Hoof is the Chair of the Audit Committee of the Board of Directors of the Corporation.

Except as set out below, none of the foregoing nominees for election as director of the Corporation:

(a) is, or within the last ten years has been, a director, chief executive officer or chief financial officer of any company that:

  (i) was subject to a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under applicable securities legislation, and which in all cases

was in effect for a period of more than 30 consecutive days (an "**Order**"), which Order was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer of such company; or

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

(b) is, or within the last ten years has been, a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, with the exception of Jack Stoch, who was a director of Strategic Resource Acquisition Corporation, which filed for protection in the United States under Chapter 11 of the U.S. Bankruptcy Code and under the *Companies' Creditors Arrangement Act* (Canada) in January 2009. On August 17, 2009, Strategic Resource Acquisition Corporation successfully completed its restructuring and emerged from protection under the *Companies' Creditors Arrangement Act* (Canada); or

(c) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his or her assets.

None of the foregoing nominees for election as director of the Corporation has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Majority Voting for Directors

In May 2013, the Board of Directors adopted a majority-voting policy. Under this policy, in an uncontested election of directors, any nominee proposed for election as a director who receives a greater number of "withheld" votes than "for" votes is expected promptly following the date of the shareholders' meeting at which the election occurred to tender his or her resignation to the Chairman of the Board of Directors for consideration by the Corporate Governance Committee of the Board of Directors (the "**CGC**"), with the resignation to take effect upon acceptance by the Board of Directors. This policy applies only to "uncontested elections", that is, elections where the number of nominees for director is equal to the number of directors to be elected.

The Board of Directors will act on the CGC's recommendation within 90 days following the date of the shareholders' meeting at which the election occurred. Following the Board of Directors' decision on the CGC's recommendation, the Board of Directors will promptly disclose, by way of a press release, the Board of Directors' decision whether or not to accept the director's offer of resignation, together with an explanation of the process by which the decision was made and, if applicable, the Board's reason or reasons for rejecting the tendered resignation.

The CGC will be expected to accept the resignation except in situations where extenuating circumstances would warrant that the director continue to serve on the Board of Directors. In considering whether or not to accept a resignation, the CGC will consider all factors deemed relevant by the CGC, including the stated reason or reasons why shareholders "withheld" votes from the election of that nominee, the length of service and the qualifications of the director whose resignation has been tendered (including, for example, the impact the director's resignation would have on the Corporation's compliance with the requirements of applicable corporate and securities laws and the rules of any stock exchange on which the Corporation's securities are listed or posted for trading), such director's contributions to the Corporation, and whether the director's resignation from the Board of Directors would be in the best interests of the Corporation.

The CGC will also consider a range of possible alternatives concerning the director's tendered resignation as the CGC deems appropriate, including acceptance of the resignation, rejection of the resignation, or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the CGC to have substantially resulted in the "withheld" votes.

A director who tenders his or her resignation will not participate in any meetings to consider whether the resignation will be accepted.

Shareholders should note that, as a result of the majority-voting policy, a ''withhold'' vote is effectively the same as a vote against a director nominee in an uncontested election.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information regarding the Corporation's executive compensation objectives and process and discusses compensation relating to each person who acted as President and Chief Executive Officer ("**CEO**") and Chief Financial Officer ("**CFO**") of the Corporation and the three most highly-compensated executive officers of the Corporation (or three most highly-compensated individuals acting in a similar capacity), other than the CEO and CFO, whose total compensation was more than $150,000 in the Corporation's last financial year (each a "**Named Executive Officer**" or "**NEO**" and collectively the "**Named Executive Officers**" or "**NEOs**"). For the fiscal year ended December 31, 2016, the Corporation had four Named Executive Officers, namely, Jack Stoch (CEO), James Wilson (CFO), Dianne Stoch, Executive Vice-President, and William McGuinty, Vice-President, Operations of the Corporation.

Compensation Committee

The Compensation Committee of the Board of Directors (the "**Compensation Committee**") is comprised of three directors, namely Ian Atkinson (Chairman), Chris Bryan and Johannes H.C. van Hoof, each of whom is an "independent" director within the meaning of National Instrument 52-110 *Audit Committees*. The Board of Directors is of the view that the Compensation Committee collectively has the knowledge, experience and background to fulfill its mandate, and that each of the members of the Compensation Committee has direct experience relevant to his responsibilities regarding executive compensation. In particular, Mr. Atkinson is an experienced senior mining executive, Mr. Bryan is an experienced mining analyst, and Mr. van Hoof has been associated with numerous public companies. These collective skills and extensive experience enable the Compensation Committee to make decisions on the suitability of the Corporation's compensation policies and practices.

The mandate of the Compensation Committee is to annually review and make recommendations to the Board of Directors with respect to the Corporation's compensation and benefit programs for the NEOs and directors as well as other members of senior management of the Corporation, including base salaries, bonuses and stock option grants. In the assessment of the annual compensation of the NEOs, the Compensation Committee consults with senior management to develop, recommend and implement compensation philosophy and policy. The Compensation Committee also takes into consideration the competitiveness of the compensation packages offered to the NEOs. Compensation decisions are usually made in the first quarter of a fiscal year, in respect of performance achieved in the prior fiscal year.

A copy of the Compensation Committee Charter is available on the Corporation's website at www.globexmining.com.

Compensation Philosophy and Objectives

The compensation of the Named Executive Officers is determined by the Board of Directors upon recommendation by the Compensation Committee. The Corporation's executive compensation program is generally designed to pay for performance and be competitive with other companies of comparable size in the same field of activity. The CEO makes recommendations to the Compensation Committee as to the compensation of the Corporation's executive officers, other than himself. The Compensation Committee makes recommendations to the Board of Directors as to the compensation of the CEO and the other NEOs. The general objective of the Corporation's compensation philosophy is to: (i) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value; (ii) align management's interests with the long-term interests of shareholders;

(iii) provide a compensation package that is commensurate with other mining exploration companies in order to enable the Corporation to attract and retain talent; and (iv) ensure that the total compensation package is designed in a manner that takes into account the constraints under which the Corporation operates by virtue of the fact that it is a mining exploration company with a history of limited earnings.

Executive Compensation Policy

The Corporation's executive compensation program is generally comprised of a base salary, bonuses and long-term incentives in the form of stock options granted under the Corporation's 1995 Stock Option Plan (the "**1995 Plan**"), 2003 Stock Option Plan (the "**2003 Plan**") and 2006 Plan. On April 11, 2012, upon recommendation of the Compensation Committee, the Board of Directors adopted a Restricted Share Unit Plan (the **"RSU Plan**").

The 1995 Plan, 2003 Plan, 2006 Plan and RSU Plan are designed to attract and retain the key talent required to drive the Corporation's long-term success by providing participants with an opportunity to share in the shareholder value to which they contribute. The Compensation Committee, at its sole discretion, and from time to time, may propose modifications to the executive compensation policy, including the removal or addition of compensation elements and amendments to the 1995 Plan, 2003 Plan, 2006 Plan and RSU Plan. Any such modifications will be presented to the Board of Directors and, when required, to the shareholders, for approval.

Comparative Group and External Compensation Consultant

To ensure the competitiveness of the compensation offered to the Named Executive Officers and other senior executives of the Corporation, the Compensation Committee may retain, from time to time, the services of executive compensation consultants to provide advice on executive compensation. All decisions with respect to executive compensation are made by the Board of Directors upon recommendation of the Compensation Committee and may reflect factors and considerations that differ from information and recommendations provided by such consultants, such as merit and the need to retain high-performing executives. The Corporation did not retain the services of a compensation consultant to provide advice on executive compensation to the Board of Directors or the Compensation Committee for the fiscal years ended December 31, 2016 and 2015.

In 2011, as part of the review process, the Compensation Committee conducted an analysis to examine and compare the Corporation's compensation programs with a group of comparable companies to ensure the competitiveness and reasonableness of the compensation (collectively, the "**Comparative Group**"). In 2016, the Compensation Committee reviewed an analysis of the Comparative Group, considering market capitalization, revenues and financial performance comparable to those of the Corporation, taking into consideration the size of the Corporation, the geographic markets in which the Corporation operates and the responsibilities of its executive officers. The Comparative Group is currently comprised of the following companies:

Comparative Group		
Aquila Resources Inc.	Laurion Mineral Exploration Inc.	Plato Gold Corp.
Bitterroot Resources Ltd.	Midland Exploration Inc.	Savant Explorations Ltd.
Cartier Resources Inc.	Millrock Resources Inc.	Typhoon Exploration Inc.
Eastmain Resources Inc.	Nippon Dragon Resources Inc. (formerly Rocmec Mining Inc.)	Yorbeau Resources Inc.

Compensation Process

The Board of Directors, upon recommendation of the Compensation Committee, ensures that total compensation paid to the Named Executive Officers is fair and reasonable and accomplishes the following long-term objectives:

- produce long-term, positive results for the Corporation's shareholders;
- align executive compensation with corporate performance; and
- provide market-competitive compensation and benefits that will enable the Corporation to recruit, retain and motivate the executive talent necessary to be successful.

Elements of Executive Compensation

The compensation of the Named Executive Officers consists of three main components: base salary, annual bonus and long-term incentives, currently in the form of stock options. The terms and conditions of employment contracts of certain of the NEOs are described in the section entitled "Termination and Change of Control Benefits" below. The following discussion describes the components of compensation and discusses how each component relates to the Corporation's overall executive compensation objective. The Corporation believes that:

- base salaries provide an immediate cash incentive for the NEOs and should be at levels competitive with peer companies that compete with the Corporation for business opportunities and executive talent;
- annual incentive bonuses encourage and reward performance over the financial year compared to predefined goals and objectives and reflect progress toward company-wide performance objectives and personal objectives; and
- stock options and restricted share units ("**RSUs**") ensure that the NEOs are motivated to achieve long-term growth of the Corporation and continuing increases in shareholder value, and provide capital accumulation linked directly to the Corporation's performance.

Base Salaries

The base salary component of the compensation for the Corporation's executives aims to reflect the median salaries paid by companies in the Comparative Group and companies of a size comparable with the Corporation for positions involving similar responsibilities and complexity, as well as the ability and experience of each executive.

Salaries are reviewed annually based on changes in the marketplace, the evolution of the executive's competencies, and his individual performance as measured by the achievement of objectives determined annually by the executive together with the CEO and, with respect to the CEO, with the Compensation Committee.

Variable Cash Incentive Awards - Bonuses

During 2011, the Compensation Committee considered the development and implementation of individual and team bonus structures to incentivize these individuals to remain focused on the Corporation's goal and objectives. However, as a result of financial market pressures, no incentive bonuses were paid during the fiscal year ended December 31, 2016.

Long-Term Incentive Plans

Long-term incentives consist of stock options and RSUs, all of which are intended to align executive compensation with the interests of the Corporation's shareholders.

Stock Options

Pursuant to the 2006 Plan, stock options may be granted by the Board of Directors, from time to time, to executives and other key employees. Option-grant guidelines are established pursuant to the Compensation Committee's periodic review of the compensation policy, taking into account the competitiveness of total compensation and compensation practices within the Comparative Group, market trends, the current stage of development of the Corporation as well as the Corporation's pay-for-performance philosophy. Option grants are determined based on the participant's position and responsibility levels, without taking into account the number of stock options already held by such participant. The Board of Directors views the granting of stock options as a means of promoting the success of the Corporation and higher returns to its shareholders. On July 25, 2016, options in respect of 600,000 common shares and in respect of 30,000 common shares were granted to Jack Stoch and Dianne Stoch, respectively, at an exercise price of $0.39 per share with an expiry date of July 25, 2021, which options vested immediately.

Restricted Share Units (RSUs)

On April 11, 2012, the Board of Directors adopted the RSU Plan for the Corporation's executives and key employees. The RSU Plan was approved by shareholders on June 1, 2012. To date, no RSUs have been issued under the RSU Plan.

The RSU Plan is designed to attract and retain qualified individuals to serve as executives and key employees of the Corporation and to promote the alignment of interests of such executives and key employees, on the one hand, and the shareholders of the Corporation, on the other hand.

The Compensation Committee believes that the terms and conditions of the 2006 Plan combined with those of the RSU Plan adequately meet the objectives of attracting and retaining quality executives while promoting long-term development of the Corporation and maximizing shareholder value.

The Corporation's approach is to position total direct compensation for the NEOs, which is the aggregate of salary, estimated value of stock options and RSUs, at approximately the median of the Comparative Group. Future long-term incentive awards will take into consideration current and intended market positioning.

Group Benefits/Perquisites

The Named Executive Officers benefit from the Corporation's group insurance plans. None of the NEOs benefits from a retirement plan.

Assessment of Risks Associated with the Corporation's Compensation Policies and Practices

Governance of principal risks forms part of the mandate of the Board of Directors, a copy of which is annexed to this Circular as Schedule A. As described in the mandate of the Board of Directors, the Board has primary responsibility for oversight of the Corporation's principal risks and ensuring that appropriate risk management systems are implemented and maintained with a view to achieving a proper balance between risks incurred and the creation of long-term sustainable value to shareholders. The Compensation Committee and the Board of Directors regularly review and approve the Corporation's compensation programs, policies and practices for its executive officers to ensure alignment with the Corporation's business plan and to evaluate the potential risks associated with such programs, policies and practices. These risks include, among others, executive retention, promotion of short-term risky behaviour and unexpected payouts that are not aligned with long-term performance. In connection with its assessment, the Compensation Committee has discussed the concept of risk as it relates to the compensation of the Corporation's executive officers and has concluded that the compensation program, policies and practices do not create any risks that are reasonably likely to have a material adverse effect on the Corporation.

The Compensation Committee considers the risks associated with executive compensation and corporate incentive plans when designing and reviewing such plans and programs.

The Corporation has not adopted a policy restricting its NEOs or directors from purchasing financial instruments that are designated to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by its NEOs or directors. To the knowledge of the Corporation, none of the NEOs or directors has purchased such financial instruments.

Summary of Compensation of the Named Executive Officers

The following table provides information for the fiscal years ended December 31, 2016, 2015 and 2014 regarding compensation paid to or earned by the Named Executive Officers. No other executive officer of the Corporation received more than $150,000 in total compensation during the fiscal year ended December 31, 2016.

Summary Compensation Table

Name and Principal Occupation	Year	Salary[1] ($)	Share-Based Awards[2] ($)	Option-Based Awards[3] ($)	Non-Equity Incentive Plan Compensation[4] ($)		Pension Value[5] ($)	All other Compensation[6] ($)	Total Compensation ($)
					Annual Incentive Plans ($)	Long-Term Incentive Plans ($)			
Jack Stoch[7] President and Chief Executive Officer	2016	15,000	—	118,017	—	—	—	—	133,017
	2015	48,185	—	33,770	—	—	—	—	81,955
	2014	51,258	—	64,571	—	—	—	—	115,829
Dianne Stoch[8] Executive Vice-President	2016	—	—	5,901	—	—	—	—	5,901
	2015	48,185	—	—	—	—	—	—	48,185
	2014	52,234	—	41,165	—	—	—	—	93,399
James Wilson Chief Financial Officer	2016	174,100	—	—	—	—	—	—	174,100
	2015	174,100	—	—	—	—	—	—	174,100
	2014	174,454	—	15,593	—	—	—	—	190,047
William McGuinty[9] Vice-President, Operations	2016	54,337	—	—	—	—	—	—	54,337
	2015	108,512	—	—	—	—	—	—	108,512
	2014	73,431	—	62,372	—	—	—	—	135,803

(1) This column discloses the actual salary earned during the fiscal year indicated.

(2) The Corporation has a share-based compensation plan in the form of the RSU Plan. As at December 31, 2016, no RSUs have been granted to NEOs under the RSU Plan.

(3) This column discloses the total value of stock options at the time of grant. **These figures do not reflect the current value of the stock options or the value, if any, that may be realized if and when the stock options are exercised.** The value of the option awards was calculated using the Black-Scholes option-pricing model at the time of grant. The Black-Scholes option pricing model was selected by the Corporation as it is the most widely-used option-valuation method. The Corporation used the same assumptions for determining the equity-based compensation expense in the Corporation's financial statements for the fiscal years ended December 31, 2016, 2015 and 2014. These assumptions are:

	2016	2015	2014
Risk-free interest rate:	0.61%	0.70%	1.31%
Expected life of options:	4.7 years	5 years	5 years
Expected stock price volatility:	62.9%	59.6%	60.0%
Expected dividend yield:	nil	nil	nil
Weighted average fair value of granted options:	$0.19	$0.13	$0.12

(4) The Corporation does not have non-equity long-term incentive plans.

(5) The Corporation does not provide employees with any retirement benefits.

(6) Perquisites, including property or other personal benefits provided to an NEO that are not generally available to all employees, are disclosed only if they are in the aggregate worth $50,000 or more, or worth 10% or more of the total salary of the NEO the financial year.

(7) In light of difficult market conditions, Jack Stoch has taken a reduced salary since September 2013.

(8) In light of difficult market conditions, Dianne Stoch took a reduced salary in the fiscal years ended December 31, 2014, 2015 and 2016.

(9) Mr. McGuinty was appointed Vice-President, Operations of the Corporation on June 2, 2014 and resigned effective July 4, 2016.

Incentive Plan Awards

Outstanding option-based awards and share-based awards as at December 31, 2016

The following table sets out all awards to the Named Executive Officers outstanding at the end of the most recently-completed fiscal year:

Name	Option Based Awards				Share Based Awards[2]	
	Number of securities underlying unexercised options	Option Exercise Price ($)	Option Expiration Date	Value of unexercised in-the-money options[1] ($)	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested ($)
Jack Stoch	600,000	0.390	July 25, 2021	18,000		
	255,000	0.285	November 24, 2020	34,425		
	350,000	0.235	June 16, 2019	64,750	—	n/a
	192,500	0.205	September 17, 2019	41,388		
Dianne Stoch	30,000	0.390	July 25, 2021	900		
	330,000	0.235	June 16, 2019	61,050	—	n/a
James Wilson	125,000	0.235	June 16, 2019	23,125	—	n/a

(1) This column sets out the aggregate value of in-the-money unexercised options as at December 31, 2016, calculated based on the difference between the market price of the common shares underlying the stock options as at December 30, 2016 ($0.42), the last trading day of the 2016 fiscal year, and the exercise price of the stock options.

(2) The Corporation has a share-based compensation plan in the form of the RSU Plan. As at December 31, 2016, no RSUs had been granted to NEOs under the RSU Plan.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out, for each NEO, the value of option-based awards and share-based awards which vested during the year ended December 31, 2016 and the value of non-equity incentive plan compensation earned during the financial year ended December 31, 2016.

Name	Option-based awards – Value vested during the year[1] ($)	Share-based awards – Value vested during the year[2] ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Jack Stoch	—	—	—
Dianne Stoch	—	—	—
James Wilson	—	—	—
William McGuinty[3]	—	—	—

(1) The aggregate dollar value that would have been realized if stock options had been exercised on the vesting date.

(2) The Corporation has a share-based compensation plan in the form of the RSU Plan. As at December 31, 2016, no RSUs had been granted to NEOs under the RSU Plan.

(3) Mr. McGuinty resigned as Vice President, Operations of the Corporation effective July 4, 2016.

Termination and Change of Control Benefits

There are no employment contracts between the Corporation and its officers, and there are no plans or compensation mechanisms in favour of officers which could be triggered following a retirement, termination or change of control, other than Management Services Agreements with Jack Stoch, the President and CEO of the Corporation, and Dianne Stoch, the Executive Vice-President of the Corporation, respectively.

The following table sets out the amount that would have been payable to each Named Executive Officer had there been a change of control of the Corporation on December 31, 2016 and the severance payment that would have been payable to each NEO had the Corporation terminated employment of the NEO on December 31, 2016.

Name	First year of employment	Change of control payment[1] ($)	Severance payable at December 31, 2016				
			Number of months of salary	Amount ($)	Employee health plan ($)	Car allowance ($)	Out-placement services and career counselling ($)
Jack Stoch	1983	1,650,000	24 months	300,000[2]	4,807	24,000	30,000
Dianne Stoch	1985	1,550,000	24 months	300,000[3]	459	24,000	30,000
James Wilson	2009	—	—	—	—	—	—

(1) This amount represents a lump-sum payment of $50,000 for each of the years during which the NEO was employed by or served the Corporation prior to the change of control.
(2) Based on the average salary of the of the NEO over the last three years, but not less than $150,000 per year.
(3) Based on an annual salary of $150,000.

Management Services Agreement with Jack Stoch

Mr. Stoch has served the Corporation as President and a director for more than 30 years. In April 2004, the Corporation entered into a management services agreement with Mr. Stoch. The agreement provides that in the event of a change of control of the Corporation, Mr. Stoch will receive a lump-sum payment equal to $50,000 multiplied by the number of years during which he was employed by or served the Corporation prior to the change of control. This amount must be paid in cash, in full, no later than 30 days after the change of control. Furthermore, the agreement provides that in the event of termination of Mr. Stoch's services without cause, constructive termination without cause or termination due to death or disability, Mr. Stoch will be entitled to: (a) payment of his compensation for a period equal to 24 months, the amount being the greater of either Mr. Stoch's then-current annual compensation or the average of Mr. Stoch's base compensation during the three years prior to the termination, but not less than $150,000 per year, payable in cash, in full, no later than 30 days after the date of termination; (b) any amounts of bonus earned for that year, adjusted on a pro-rata basis and payable within 30 days after the date of termination; (c) continued participation in employee benefits, plans and programs until the earlier of the expiration of the 24-month period or the date at which Mr. Stoch receives equivalent coverage from a subsequent employer; (d) reimbursement of any business expenses incurred; (e) payment of an automobile allowance of $1,000 on a monthly basis during the 24-month period; (f) all other benefits in effect at the time of termination; and (g) reimbursement of up to a maximum of $30,000 for the use of outplacement services and career counseling during the 24-month period.

Management Services Agreement with Dianne Stoch

Ms. Stoch has served the Corporation as Secretary-Treasurer, Executive Vice-President and a director for more than 24 years. In April 2004, the Corporation entered into a management services agreement with Ms. Stoch. The agreement provides that in the event of a change of control of the Corporation, Ms. Stoch will receive a lump-sum payment equal to $50,000 multiplied by the number of years during which she was employed by or served the Corporation prior to the change of control. This amount must be paid in cash, in full, no later than 30 days after the change of control. Furthermore, the agreement provides that in the event of termination of Ms. Stoch's services without cause, constructive termination without cause or termination due to death or disability, Ms. Stoch would be entitled to: (a) payment of her compensation for a period equal to 24 months, the amount being the greater of either Ms. Stoch's then-current annual compensation or the average of Ms. Stoch's base compensation during the three years prior to the termination, but not less than $150,000 per year, payable in cash, in full, no later than 30 days after the date of termination; (b) any amounts of bonus earned for that year, adjusted on a pro-rata basis and payable within 30 days after the date of termination; (c) continued participation in employee benefits, plans and programs until the earlier of the expiration of the 24-month period or the date at which Ms. Stoch receives equivalent coverage from a subsequent employer; (d) reimbursement of any business expenses incurred; (e) payment of an automobile allowance of $1,000 on a monthly basis during the 24-month period; (f) all other benefits in effect at the time of termination; and (g) reimbursement of up to a maximum of $30,000 for the use of outplacement services and career counseling during the 24-month period.

Director Compensation

The Board of Directors sets the compensation for independent directors based on the Compensation Committee's recommendations. The compensation for the directors consists of two main components: directors' fees and long-term

incentives, currently in the form of stock options. The independent directors receive a fee of $1,000 for each meeting of Board of Directors or any committee of the Board of Directors they attend in person.

During the fiscal year ended December 31, 2016, the Corporation paid $1,000 in cash remuneration to one independent Directors for attending a meeting of the Board of Directors in person and granted stock options to its independent directors in respect of an aggregate of 90,000 common shares for their services in such capacity. These options vested immediately, have an exercise price of $0.39 per share and will expire on July 25, 2021. During the fiscal year ended December 31, 2016, the Corporation did not pay any cash remuneration to the two directors who are NEOs for their services as directors.

The following table provides information for the financial year ended December 31, 2016 regarding compensation paid to or earned by the Corporation's directors (other than the two directors who are NEOs).

Name	Fees earned[1] ($)	Share-based awards[2] ($)	Option-based awards[3] ($)	Non-equity incentive plan compensation[4] ($)	Pension value[5] ($)	All other compensation[6] ($)	Total ($)
Ian Atkinson	—	—	5,901	—	—	—	5,901
Chris Bryan	1,000	—	5,901	—	—	—	6,901
Johannes H.C. van Hoof	—	—	5,901	—	—	—	5,901

(1) This amount represents meeting attendance fees paid to the directors as described above.
(2) The Corporation does not have a share-based compensation plan for its directors.
(3) This column sets out the total value of stock options granted to the directors during the 2016 fiscal year. Each of the directors was granted 30,000 options with an exercise price of $0.39 per share as members of the Board of Directors and the Chair of a committee of the Board of Directors. **These figures do not reflect the current value of the stock options or the value, if any, that may be realized if and when the stock options are exercised.** The value of stock options shown in this column was calculated using the Black-Scholes option pricing model at the time of grant. The Black-Scholes option pricing model was selected by the Corporation as it is the most widely-used option-valuation method. The Corporation used the same assumptions for determining the equity-based compensation expense with respect to options granted to officers of the Corporation presented in the Corporation's financial statements for the fiscal year ended December 31, 2016. These assumptions are:

Risk-free interest rate:	0.61%
Expected life of options:	4.7 years
Expected stock price volatility:	62.9%
Expected dividend yield:	Nil
Weighted average fair value of granted options:	$0.19

(4) The Corporation does not have any non-equity long-term incentive plans for directors.
(5) The Corporation does not provide directors with any retirement benefits.
(6) The Corporation does not provide directors with any other form of compensation.

Share-based awards, option-based awards and non-equity incentive plan compensation

Outstanding option-based and share-based awards as at December 31, 2016

The following table sets out the details of all stock options held by the directors (other than the two directors who are NEOs) as at December 31, 2016, the end of the most recently-completed fiscal year:

	Option Based Awards				Share Based Awards[2]	
Name	Number of securities underlying unexercised options	Option Exercise Price ($)	Option Expiration Date	Value of unexercised in-the-money options[1] ($)	Number of shares or units of shares that have not vested	Market or payout value of share-based awards that have not vested ($)
Ian Atkinson	30,000	0.39	July 25, 2021	900	—	—
	190,000	0.235	June 16, 2019	35,150		
	30,000	0.40	April 22, 2018	600		
Chris Bryan	30,000	0.39	July 25, 2021	900	—	—
	190,000	0.235	June 16, 2019	35,150		
	30,000	0.40	April 22, 2018	600		
Johannes H.C. van Hoof	30,000	0.39	July 25, 2021	900	—	—
	30,000	0.235	June 16, 2019	5,550		

(1) This column sets out the aggregate value of in-the-money unexercised options as at December 31, 2016, calculated based on the difference between the market price of the common shares underlying the stock options as at December 30, 2016 ($0.42), the last trading day of the 2016 fiscal year, and the exercise price of the stock options.
(2) The Corporation does not have a share-based compensation plan for its directors.

Incentive Plan Awards – Value Vested or Earned During the Year

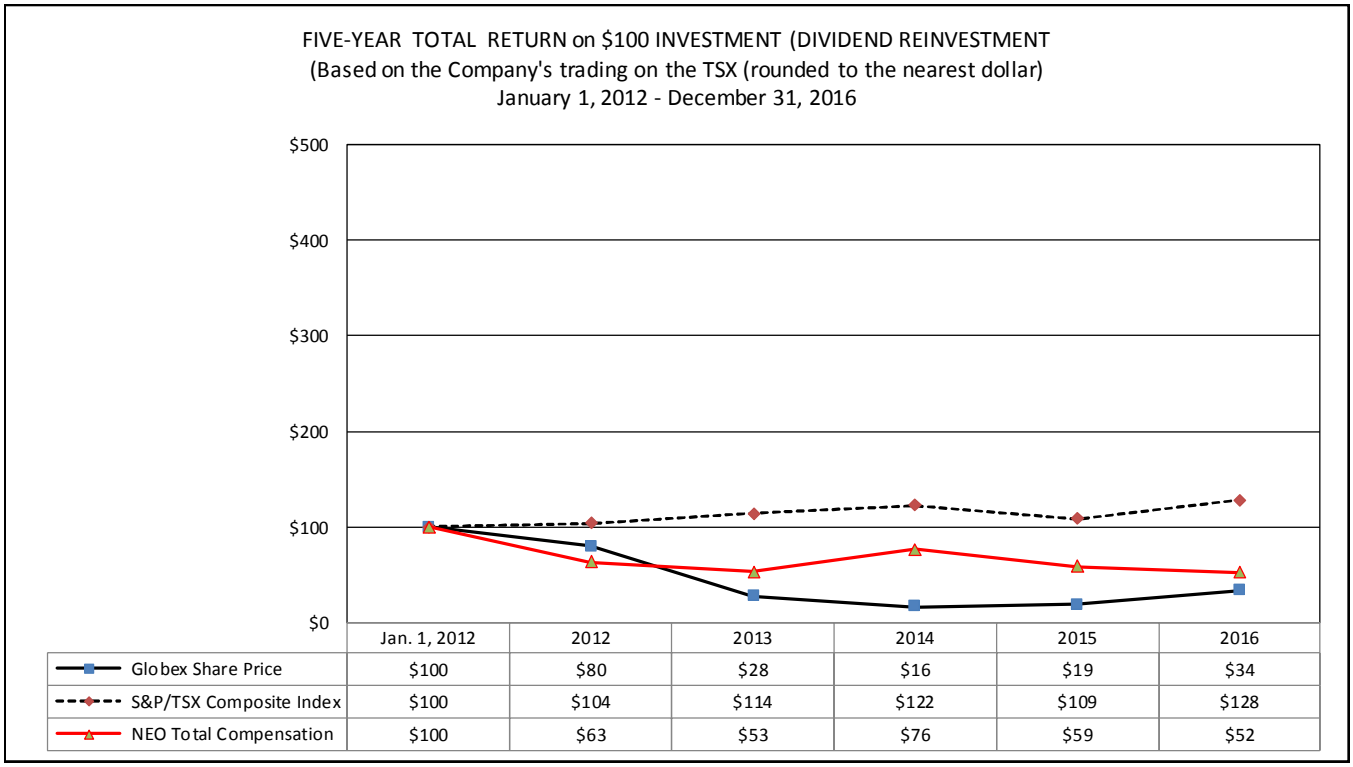
The following table sets out, for each director (other than the two directors who are NEOs), the value of option-based awards and share-based awards which vested during the year ended December 31, 2016 and the value of non-equity incentive plan compensation earned during the year ended December 31, 2016.

Name	Option-based awards - Value vested during the year ($)[1]	Share-based awards - Value vested during the year[2] ($)	Non-equity incentive plan compensation – Value earned during the year ($)
Ian Atkinson	—	—	—
Chris Bryan	—	—	—
Johannes H.C. van Hoof	—	—	—

(1) The aggregate dollar value that would have been realized if stock options had been exercised on the vesting date.
(2) The Corporation does not have a share-based compensation plan for its directors.

Performance Graph

The following graph compares the total return of a $100 investment in the common shares of the Corporation made on January 1, 2012 with the cumulative return of the S&P/TSX Composite Index and NEO Total Compensation (assuming 2012 opening $100) for the period from January 1, 2012 to December 31, 2016.



	Jan. 1, 2012	2012	2013	2014	2015	2016
Globex Share Price	$100	$80	$28	$16	$19	$34
S&P/TSX Composite Index	$100	$104	$114	$122	$109	$128
NEO Total Compensation	$100	$63	$53	$76	$59	$52

As an exploration property bank/project generator with a portfolio of approximately 145 properties, the Corporation generates cash from property sales and option payments as well as from gross metal royalty payments. Management continually focuses on maintaining adequate cash reserves needed for stability, future growth and development of the Corporation. The graph reflects the decline in the Corporation's share price from January 1, 2012, which has been impacted

by metal prices, the challenge in negotiating option arrangements with junior mining companies as they were virtually unable to raise financing until the latter half of 2016, as well as the volatility and the financial market risks that all junior exploration and development companies have faced during the last few years.

In 2012, the graph shows that there was a reduction in the NEOs' compensation as the prior year base included $243,288 representing the fair value of 160,400 stock options which vested immediately. In 2012, there were no options granted to NEOs. In addition, in 2012, there was a slight reduction in the NEOs' compensation as the Executive Vice-President's salary was reduced reflecting a reduced time commitment to the Corporation. In 2013, both the Executive Vice-President and the President and CEO reduced their salaries to preserve the Corporation's financial liquidity. These reductions have remained in effect throughout the period. In 2014, as a result of the addition of a Vice-President Operations to the senior management team as part of succession planning and the issuance of 1,497,500 stock options (2013 – no options issued) with a weighted average fair market value of $0.12 per share, there was an overall increase in the NEO compensation as reflected in the performance graph. In 2015, the NEO compensation as reflected in the performance graph shows a further decline from 2014 with the majority of the reduction relating to the issuance of 255,000 stock options issued to the President and CEO of the Corporation in 2015 with a weighted average fair market value of $0.13 per share as compared to 1,497,500 stock options issued to the NEOs as a group in 2014. In 2016, the total compensation for the NEOs shows a decline from 2015 as the Executive Vice-President took no cash compensation and the Vice-President, Operations resigned effective July 4, 2016. These were offset by the impact of 600,000 stock options which were awarded to the President and CEO on July 25, 2016 which vested immediately and had a fair value of $0.19 per granted option.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out certain details as at December 31, 2016, the end of the Corporation's last fiscal year, with respect to compensation plans pursuant to which equity securities of the Corporation are authorized for issuance.

Plan Category	Equity Compensation Plan	Number of shares to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of shares remaining available for future issuance under the Equity Compensation Plans (excluding securities reflected in column (a) (c)
Equity compensation plans previously approved by shareholders	Stock Option Plans[(1)]	3,242,500	$0.29	1,720,000
	RSU Plan	Nil	Nil	600,000

(1) Refers to the 1995 Plan, 2003 Plan and 2006 Plan.

Companies listed on the Toronto Stock Exchange (the "**TSX**") are required to disclose on an annual basis, in their information circulars or other annual disclosure documents distributed to all security holders, the terms of their security-based compensation arrangements and any amendments thereto adopted during the most recently-completed financial year. Under the TSX Company Manual, security-based compensation arrangements include, for example, stock option plans, stock purchase plans where the listed issuer provides financial assistance or where the listed issuer matches the whole or a portion of the securities being purchased, and any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the listed issuer. In general, arrangements or plans that do not involve the issuance from treasury or potential issuance from treasury of securities of the listed issuer are not security-based compensation arrangements for the purposes of the TSX Company Manual.

The Corporation currently has in place three stock option plans: the 1995 Plan, 2003 Plan and 2006 Plan, as well as the RSU Plan. The required disclosure regarding these plans is set out below under the headings "1995 Stock Option Plan", "2003 Stock Option Plan", "2006 Stock Option Plan" and "Restricted Share Unit Plan", respectively.

1995 STOCK OPTION PLAN

On March 27, 1995, the Board of Directors adopted the 1995 Plan. In April 2001, the Board of Directors amended the 1995 Plan so as to increase the number of common shares that could be issued thereunder from 648,000 to 2,148,000. On November 7, 2005, the Board of Directors adopted a resolution amending the 1995 Plan so as to remove the restriction prohibiting any one person from holding an aggregate number of options under all stock option plans of the Corporation that, if exercised, would exceed 5% of the aggregate number of issued and outstanding common shares of the Corporation. On March 22, 2007, the Board of Directors adopted a resolution amending the 1995 Plan to provide for: (a) a detailed amendment provision replacing the existing general amendment provision; (b) the possibility to extend options expiring during or within ten business days of the end of a blackout period imposed by the Corporation; and (c) other minor amendments of a housekeeping nature. The 1995 Plan and the amendments thereto were approved by the shareholders of the Corporation on May 12, 1995, June 8, 2001, May 5, 2006 and May 1, 2007, respectively.

Among the objectives of the 1995 Plan is to provide directors, officers and employees of, and service providers to, the Corporation with a proprietary interest through the granting of options to purchase common shares of the Corporation. The 1995 Plan is also intended to increase the interest in the Corporation's welfare of those directors, officers, employees and service providers who share primary responsibility for the management, growth and protection of the business of the Corporation, to furnish an incentive to such directors, officers, employees and service providers to continue their services for the Corporation and to provide a means through which the Corporation may attract able persons to enter its employment. Under the 1995 Plan, the Board of Directors may by resolution grant options to directors, officers and employees of, and service providers to, the Corporation, provided that the total number of common shares issued under the 1995 Plan does not exceed 2,148,000.

As at April 21, 2017, there are options outstanding in respect of 25,000 common shares under the 1995 Plan, representing approximately 0.05% of the Corporation's issued and outstanding common shares, and no options are available to be granted under the 1995 Plan.

Under the 1995 Plan: (a) the exercise price of an option is determined by the Board of Directors at the time it is granted, but cannot be lower than the closing sale price of the Corporation's common shares on the TSX on the business day immediately preceding the day on which the option is granted; (b) the maximum period during which an option may be exercised is ten years from the date on which it is granted; and (c) each option granted under the 1995 Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of the deceased optionee. There is no financial assistance available under the 1995 Plan to directors, officers, employees and service providers.

Under the 1995 Plan, upon an optionee's employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of death. Such option may be exercised for a period of 30 days after the date of death or prior to the expiration of the term of the option, whichever occurs earlier. Upon an optionee's employment, office or directorship or consulting services ending other than by reason of death or termination for cause, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of such termination. Such option may be exercised for a period of 30 days after such termination or prior to the expiration of the term of the option, whichever occurs earlier.

The 1995 Plan does not contain any rules or restrictions regarding the "vesting schedule" for options granted thereunder. As a result, the "vesting schedule" for options granted under the 1995 Plan is at the discretion of the Board of Directors at the time of the grant.

Notwithstanding anything contained to the contrary in the 1995 Plan or in any resolution of the Board of Directors in the implementation thereof: (a) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the common shares of the Corporation or any part thereof shall be made to all holders of common shares of the Corporation, the Corporation shall have the right, upon written notice thereof to each optionee holding options under the 1995 Plan, to permit the exercise of all such options within the 20-day period following the date of such notice and to determine that upon the expiration of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) shall terminate and cease to have further force or effect

whatsoever; (b) the Board of Directors may, by resolution, advance the date on which any option may be exercised in a manner to be set forth in such resolution and any such advancement shall not oblige the Board of Directors to advance the date on or by which any option may be exercised by any other optionee; and (c) the Board of Directors may, by resolution, but subject to applicable regulatory requirements decide that any of the provisions of the 1995 Plan concerning the termination of an option shall not apply for any reason acceptable to the Board of Directors.

There are no restrictions in the 1995 Plan regarding the maximum number of common shares that may be issued to insiders of the Corporation upon the exercise of options.

Subject to the exceptions set out below, the Board of Directors may amend, suspend or terminate the 1995 Plan, or any portion thereof, at any time, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental or regulatory body. Without limiting the generality of the foregoing, the Board of Directors may make the following types of amendments to the 1995 Plan without seeking shareholder approval:

(i) amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the 1995 Plan or to correct or supplement any provision of the 1995 Plan that is inconsistent with any other provision of the 1995 Plan;

(ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);

(iii) amendments necessary in order for options to qualify for favourable treatment under applicable taxation laws;

(iv) amendments respecting administration of the 1995 Plan;

(v) any amendment to the vesting provisions of the 1995 Plan or any option;

(vi) any amendment which reduces the exercise price or purchase price of an option held by an optionee who is not an insider of the Corporation;

(vii) any amendment to the early termination provisions of the 1995 Plan or any option, whether or not such option is held by an insider, provided such amendment does not entail an extension beyond the original expiry date;

(viii) any amendment to the termination provisions of the 1995 Plan or any option, other than an option held by an insider in the case of an amendment extending the term of an option, provided any such amendment does not entail an extension of the expiry date of such option beyond its original expiry date;

(ix) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of optionees of common shares under the 1995 Plan, and the subsequent amendment of any such provisions;

(x) the addition or modification of a cashless exercise feature, payable in cash or common shares;

(xi) amendments necessary to suspend or terminate the 1995 Plan; and

(xii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Shareholder approval will be required for the following types of amendments to the 1995 Plan:

(a) amendments to the number of common shares issuable under the 1995 Plan, including an increase to a maximum percentage or number of shares;

(b) amendments to the number of Shares issuable under the 1995 Plan, including an increase to a fixed maximum number of common shares or a change from a fixed maximum number of common shares to a fixed maximum percentage;

(c) any amendment to the 1995 Plan that increases the length of the blackout extension periods;

(d) any amendment which reduces the exercise price or purchase price of an option held by an insider of the Corporation;

(e) any amendment extending the term of an option held by an insider of the Corporation beyond its original expiry date except as otherwise permitted by the 1995 Plan; and

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

In the event of any conflict between paragraphs (i) to (xii) and paragraphs (a) to (f) above, the latter will prevail.

2003 STOCK OPTION PLAN

On January 13, 2003, the Board of Directors adopted the 2003 Plan. Among the objectives of the 2003 Plan is to provide directors, officers and employees of, and service providers to, the Corporation and its subsidiaries with a proprietary interest through the granting of options to purchase common shares of the Corporation. On November 7, 2005, the Board of Directors adopted a resolution amending the 2003 Plan so as to remove the restriction prohibiting any one person from holding an aggregate number of options under all stock option plans of the Corporation that, if exercised, would exceed 5% of the aggregate number of issued and outstanding common shares of the Corporation. On March 22, 2007, the Board of Directors adopted a resolution amending the 2003 Plan to provide for: (a) a detailed amendment provision replacing the existing general amendment provision; (b) the possibility to extend options expiring during or within ten business days of the end of a blackout period imposed by the Corporation; and (c) other minor amendments of a housekeeping nature. The 2003 Plan and the amendments thereto were approved by the shareholders of the Corporation on June 16, 2003, May 5, 2006 and May 1, 2007, respectively.

The 2003 Plan is also intended to increase the interest in the Corporation's welfare of those directors, officers, employees and service providers who share primary responsibility for the management, growth and protection of the business of the Corporation, to furnish an incentive to such directors, officers, employees and service providers to continue their services for the Corporation and to provide a means through which the Corporation may attract able persons to enter its employment. Under the 2003 Plan, the Board of Directors may by resolution grant options to directors, officers and employees of, and service providers to, the Corporation and its subsidiaries, provided that the total number of common shares issued under the 2003 Plan does not exceed 1,300,000.

There are no restrictions in the 2003 Plan regarding the maximum number of common shares that may be issued to insiders of the Corporation upon the exercise of options.

As at April 21, 2017, there were options outstanding in respect of 490,000 common shares under the 2003 Plan, representing approximately 1.00% of the Corporation's issued and outstanding common shares at such date, and 80,000 options are available to be granted under the 2003 Plan.

Under the 2003 Plan: (a) the exercise price of an option is determined by the Board of Directors at the time it is granted, but cannot be lower than the closing sale price of the Corporation's common shares on the TSX on the business day immediately preceding the day on which the option is granted; (b) the maximum period during which an option may be exercised is ten years from the date on which it is granted; (c) at the time of granting an option, the Board of Directors, at its discretion, may set a "vesting schedule", that is, one or more dates from which an option may be exercised in whole or in part; and (d) each option granted under the 2003 Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of the deceased optionee. There is no financial assistance available under the 2003 Plan to directors, officers, employees and service providers.

Under the 2003 Plan, upon an optionee's employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies or becomes permanently disabled, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of death or permanent disability. Such option may be exercised for a period of six months after the date of death or permanent disability, as the case may be, or prior to the expiration of the term of the option, whichever occurs earlier. Upon an optionee's employment, office or directorship or consulting services ending other than by reason of death, permanent disability or termination for cause, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of such

termination. Such option may be exercised for a period of 30 days after such termination or prior to the expiration of the term of the option, whichever occurs earlier.

Notwithstanding anything contained to the contrary in the 2003 Plan or in any resolution of the Board of Directors in the implementation thereof: (a) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the common shares of the Corporation or any part thereof shall be made to all holders of common shares of the Corporation, the Corporation shall have the right, upon written notice thereof to each optionee holding options under the 2003 Plan, to permit the exercise of all such options within the 20-day period following the date of such notice and to determine that upon the expiration of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) shall terminate and cease to have further force or effect whatsoever; (b) the Board of Directors may, by resolution, advance the date on which any option may be exercised in a manner to be set forth in such resolution and any such advancement shall not oblige the Board of Directors to advance the date on or by which any option may be exercised by any other optionee; and (c) the Board of Directors may, by resolution, but subject to applicable regulatory requirements, including, without limitation, those of the TSX, decide that any of the provisions of the 2003 Plan concerning the termination of an option shall not apply for any reason acceptable to the Board of Directors.

Subject to the exceptions set out below, the Board of Directors may amend, suspend or terminate the 2003 Plan, or any portion thereof, at any time, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental or regulatory body. Without limiting the generality of the foregoing, the Board of Directors may make the following types of amendments to the 2003 Plan without seeking shareholder approval:

(i) amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the 2003 Plan or to correct or supplement any provision of the 2003 Plan that is inconsistent with any other provision of the 2003 Plan;

(ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);

(iii) amendments necessary in order for options to qualify for favourable treatment under applicable taxation laws;

(iv) amendments respecting administration of the 2003 Plan;

(v) any amendment to the vesting provisions of the 2003 Plan or any option;

(vi) any amendment which reduces the exercise price or purchase price of an option held by an optionee who is not an insider of the Corporation;

(vii) any amendment to the early termination provisions of the 2003 Plan or any option, whether or not such option is held by an insider, provided such amendment does not entail an extension beyond the original expiry date;

(viii) any amendment to the termination provisions of the 2003 Plan or any option, other than an option held by an insider in the case of an amendment extending the term of an option, provided any such amendment does not entail an extension of the expiry date of such option beyond its original expiry date;

(ix) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of eligible participants of common shares under the 2003 Plan, and the subsequent amendment of any such provisions;

(x) the addition or modification of a cashless exercise feature, payable in cash or common shares;

(xi) amendments necessary to suspend or terminate the 2003 Plan; and

(xii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Shareholder approval will be required for the following types of amendments to the 2003 Plan:

(a) amendments to the number of common shares issuable under the 2003 Plan, including an increase to a maximum percentage or number of shares;

(b) amendments to the number of Shares issuable under the 2003 Plan, including an increase to a fixed maximum number of common shares or a change from a fixed maximum number of common shares to a fixed maximum percentage;

(c) any amendment to the 2003 Plan that increases the length of the blackout extension periods;

(d) any amendment which reduces the exercise price or purchase price of an option held by an insider of the Corporation;

(e) any amendment extending the term of an option held by an insider of the Corporation beyond its original expiry date except as otherwise permitted by the 2003 Plan; and

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

In the event of any conflict between paragraphs (i) to (xii) and paragraphs (a) to (f) above, the latter will prevail.

2006 STOCK OPTION PLAN

On March 1, 2006, the Board of Directors adopted the 2006 Plan. Among the objectives of the 2006 Plan is to provide directors, officers and employees of, and service providers to, the Corporation and its subsidiaries with a proprietary interest through the granting of options to purchase common shares of the Corporation. The 2006 Plan is also intended to increase the interest in the Corporation's welfare of those directors, officers, employees and service providers who share primary responsibility for the management, growth and protection of the business of the Corporation, to furnish an incentive to such directors, officers, employees and service providers to continue their services for the Corporation and to provide a means through which the Corporation may attract able persons to enter its employment. Under the 2006 Plan, the Board of Directors may by resolution grant options to directors, officers and employees of, and service providers to, the Corporation and its subsidiaries, provided that the total number of common shares issued under the 2006 Plan does not exceed 2,500,000. The total number of common shares which may be issued under the 2006 Plan represents approximately 5.58% of the Corporation's currently issued and outstanding common shares. On March 22, 2007, the Board of Directors adopted a resolution amending the 2006 Plan to provide for: (a) a detailed amendment provision replacing the existing general amendment provision; (b) the possibility to extend options expiring during or within ten business days of the end of a blackout period imposed by the Corporation; and (c) other minor amendments of a housekeeping nature. In April 2012, the Board of Directors further amended the 2006 Plan so as to increase the number of shares that can be issued thereunder from 1,500,000 to 2,500,000. On April 22, 2016, the Board of Directors adopted another amendment to the 2006 Plan so as to increase the number of shares which are available for issuance under the 2006 Plan by an additional 2,000,000 shares, thereby bringing the maximum number of common shares available for issuance from treasury under the 2006 Plan to 4,500,000, representing 10.04% of the currently outstanding common shares of the Corporation.

The 2006 Plan and the amendment thereto made in 2007 were approved by the shareholders of the Corporation on May 5, 2006 and May 1, 2007, respectively. The 2012 amendment to the 2006 Plan was approved by shareholders on June 1, 2012. The 2016 amendment to the 2006 Plan was approved by shareholders on May 31, 2016 and by the TSX on June 20, 2016.

Under the 2006 Plan: (a) the exercise price of an option is determined by the Board of Directors at the time it is granted, but cannot be lower than the closing sale price of the Corporation's common shares on the TSX on the business day immediately preceding the day on which the option is granted; (b) the maximum period during which an option may be exercised is ten years from the date on which it is granted, however, if an option is to expire during a period when the optionee is prohibited by the Corporation from trading in the Corporation's shares pursuant to its policies (a "**Blackout Period**"), or within ten business days of expiry of such Blackout Period, the term of such option shall automatically be extended for a period of ten business days immediately following the end of the Blackout Period ("**Blackout Extension Period**"); (c) at the time of granting an option, the Board of Directors, at its discretion, may set a "vesting schedule", that is, one or more dates from which an option may be exercised in whole or in part; and (d) each

option granted under the 2006 Plan is personal to the optionee and is not assignable or transferable except by will or by the laws of succession of the place of domicile of the deceased optionee. There is no financial assistance available under the 2006 Plan to directors, officers, employees and service providers.

There are no restrictions in the 2006 Plan regarding: (a) the maximum number of common shares that may be issued to insiders of the Corporation upon the exercise of options; or (b) the maximum number of common shares that any one person or Corporation is entitled to receive upon the exercise of options.

As of April 21, 2017, there were options outstanding in respect of 2,612,500 common shares under the 2006 Plan, representing approximately 5.33% of the Corporation's issued and outstanding common shares at such date, and no options may be granted in respect of an additional common shares. Since the inception of the 2006 Plan, 242,500 options have been exercised.

Under the 2006 Plan, upon an optionee's employment with the Corporation being terminated for cause, any option not exercised terminates immediately. If an optionee dies or becomes permanently disabled, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of death or permanent disability. Such option may be exercised for a period of six months after the date of death or permanent disability, as the case may be, or prior to the expiration of the term of the option, whichever occurs earlier. Upon an optionee's employment, office or directorship or consulting services ending other than by reason of death, permanent disability or termination for cause, any option may be exercised for that number of common shares which the optionee was entitled to acquire at the time of such termination. Such option may be exercised for a period of 30 days after such termination or prior to the expiration of the term of the option, whichever occurs earlier.

Notwithstanding anything to the contrary contained in the 2006 Plan or in any resolution of the Board of Directors in the implementation thereof: (a) in the event the Corporation proposes to amalgamate, merge or consolidate with or into any other company (other than with a wholly-owned subsidiary of the Corporation) or to liquidate, dissolve or wind-up, or in the event an offer to purchase the common shares of the Corporation or any part thereof shall be made to all holders of common shares of the Corporation, the Corporation shall have the right, upon written notice thereof to each optionee holding options under the 2006 Plan, to permit the exercise of all such options within the 20-day period following the date of such notice and to determine that upon the expiration of such 20-day period, all rights of optionees to such options or to exercise same (to the extent not theretofore exercised) shall terminate and cease to have further force or effect whatsoever; (b) the Board of Directors may, by resolution, advance the date on which any option may be exercised in a manner to be set forth in such resolution and any such advancement shall not oblige the Board of Directors to advance the date on or by which any option may be exercised by any other optionee; and (c) the Board of Directors may, by resolution, but subject to applicable regulatory requirements, including, without limitation, those of the TSX, decide that any of the provisions of the 2006 Plan concerning the termination of an option shall not apply for any reason acceptable to the Board of Directors.

Subject to the exceptions set out below, the Board of Directors may amend, suspend or terminate the 2006 Plan, or any portion thereof, at any time, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental or regulatory body. Without limiting the generality of the foregoing, the Board of Directors may make the following types of amendments to the 2006 Plan without seeking shareholder approval:

(i) amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the 2006 Plan or to correct or supplement any provision of the 2006 Plan that is inconsistent with any other provision of the 2006 Plan;

(ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);

(iii) amendments necessary in order for options to qualify for favourable treatment under applicable taxation laws;

(iv) amendments respecting administration of the 2006 Plan;

(v) any amendment to the vesting provisions of the 2006 Plan or any option;

(vi) any amendment which reduces the exercise price or purchase price of an option held by an optionee who is not an insider of the Corporation;

(vii) any amendment to the early termination provisions of the 2006 Plan or any option, whether or not such option is held by an insider, provided such amendment does not entail an extension beyond the original expiry date;

(viii) any amendment to the termination provisions of the 2006 Plan or any option, other than an option held by an insider in the case of an amendment extending the term of an option, provided any such amendment does not entail an extension of the expiry date of such option beyond its original expiry date;

(ix) the addition of any form of financial assistance by the Corporation for the acquisition by all or certain categories of eligible participants of common shares under the 2006 Plan, and the subsequent amendment of any such provisions;

(x) the addition or modification of a cashless exercise feature, payable in cash or common shares;

(xi) amendments necessary to suspend or terminate the 2006 Plan; and

(xii) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Shareholder approval will be required for the following types of amendments to the 2006 Plan:

(a) amendments to the number of common shares issuable under the 2006 Plan, including an increase to a maximum percentage or number of shares;

(b) amendments to the number of Shares issuable under the 2006 Plan, including an increase to a fixed maximum number of common shares or a change from a fixed maximum number of common shares to a fixed maximum percentage;

(c) any amendment to the 2006 Plan that increases the length of the Blackout Extension Periods;

(d) any amendment which reduces the exercise price or purchase price of an option held by an insider of the Corporation;

(e) any amendment extending the term of an option held by an insider of the Corporation beyond its original expiry date except as otherwise permitted by the 2006 Plan; and

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

In the event of any conflict between paragraphs (i) to (xii) and paragraphs (a) to (f) above, the latter will prevail.

RESTRICTED SHARE UNIT PLAN

On April 11, 2012, the Board of Directors adopted the RSU Plan for the Corporation's executives and key employees. The RSU Plan was approved by shareholders on June 1, 2012.

The RSU Plan is designed to attract and retain qualified individuals to serve as executives and key employees of the Corporation and to promote the alignment of interests of such executives and key employees, on the one hand, and the shareholders of the Corporation, on the other hand. The RSU Plan represents a portion of the Corporation's overall compensation philosophy and strategy as further described under the heading "Executive Compensation Philosophy and Objectives" above. The RSU Plan enables the Corporation to provide additional meaningful incentives to executives and key employees without necessarily calling upon the cash resources on the Corporation.

RSUs are units that rise and fall in value based on the value of the Corporation's common shares. Unlike options, RSUs do not require the payment of any monetary consideration to the Corporation. Instead, each RSU represents a right to receive one common share following the attainment of vesting criteria as determined at the time of the award. Options, on the other hand, are rights to acquire the Corporation's common shares upon payment of monetary consideration (i.e. the exercise price), subject also to vesting criteria determined at the time of the grant.

Under the RSU Plan, the Board of Directors may, in its sole discretion, upon the recommendation of the Compensation Committee after consultation with the CEO of the Corporation, grant RSUs to executives and key employees of the Corporation (each, an "**RSU Participant**") from time-to-time in lieu of a cash bonus or other similar arrangement. The RSUs will be credited to an account maintained for the RSU Participant by the Corporation.

At the end of the second fiscal year of the Corporation following the fiscal year during which an RSU Participant provided services to the Corporation in respect of which RSUs were granted to the RSU Participant (a "**Performance Cycle**"), provided that a termination of employment of such RSU Participant has not occurred prior to the Settlement Date (as defined below), other than by reason of death or long-term disability, as defined in the RSU Plan, an RSU Participant will receive either:

(a) a number of common shares, to be issued from the Corporation's treasury, equal to the number of RSUs granted to the RSU Participant which have vested at the end of such Performance Cycle; or

(b) a lump-sum cash amount equal to the number of such vested RSUs multiplied by the fair market value of the common shares of the Corporation on the Settlement Date. The fair market value of the common shares will be equal to their average closing price during the last ten days on which the shares traded on the TSX preceding such Settlement Date.

Under the RSU Plan, "**Settlement Date**" means the date on which the Board of Directors of the Corporation approves the audited annual financial statements of the Corporation for the fiscal year coinciding with the end of the applicable Performance Cycle.

The mode of payment will be determined by the Board of Directors in its sole discretion. All payments will be made net of applicable withholdings. A maximum of 600,000 common shares may be issued from treasury under the RSU Plan, representing 1.34% of the issued and outstanding common shares of the Corporation as at April 22, 2016. The Corporation expects that the RSU Plan will be in effect for a number of years and that the maximum of 600,000 shares issuable from treasury will be sufficient for that purpose.

At the time of granting RSUs, the Board of Directors may, in its sole discretion, upon the recommendation of the Compensation Committee after consultation with the CEO of the Corporation, establish vesting conditions in respect of any RSUs, which vesting conditions may be based on corporate, financial and/or business objectives of the Corporation.

In the event of the termination of employment of an RSU Participant prior to the end of a Performance Cycle, other than by reason of death or long-term disability, as defined in the RSU Plan, all RSUs held by such RSU Participant, whether vested or not, will lapse and be cancelled, unless otherwise determined by the Board of Directors in its sole discretion. Any such cancellation will be as of the date on which: (i) in the event of termination of employment at the initiative of the Corporation, the RSU Participant is advised of the termination by the Corporation, or (ii) in the event of termination of employment at the initiative of the RSU Participant (that is, voluntary departure from the Corporation), the Corporation is advised of the termination by the RSU Participant, in both cases without taking into account any applicable notice period or severance payments made in lieu of such notice.

In the event of an RSU Participant's death or long-term disability, as defined in the RSU Plan, prior to the end of a Performance Cycle, there will immediately vest, provided that all applicable vesting conditions have been met at such time, a number of RSUs equal to: (i) the number of RSUs granted to the RSU Participant in respect of the applicable Performance Cycle multiplied by (ii) the fraction arrived at by dividing the number of months elapsed in the Performance Cycle at the time of death or long-term disability, as the case may be, by 36. In such event, the balance of unvested RSUs will automatically lapse and be cancelled, unless the Board of Directors in its sole discretion determines that such balance of unvested RSUs may vest at the end of the applicable Performance Cycle.

In the event that the Corporation makes a public announcement that it has entered into an agreement to sell all or substantially all of its shares to a third party, by whatever means (a "**Fundamental Transaction**"), the Corporation will not grant any additional RSUs thereafter. In such event, all outstanding unvested RSUs will continue to vest until the completion, if any, of the Fundamental Transaction, at which time all such outstanding unvested RSUs will vest, whether or not the vesting conditions (if any) have been met at the date of completion of the Fundamental Transaction. In the event of a Fundamental Transaction, the settlement date will be the date of completion of the Fundamental Transaction and the

Corporation will pay to an RSU Participant on such date, provided that termination of employment, other than by reason of death or long-term disability, as defined in the RSU Plan, of such RSU Participant has not occurred prior to the settlement date, for all RSUs held by such RSU Participant which have vested at the date of completion of the Fundamental Transaction, a lump-sum cash amount equal to the number of such vested RSUs multiplied by the fair market value of the common shares of the Corporation on the settlement date, defined as the average closing price of the shares during the last ten days on which the shares traded on the TSX preceding such settlement date. Any such payment will be made net of any applicable withholdings. Notwithstanding the foregoing, the Board of Directors may, in its sole discretion, deem the fair market value of the common shares of the Corporation to be the total consideration per share received by the shareholders of the Corporation pursuant to the Fundamental Transaction. The Board of Directors may also, in its sole discretion, determine that any given transaction involving the Corporation, its shares or assets constitutes a Fundamental Transaction.

RSUs may not be assigned or transferred, other than by will or the laws of succession. Nothing in the RSU Plan gives any RSU Participant a right to be retained as an employee of the Corporation.

The RSU Plan contains restrictions on the number of common shares which may be issued thereunder to the Corporation's "insiders", defined to have the same meaning as "reporting insiders" as defined in National Instrument 55-104 *Insider Reporting Requirements and Exemptions* ("**Insiders**"). Under the RSU Plan, no RSU may be granted to any RSU Participant unless the aggregate number of common shares of the Corporation: (a) issued to Insiders within any one-year period; and (b) issuable to Insiders at any time, under the RSU Plan, or when combined with all of the Corporation's other security-based compensation arrangements (such as the Corporation's stock option plans), does not exceed 10% of the total number of issued and outstanding common shares of the Corporation, respectively.

Subject to the exceptions set out in paragraphs (a) to (c) below, the Board of Directors may amend, suspend or terminate the RSU Plan, or any portion thereof, at any time, and may do so without shareholder approval, subject to those provisions of applicable law, if any, that require the approval of shareholders or any governmental or regulatory body. Without limiting the generality of the foregoing, the Board of Directors may make the following types of amendments to the RSU Plan without seeking shareholder approval:

(i) amendments of a "housekeeping" or ministerial nature including, without limiting the generality of the foregoing, any amendment for the purpose of curing any ambiguity, error or omission in the RSU Plan or to correct or supplement any provision of the RSU Plan that is inconsistent with any other provision of the RSU Plan;

(ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the TSX);

(iii) amendments necessary in order for RSUs to qualify for favourable treatment under applicable taxation laws;

(iv) amendments respecting administration of the RSU Plan;

(v) any amendment to the vesting provisions of the RSU Plan or any RSU;

(vi) amendments to the definitions of certain terms in the RSU Plan;

(vii) amendments to the settlement provisions of the RSU Plan or relating to any RSU, whether or not such RSU is held by an Insider;

(viii) amendments necessary to suspend or terminate the RSU Plan; and

(ix) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Shareholder approval will be required for the following types of amendments to the RSU Plan:

(a) amendments to the number of common shares issuable under the RSU Plan, including an increase to a maximum percentage or number of shares;

(b) any amendment which increases the number of RSUs that may be issued, or the number of common shares that may be issued or paid upon settlement of RSUs, to an RSU Participant who is an Insider; and

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

In the event of any conflict between paragraphs (i) to (ix) and paragraphs (a) to (c) above, the latter will prevail.

As at the date hereof, there are no RSUs outstanding and since the inception of the RSU Plan, no RSUs have been granted under the RSU Plan.

INFORMATION ON THE AUDIT COMMITTEE

The Audit Committee of the Board of Directors is comprised of Ian Atkinson (chairman), Chris Bryan and Johannes H.C. van Hoof, each of whom is an "independent" director within the meaning of National Instrument 52-110 *Audit Committees*. Reference is made to the section entitled "Audit Committee" of the Corporation's Annual Information Form for the fiscal year ended December 31, 2016 for required disclosure regarding the Audit Committee. The Annual Information Form is available under the Corporation's profile on SEDAR at www.sedar.com and can be obtained by contacting the Secretary of the Corporation at 86 - 14th Street, Rouyn-Noranda, Québec J9X 2J1, telephone 819-797-5242.

APPOINTMENT OF AUDITORS

Except where authorization to vote with respect to the appointment of auditors is withheld, the persons named in the accompanying form of proxy intend to vote in favour of the appointment of Deloitte LLP, Chartered Professional Accountants, as the auditors of the Corporation until the next annual meeting of shareholders, at such remuneration as may be determined by the Board of Directors. Deloitte LLP, Chartered Professional Accountants, have served as the auditors of the Corporation since December 2007.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

As at April 21, 2017, none of the directors, executive officers, employees or former directors, executive officers or employees of the Corporation was indebted to the Corporation or a subsidiary of the Corporation in connection with a purchase of securities or for any other matter.

No person who is, or who was at any time during the fiscal year ended December 31, 2016, a director, executive officer or senior officer of the Corporation or a subsidiary thereof, and no person who is a nominee for election as a director of the Corporation, and no associate of such persons, is, or was at any time since the beginning of the fiscal year ended December 31, 2016, indebted to the Corporation or a subsidiary of the Corporation, nor has any such person been indebted at any time since the beginning of the fiscal year ended December 31, 2016 to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or a subsidiary of the Corporation.

RATIFICATION AND APPROVAL OF AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN

The Shareholder Rights Plan of the Corporation was adopted by the Board of Directors of the Corporation on May 5, 2014, confirmed by shareholders at an annual and special meeting held on June 12, 2014, and is scheduled to expire at the Meeting. On April 19, 2017, the Board of Directors of the Corporation adopted, subject to regulatory approval, amendments to the Shareholder Rights Plan and, as of that same date, the Corporation and Computershare entered into an Amended and Restated Shareholder Rights Plan Agreement (the "**Amended Rights Plan**"). Under the policies of the TSX, in order for the Amended Rights Plan to continue in effect after the Meeting, the resolution in the form annexed as Schedule B to this Circular (the "**Shareholder Rights Plan Resolution**") must be adopted by a majority of the votes cast by shareholders, either present in person or represented by proxy at the Meeting. If the Shareholder Rights Plan Resolution is not passed, the Amended Rights Plan will terminate on May 31, 2017. If the Shareholder Rights Plan Resolution is passed, the Amended Rights Plan will require reconfirmation by the Corporation's shareholders at the annual meeting of shareholders to be held in 2020.

Amendments

On February 25, 2016, the Canadian Securities Administrators (the "**CSA**") announced amendments to National Instrument 62-104 *Take-Over Bids and Issuer Bids* ("**NI 62-104**"). The amendments, which entered into effect on May 9, 2016, extended from 35 days to 105 days the minimum period during which a take-over bid must remain open for deposits of securities thereunder, with the ability of the target issuer to voluntarily reduce the period to not less than 35 days. Additionally, the minimum period may be reduced due to the existence of certain competing take-over bids or alternative change-in-control transactions. The CSA amendments also impose on bids a minimum tender requirement of 50% of the outstanding securities of the class that are subject to the bid as well as a ten-day extension requirement following the satisfaction of the minimum tender requirement. As the Shareholder Rights Plan already provided for these latter conditions, the only substantive amendment to the Shareholder Rights Plan made by the Board of Directors was to extend the period of time a Permitted Bid must remain open, to reflect the changes to the take-over bid regime made by the CSA. To ensure the Permitted Bid definition in the Amended Rights Plan is aligned with the minimum period during which a take-over bid must remain open under applicable Canadian securities laws, the amendments to the Shareholder Rights Plan include:

- amending the definition of Permitted Bid and Competing Permitted Bid by changing, among other things, the reference to "60 days" therein to "105 days"; and

- certain additional non-substantive, technical and administrative amendments, including aligning the definition of a Competing Permitted Bid with the minimum number of days as required under Canadian securities laws and providing an exception for certain Exempt Acquisitions.

In addition, the governing law of the Shareholder Rights Plan was changed from that of Québec to that of Ontario.

The following is a summary of the features of the Amended Rights Plan. The summary is qualified in its entirety by the full text of the Amended Rights Plan, a copy of which is available under the Corporation's profile on SEDAR at www.sedar.com and which can be obtained by contacting the Secretary of the Corporation at 86-14th Street, Rouyn-Noranda, Québec J9X 2J1, or by telephone at (819) 797-5242. All capitalized terms used in this summary without definition have the meanings attributed to them in the Amended Rights Plan unless otherwise indicated.

Purpose of the Amended Rights Plan

The Amended Right Plan was adopted to: (i) provide shareholders and the Board of Directors with adequate time to consider and evaluate any take-over bid made for the outstanding shares of the Corporation; (ii) provide the Board of Directors with adequate time to identify, develop and negotiate value-enhancing alternatives to any such take-over bid; (iii) encourage the fair treatment of shareholders in connection with any take-over bid made for the outstanding shares of the Corporation; and (iv) generally prevent any person from acquiring beneficial ownership of or the right to vote more than 20% of the outstanding Common Shares of the Corporation (or where such person already owns more than 20% of the shares, from acquiring ownership of or the right to vote any additional shares) while this process is ongoing or entering into arrangements or relationships that have a similar effect.

The Amended Rights Plan is designed to prevent the use of coercive and/or abusive take-over techniques and to encourage any potential acquirer to negotiate directly with the Board of Directors for the benefit of all of the Corporation's shareholders. In addition, the Amended Rights Plan is intended to provide increased assurance that a potential acquirer would pay an appropriate control premium in connection with any acquisition of the Corporation.

The Amended Rights Plan will provide the Board of Directors with time to review any unsolicited take-over bid that may be made and to take action, if appropriate, to enhance shareholder value. The Amended Rights Plan attempts to protect the Corporation's shareholders by requiring that all potential bidders comply with the conditions specified in the Permitted Bid provisions, failing which such bidders are subject to the dilutive features of the Amended Rights Plan. By creating the potential for substantial dilution of a bidder's position, the Amended Rights Plan encourages an offeror to proceed by way of a Permitted Bid or to approach the Board of Directors with a view to negotiation.

Issuance of Rights

In order to implement the Amended Rights Plan, the Board of Directors authorized the issue on April 19, 2017 of one Right in respect of each Common Share outstanding at the close of business on April 19, 2017, the date of implementation of the Amended Rights Plan. The Board of Directors also authorized the issuance of one Right for each Common Share issued after such date and prior to the earlier of the Separation Time and the Expiration Time. If the Amended Rights Plan is approved by shareholders at the Meeting, the Corporation will continue to issue one Right for each Common Share subsequently issued. Each Right entitles the registered holder thereof to purchase from the Corporation that number of Common Shares of the Corporation having an aggregate Market Price on the date of the occurrence of such Flip-in Event equal to twice the Exercise Price for an amount of $100 (the "**Exercise Price**"), subject to adjustment and certain anti-dilution provisions. The Rights are not exercisable until the Separation Time. If a Flip-in Event occurs, each Right will entitle the registered holder thereof to receive, upon payment of the Exercise Price, Common Shares having an aggregate market price on the date of occurrence of such Flip-in Event equal to twice the Exercise Price.

The Corporation is not required to issue or deliver Rights, or securities upon the exercise of Rights, outside Canada or the United States where such issuance or delivery would be unlawful without registration of the relevant Persons or securities. If the Amended Rights Plan would require compliance with securities laws or comparable legislation of a jurisdiction outside Canada or the United States, the Board of Directors may establish procedures for the issuance to a Canadian resident fiduciary of such securities, to hold such Rights or other securities in trust for the Persons beneficially entitled to them, to sell such securities, and to remit the proceeds to such Persons.

Trading and Exercise of Rights

Until the Separation Time (or the earlier termination or expiration of the Rights), (i) the Rights will not be exercisable and no Right may be exercised, and (ii) for administrative purposes each Right will be evidenced by the certificates for the associated Common Shares registered in the names of the holders thereof (which certificates shall also be deemed to be Rights Certificates) and will be transferable only together with, and will be transferred by a transfer of, such associated Common Shares. From and after the Separation Time and prior to the Expiration Time, the Rights will be exercisable and separate certificates evidencing the Rights ("**Rights Certificates**") will be mailed to holders of record of Common Shares (other than an Acquiring Person) as of the Separation Time. Rights Certificates will also be issued in respect of Common Shares issued prior to the Expiration Time, to each holder (other than an Acquiring Person) converting, after the Separation Time, securities ("**Convertible Securities**") convertible into or exchangeable for Common Shares. The Rights will trade separately from the Common Shares after the Separation Time.

Separation Time

The Separation Time is the close of business on the tenth Trading Day after the earlier of (i) the Stock Acquisition Date, which is generally the first date of public announcement of facts indicating that a Person has become an Acquiring Person; (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any subsidiary of the Corporation) to commence a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid, as such terms are defined in the Rights Plan), and (iii) the date on which a Permitted Bid or Competing Permitted Bid ceases to be such. In each case, the Separation Time can be such later date as may from time to time be determined by the Board of Directors. If a Take-over Bid expires, is cancelled, terminated or otherwise withdrawn prior to the Separation Time, it shall be deemed never to have been made.

Acquiring Person

In general, an Acquiring Person is a Person who is or becomes the Beneficial Owner of 20% or more of the outstanding Common Shares. Excluded from the definition of Acquiring Person are the Corporation and its Subsidiaries, and any Person who becomes the Beneficial Owner of 20% or more of the outstanding Common Shares as a result of one or more or any combination of a Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition, or Convertible Security Acquisition. The definitions of Corporate Acquisition, Permitted Bid Acquisition, Corporate Distribution, Exempt Acquisition and Convertible Security Acquisition are set out in the Amended Rights Plan. However, in general:

(a) a Corporate Acquisition means an acquisition by the Corporation or a Subsidiary of the Corporation or the redemption by the Corporation, or the cancellation by the Corporation as a result of any exercise of any conversion or exchange rights, of Common Shares which by reducing the number of Common Shares outstanding increases the proportionate number of Common Shares Beneficially Owned by any person;

(b) a Permitted Bid Acquisition means an acquisition of Common Shares made pursuant to a Permitted Bid or a Competing Bid;

(c) a Corporate Distribution means an acquisition as a result of:

(i) a stock dividend or a stock split or other event pursuant to which a person receives or acquires Common Shares of a given type or class on the same pro-rata basis as all other holders of Common Shares of the same type or class; or

(ii) any other event pursuant to which all holders of Common Shares are entitled to receive Common Shares or convertible securities on a pro-rata basis, including pursuant to the receipt or exercise of rights issued by the Corporation and distributed to all the holders of a class of shares to subscribe for or purchase any type or class of shares or convertible securities of the Corporation;

(d) an Exempt Acquisition means an acquisition of Common Shares and/or Convertible Securities:

(i) in respect of which the Board of Directors has waived the application of the Amended Rights Plan;

(ii) which was made pursuant to a Dividend Reinvestment Plan, pursuant to a distribution to the public by the Corporation of Common Shares or Convertible Securities made pursuant to a prospectus or pursuant to the receipt or exercise of rights issued by the Corporation and distributed to all holders of Common Shares to subscribe for or purchase any type or class of shares or Convertible Securities (and provided such rights are acquired directly from the Corporation and not from any person), provided that the person in question does not thereby acquire a greater class percentage of shares, or Convertible Securities representing the right to acquire shares of such class, than the percentage of shares of the class Beneficially Owned immediately prior to such acquisition;

(iii) pursuant to an issuance and sale by the Corporation of Common Shares or Convertible Securities by way of a private placement by the Corporation, provided that (x) all necessary stock exchange approvals for such private placement have been obtained and such private placement complies with the terms and conditions of such approvals, and (y) the purchaser does not become the Beneficial Owner of more than 25% of the Common Shares outstanding immediately prior to the private placement (and in making this determination, the securities to be issued to such purchaser on the private placement shall be deemed to be held by such purchaser but shall not be included in the aggregate number of outstanding Common Shares immediately prior to the private placement); or

(iv) pursuant to the exercise of any rights attached to Convertible Securities acquired pursuant to clauses (b) and (c) above; and

(e) a Convertible Security Acquisition means the acquisition of Common Shares upon the exercise of Convertible Securities received by a Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or a Corporate Distribution.

Also excluded from the definition of Acquiring Person are underwriters or members of a banking or selling group that become the Beneficial Owner of the Prescribed Percentage in connection with a distribution of securities (including, for greater certainty, by way of a private placement of such securities) to the public.

Beneficial Ownership

General

In general, a Person is deemed to Beneficially Own Common Shares actually held by others in circumstances where those holdings are or should be grouped together for purposes of the Amended Rights Plan. Included are holdings by the Person's Affiliates (generally, a Person that controls, is controlled by, or under common control with another Person) and Associates (generally, relatives sharing the same residence). Also included are securities which the Person or any of the Person's Affiliates or Associates has the right to acquire within 60 days, other than (i) customary agreements with and between underwriters and banking group or selling group members with respect to a distribution to the public or pursuant to a private placement of securities; or (ii) pursuant to a pledge of securities in the ordinary course of business.

A Person is also deemed to Beneficially Own any securities that are Beneficially Owned by any other Person with which the Person is acting jointly or in concert (a "**Joint Actor**"). A Person is a Joint Actor with any Person who is a party to an agreement, arrangement or understanding with the first Person or an Associate or Affiliate thereof to acquire or offer to acquire Common Shares.

Institutional Shareholder Exemptions from Beneficial Ownership

The definition of Beneficial Ownership contains several exclusions whereby a Person is not considered to Beneficially Own a security. There are exemptions from the deemed Beneficial Ownership provisions for institutional shareholders acting in the ordinary course of business. These exemptions apply if (i) the ordinary business of such Person (the "**Fund Manager**") includes the management of investment funds for others (which others may include or be limited to one or more employee benefit plans or pension plans) and/or includes the acquisition or holding of securities for a non-discretionary account of a Client (as defined below) by a dealer or broker registered under applicable securities laws to the extent required, and such security is held by the Fund Manager in the ordinary course of such business in the performance of such Fund Manager's duties for the account of any other Person (a "**Client**"), (ii) such Person (the "**Trust Company**") is licensed to carry on the business of a trust company under applicable law and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons or in relation to other accounts and holds such security in the ordinary course of such duties for the estate of any such deceased or incompetent Person (each an "**Estate Account**") or for such other accounts (each an "**Other Account**"), (iii) such Person (the "**Statutory Body**") is an independent Person established by statute for purposes that include, and the ordinary business or activity of such Person includes, the management of investment funds for employee benefit plans, pension plans, insurance plans of various public bodies and the Statutory Body holds such security for the purposes of its activities as such, (iv) the ordinary business of such Person includes acting as an agent of the Crown in the management of public assets (the "**Crown Agent**"), or (v) such Person is the administrator or the trustee of one or more pension funds or plans (each a "**Pension Fund**") registered under the laws of Canada or any province thereof or the United States or any state thereof (the "**Independent Person**"), or is a Pension Fund and holds such securities for the purposes of its activities as an Independent Person or as a Pension Fund, and provided that such Person does not hold more than the Prescribed Percentage of the outstanding Common Shares; provided, however, that in any of the foregoing cases no one of the Fund Manager, Trust Company, Statutory Body, Crown Agent, Independent Person or Pension Fund makes or announces a current intention to make a Take-over Bid in respect of securities of the Corporation alone or by acting jointly or in concert with any other Person (other than pursuant to a distribution by the Corporation or by means of ordinary market transactions including prearranged trades entered into in the ordinary course of business of such Person executed through the facilities of a stock exchange or organized over-the-counter market).

A Person will not be deemed the Beneficial Owner, or to have Beneficial Ownership of, or to Beneficially Own, any security as a result of the existence of any one or more of the following circumstances: (a) such Person is a Client of the same Fund Manager as another Person on whose account the Fund Manager holds such security, or such Person is an Estate Account or an Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security, or such Person is a Pension Fund with the same Independent Person as another Pension Fund; (b) such Person is a Client of a Fund Manager and such security is owned at law or in equity by the Fund Manager, or such Person is an Estate Account or an Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company, or such Person is a Pension Fund and such security is owned at law or in equity by the Independent Person; or (c) such Person is a registered holder of securities as a result of carrying on the business of, or acting as a nominee of, a securities depository.

Exemption for Permitted Lock-up Agreement

Under the Amended Rights Plan, a Person will not be deemed the Beneficial Owner, or to have Beneficial Ownership of, or to Beneficially Own, any security as a result of the existence of any one or more of the following circumstances: (a) such security has been deposited or tendered pursuant to a Take-over Bid made by such Person or made by any Affiliate or Associate of such Person or made by any other Person acting jointly or in concert with such Person, unless such deposited or tendered security has been taken up or paid for, whichever shall first occur; or (b) by reason of the holder of such security having agreed to deposit or tender such security to a Take-over Bid made by such Person or any of such Person's Affiliates or Associates or any other Person with whom such Person is acting jointly or in concert pursuant to a Permitted Lock-Up Agreement but only until such time as the securities are taken up and paid for under the Take-over Bid.

A Permitted Lock-Up Agreement is an agreement between a Person and one or more holders (each a "**Locked-up Person**") of Common Shares or Convertible Securities (the terms of which are publicly disclosed and a copy of which is made available to the public (including the Corporation) not later than the date the Lock-Up Bid (as defined below) is publicly announced or, if the agreement was entered into after the date of the Lock-Up Bid, not later than the date the agreement was entered into), pursuant to which such Locked-up Persons agree to deposit or tender Common Shares or Convertible Securities to a Take-over Bid (the "**Lock-up Bid**") made by the Person or any of such Person's Affiliates or Associates or any other Person referred to in Clause (iii) of the definition of Beneficial Owner and where the agreement:

(a) permits the Locked-up Person to withdraw Common Shares or Convertible Securities in order to tender or deposit Common Shares or Convertible Securities to another Take-over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Common Share or Convertible Security that exceeds, or provides a value for each Common Share or Convertible Security that is greater than, the offering price or value contained or proposed to be contained in the Lock-up Bid, provided that the other Take-over Bid or transaction is made for at least the same number of Common Shares or Convertible Securities as the Lock-up Bid; or

(b) permits the Locked-up Person to withdraw Common Shares or Convertible Securities in order to tender or deposit the Common Shares or Convertible Securities to another Take-over Bid (or terminate the agreement in order to support another transaction) that represents an offering price for each Common Share or Convertible Security that exceeds, or provides a value for each Common Share or Convertible Security that is greater than, the offering price represented in or proposed to be represented in, the Lock-up Bid by as much or more than a specified amount (the "**Specified Amount**") and the Specified Amount is not greater than seven percent (7%) of the offering price that is contained in the Lock-up Bid, provided that the other Take-over Bid or transaction is made for at least the same number of each type or class of each type or class of Common Shares or Convertible Securities as the Lock-up Bid;

(c) provides that no "break-up" fees, "top-up" fees, penalties, payments, expenses or other amounts that exceed in the aggregate the greater of (A) the cash equivalent of 2.5% of the price or value payable under the Lock-up Bid to the Locked-up Person and (B) 50% of the amount by which the price or value payable under another Take-over Bid or another transaction to a Locked-up Person exceeds the price or value of the consideration that such Locked-up Person would have received under the Lock-up Bid, shall be payable by such Locked-up Person pursuant to the agreement in the event that the Lock-up Bid is not successfully concluded or if any Locked-up Person withdraws or fails to tender Common Shares or Convertible Securities pursuant thereto, and that any such amounts shall be payable only following the actual receipt by the Locked-up Person of consideration under another Take-over Bid or another transaction;

(d) and, for greater certainty, the agreement may contain a right of first refusal or require a period of delay to give the Offeror an opportunity to at least match a higher consideration in another Take-over Bid or another transaction or contain any other similar limitation on a Locked-up Person's right to withdraw Common Shares or Convertible Securities from the agreement, so long as any such limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Common Shares or Convertible Securities in sufficient time to tender to the other Take-over Bid or to support the other transaction.

Flip-in Event

A Flip-in Event means a transaction or series of transactions in or pursuant to which any Person becomes an Acquiring Person.

In the event that prior to the Expiration Time a Flip-in Event occurs, the Corporation will take such action as may be necessary to ensure and provide within eight Business Days of such occurrence, or such longer period as may be required to satisfy all applicable requirements of the Securities Act, and the securities legislation of each other province of Canada that, except as provided below, each Right will thereafter constitute the right to purchase from the Corporation upon exercise thereof in accordance with the Amended Rights Plan that number of Common Shares having an aggregate Market Price on the date of the occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price. For example, if at the time of the Flip-in Event the Exercise Price is $100 and the Market Price of the Common Shares is $1.00, each Right will entitled its holder to purchase Common Shares having an aggregate Market Price of $200 (that is, 200 Common Shares) for $100 (that is, a 50% discount from the Market Price).

Upon the occurrence of any Flip-in Event, any Rights that are Beneficially Owned by (i) an Acquiring Person, or any Affiliate or Associate of an Acquiring Person, or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of such Acquiring Person, or any Affiliate or Associate of such Person so acting jointly or in concert, or (ii) a transferee or other successor in title of Rights, directly or indirectly, of an Acquiring Person (or of any Affiliate or Associate of an Acquiring Person) or of any Person acting jointly or in concert with an Acquiring Person or any Associate or Affiliate of an Acquiring Person (or of any Affiliate or Associate of such Person so acting jointly or in concert) who becomes a transferee or successor in title concurrently with or subsequent to the Acquiring Person becoming such, will become null and void without any further action, and any holder of such Rights (including transferees or successors in title) will not have any rights whatsoever to exercise such Rights under any provision of the Amended Rights Plan and will not have thereafter any other rights whatsoever with respect to such Rights, whether under any provision of the Amended Rights Plan or otherwise.

Permitted Bid and Competing Bid

A Permitted Bid is a Take-over Bid that is made by means of a Take-over Bid circular and which also complies with the following additional provisions:

(a) the Take-over Bid is made to all registered holders of Common Shares for all Common Shares held by such registered holders (other than Offeror's Securities);

(b) the Take-over Bid contains, and the take up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that (A) no Common Shares shall be taken up or paid for pursuant to the Take-over Bid prior to the close of business on the date which is not less than 105 days following the date of the Take-over Bid or such shorter period that a take-over bid (that is not exempt from the general take-over bid requirements of NI 62-104) must remain open for deposit and tender of Common Shares thereunder, in the applicable circumstances, pursuant to NI 62-104; and (B) no Common Shares shall be taken up or paid for pursuant to the Take-over Bid unless, at such date, more than 50% of the aggregate then-outstanding Common Shares held by Independent Holders have been deposited to the Take-over Bid and not withdrawn;

(c) the Take-over Bid contains an irrevocable and unqualified provision that, unless the Take-over Bid is withdrawn, Common Shares may be deposited pursuant to such Take-over Bid at any time prior to the close of business on the date which is not less than 105 days following the date of the Take-over Bid or such shorter period that a take-over bid (that is not exempt from the general take-over bid requirements of NI 62-104) must remain open for deposit and tender of Common Shares thereunder, in the applicable circumstances, pursuant to NI 62-104 and that any Common Shares deposited pursuant to the Take-over Bid may be withdrawn at any time until taken up and paid for; and

(d) the Take-over Bid contains an irrevocable and unqualified provision that if, on the date on which Common Shares may be taken up and paid for, more than 50% of the aggregate then-outstanding Common Shares held by Independent Holders have been deposited to the Take-over Bid and not withdrawn: (A) the Offeror will make a public announcement of that fact on the date the Take-over Bid would otherwise

expire; and (B) the Take-over Bid will be extended for a period of not less than ten Business Days from the date of such public announcement.

A Competing Bid means a Take-over Bid that: (i) is made while another Permitted Bid is in existence, and (ii) satisfies all the components of the definition of a Permitted Bid, except that the requirements set out in Clause (ii) of the definition of a Permitted Bid will be satisfied if the Take-over Bid contains, and the take up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Common Shares will be taken up or paid for pursuant to the Competing Bid prior to the close of business on the date that is no earlier than the number of days such Competing Bid must be open for acceptance after the date of such Competing Bid under NI 62-104.

Redemption, Waiver and Termination

Subject to the prior consent of the holders of Common Shares or Rights obtained as set forth in the Amended Rights Plan, the Board of Directors acting in good faith may, at any time prior to the occurrence of a Flip-in Event, elect to redeem all but not less than all of the then outstanding Rights at a redemption price of $0.00001 per Right, subject to adjustment (the "**Redemption Price**").

Subject to the prior consent of the holders of Common Shares obtained as set forth in the Amended Rights Plan, the Board of Directors may, at any time prior to the occurrence of a Flip-in Event as to which the application of the Amended Rights Plan has not been waived, if such Flip-in Event would occur by reason of an acquisition of Common Shares otherwise than pursuant to a Take-over Bid made by means of a Take-over Bid circular to all registered holders of Common Shares and otherwise than in the circumstances set forth in Section 5.1(4) of the Amended Rights Plan, waive the application of the Amended Rights Plan to such Flip-in Event. In such event, the Board of Directors shall extend the Separation Time to a date at least ten Business Days subsequent to the meeting of shareholders called to approve such waiver.

The Board of Directors acting in good faith, may, prior to the occurrence of a Flip-in Event, and upon prior written notice delivered to the Rights Agent, determine to waive the application of the Amended Rights Plan to a Flip-in Event that may occur by reason of a Take-over Bid made by means of a Take-over Bid circular to all registered holders of Common Shares; provided that if the Board of Directors waives the application to a particular Flip-in Event, the Board of Directors shall be deemed to have waived the application of the Amended Rights Plan to any other Flip-in Event occurring by reason of any Take-over Bid made by means of a Take-over Bid circular to all registered holders of Common Shares prior to the expiry of any Take-over Bid in respect of which a waiver is, or is deemed to have been granted.

The Board of Directors may, prior to the close of business on the tenth day following the Stock Acquisition Date, determine, upon prior written notice delivered to the Rights Agent, to waive or to agree to waive the application of the Amended Rights Plan to a Flip-in Event, provided that both of the following conditions are satisfied: (a) the Board of Directors has determined that a Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that Person would become, an Acquiring Person; and (b) such Acquiring Person has reduced its Beneficial Ownership of Common Shares (or has entered into a contractual arrangement with the Corporation, acceptable to the Board of Directors, to do so within 30 days of the date on which such contractual arrangement is entered into) such that at the time the waiver becomes effective it is no longer an Acquiring Person, and in the event of such a waiver, for the purposes of the Amended Rights Plan, the Flip-in Event shall be deemed never to have occurred.

Where a Person acquires, pursuant to a Permitted Bid, a Competing Bid or an Exempt Acquisition, outstanding Common Shares, then the Corporation will immediately upon the consummation of such acquisition redeem the Rights at the Redemption Price.

Within ten days after the Corporation is obligated under the Amended Rights Plan to redeem the Rights, or the Board of Directors elects to redeem the Rights, the Corporation will give notice of redemption to the holders of the then-outstanding Rights by mailing such notice to all such holders at their last address as they appear upon the Rights Register or, prior to the Separation Time, on the registry books of the Transfer Agent for the Common Shares.

Where a Take-over Bid that is not a Permitted Bid Acquisition is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all the outstanding Rights at the Redemption Price.

Anti-Dilution Adjustments

The Exercise Price, the number and kind of Shares or other securities subject to purchase upon exercise of each Right and the number of Rights outstanding will be adjusted in certain events, including in the event the Corporation at any time after the Effective Date:

(a) declares or pays a dividend on the Common Shares payable in Shares (or other securities exchangeable for or convertible into or giving a right to acquire Shares or other securities);

(b) subdivides or changes the outstanding Common Shares into a greater number of Common Shares;

(c) combines or changes the outstanding Common Shares into a smaller number of Common Shares;

(d) issues any Shares (or other securities exchangeable for or convertible into or giving a right to acquire Shares or other securities) in respect of, in lieu of or in exchange for existing Common Shares, except as otherwise provided in the Amended Rights Plan;

(e) fixes a record date for the issuance of rights, options or warrants to all holders of Common Shares entitling them (for a period expiring within 45 calendar days after such record date) to subscribe for or purchase Common Shares, or instruments having the same rights, privileges and preferences as Common Shares ("**equivalent shares**") or securities convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent shares at a price per Common Share or per equivalent share (or having a conversion price or exchange price or exercise price per share, if a security convertible into or exchangeable for or carrying a right to purchase Common Shares or equivalent shares) less than 90% of the Market Price per Common Share on such record date; or

(f) fixes a record date for a distribution to all holders of Common Shares (including any such distribution made in connection with a merger, amalgamation, arrangement, plan, compromise or reorganization in which the Corporation is the continuing or successor company) of evidences of indebtedness, cash (other than a regular periodic cash dividend or a regular periodic cash dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), assets or subscription rights, options or warrants.

Supplements and Amendments

The Corporation may from time to time supplement or amend the Amended Rights Plan without the approval of any holders of Rights or Common Shares to correct any clerical or typographical error or to maintain the validity of the Amended Rights Plan as a result of a change in any applicable legislation or regulations or rules thereunder.

The Corporation may, with the prior consent of the holders of Common Shares, at any time prior to the Separation Time amend, vary or rescind any of the provisions of the Amended Rights Plan and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent will be deemed to have been given if provided by the holders of Common Shares at a meeting called and held in compliance with applicable laws and regulatory requirements and the requirements in the Articles and by-laws of the Corporation. Subject to compliance with any requirements imposed by the foregoing, consent will be deemed to have been given if the proposed amendment, variation or revision is approved by the affirmative vote of a majority of the votes cast by holders of Common Shares (other than any holder of Common Shares who is an Offeror pursuant to a Take-over Bid that is not a Permitted Bid or Competing Bid with respect to all Common Shares Beneficially Owned by such Person), represented in person or by proxy at the meeting.

The Corporation may, with the prior consent of the holders of Rights, at any time after the Separation Time and before the Expiration Time, amend, vary or rescind any of the provisions of the Amended Rights Plan and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Any approval of the holders of Rights will be deemed to have been given if the action requiring such approval is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect thereof. For the purposes hereof, each outstanding Right (other than

Rights which are void pursuant to the provisions hereof), shall be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting shall be those, as nearly as may be, which are provided in the Corporation's by-laws and the CBCA with respect to a meeting of shareholders of the Corporation.

Expiration

If the Amended Rights Plan is approved at the Meeting, it will remain in effect and in force until the earlier of the Termination Time (the time at which the right to exercise Rights terminates pursuant to the Amended Rights Plan) and the close of business on the date of the Corporation's annual meeting of its shareholders to be held in 2020 unless at or prior to such meeting the Corporation's shareholders ratify the continued existence of the Amended Rights Plan, in which case the Amended Rights Plan would expire at the earlier of the Termination Time and the termination of the Corporation's annual meeting of shareholders held in 2023.

Approval of Shareholder Rights Plan Resolution

At the Meeting, shareholders will be asked to adopt the Shareholder Rights Plan Resolution, ratifying and approving the Amended Rights Plan. In order to be adopted, the Shareholder Rights Plan Resolution must be approved by a majority of the votes cast by shareholders, either present in person or represented by proxy at the Meeting. **Unless otherwise specified, the persons named in the accompanying form of proxy intend to vote FOR the Shareholder Rights Plan Resolution.**

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For the purposes of this Circular, "informed person" means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns or exercises control or direction over, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to all outstanding voting securities of the Corporation, other than voting securities held by the person or Corporation as underwriter in the course of a distribution; and (d) the Corporation if it has purchased, redeemed or otherwise acquired any of its own securities, for so long as it holds any of its securities.

Other than as set out below or as may be set out herein, to the best of the Corporation's knowledge, no informed person of the Corporation, and no associate or affiliate of the foregoing persons, at any time since the beginning of its most recently-completed financial year, has or had any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction since the beginning of its most recently-completed financial year that has materially affected the Corporation, or in any proposed transaction that could materially affect the Corporation, or in any matter to be acted upon at this Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

The Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of (i) any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year, (ii) any nominee for election as director of the Corporation, or (iii) any associate or affiliate of the persons listed in (i) and (ii), in any matter to be acted upon at the Meeting, other than the election of directors.

SHAREHOLDER PROPOSALS

The *Canada Business Corporations Act* provides, in effect, that a registered holder or beneficial owner of shares that is entitled to vote at an annual meeting of the Corporation may submit to the Corporation notice of any matter that the person proposes to raise at the meeting (referred to as a "**Proposal**") and discuss at the meeting any matter in respect of which the person would have been entitled to submit a Proposal. The *Canada Business Corporations Act* further provides, in effect, that the Corporation must set out the Proposal in its management information circular along with, if so requested by the person who makes the Proposal, a statement in support of the Proposal by such person. However, the Corporation will not be required to set out the Proposal in its management information circular or include a supporting statement if, among other things, the Proposal is not submitted to the Corporation at least 90 days before the anniversary date of the

notice of meeting that was sent to the shareholders in connection with the previous annual meeting of shareholders of the Corporation. As the notice in connection with the Meeting is dated April 21, 2017, the deadline for submitting a proposal to the Corporation in connection with the next annual meeting of shareholders is January 20, 2018.

The foregoing is a summary only; shareholders should carefully review the provisions of the *Canada Business Corporations Act* relating to Proposals and consult with a legal advisor.

OTHER MATTERS

Management of the Corporation knows of no other matter to come before the Meeting other than those referred to in the Notice of Meeting. However, if any other matters which are not known to management should properly come before the Meeting, the accompanying form of proxy confers discretionary authority upon the persons named therein to vote on such matters in accordance with their best judgment.

CORPORATE GOVERNANCE

National Policy 58-201 *Corporate Governance Guidelines* and National Instrument 58-101 *Disclosure of Corporate Governance Practices* set out a series of guidelines for effective corporate governance. The guidelines address matters such as the composition and independence of corporate boards, the functions to be performed by boards and their committees, and the effectiveness and education of board members. Each reporting issuer such as the Corporation must disclose on an annual basis and in prescribed form, the corporate governance practices that it has adopted. The following is the Corporation's required annual disclosure of its corporate governance practices.

1. Board of Directors

The Board of Directors considers that Ian Atkinson, Chris Bryan and Johannes H.C. van Hoof are independent within the meaning of National Instrument 52-110 *Audit Committees* ("**NI 52-110**").

The Board of Directors considers that Jack Stoch and Dianne Stoch are not independent within the meaning of NI 52-110 in that each is a senior officer of the Corporation.

The Board of Directors considers that three of the five members of the Board of Directors are independent within the meaning of NI 52-110. Accordingly, a majority of the members of the Board of Directors is independent.

The following members of the Board of Directors are currently directors of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction:

Director	Reporting Issuer Name
Dianne Stoch	Chibougamau Independent Mines Inc.
Jack Stoch	Chibougamau Independent Mines Inc.
Ian Atkinson	Argonaut Gold Inc. Kinross Gold Corporation
Johannes H.C. van Hoof	NSGold Corporation NSX Silver Inc.

During the most recently-completed fiscal year, the independent members of the Board of Directors did not hold any meetings at which non-independent members of the Board of Directors and members of management were not present. However, the Board of Directors is of the view that given its size, the nature of the Corporation's activities and the experience of each of the members of the Board of Directors, the presence of the non-independent directors at the Board of Directors meetings does not prevent the independent directors from engaging in open and candid discussion regarding any issues that may come before the Board of Directors.

Jack Stoch, President and CEO of the Corporation, chairs meetings of the Board of Directors. Jack Stoch is not an independent director. Given the current size of the Board of Directors and the nature of the Corporation's activities, the Board of Directors believes that Mr. Stoch is uniquely suited to fulfill his role as the chair of Board of Directors' meetings. The Board of Directors does not have a "lead director". The other directors are all senior, experienced professionals very familiar with the mining and exploration industry. "In camera" sessions are used by the independent directors as frequently as they deem necessary. The Compensation Committee meets without management present at least once per year.

During the period from January 1, 2016 to December 31, 2016, the Board of Directors held two meetings. Attendance of members of the Board of Directors is indicated in the table below.

Director	Attendance
Ian Atkinson	2/2
Chris Bryan	2/2
Jack Stoch	2/2
Dianne Stoch	2/2
Johannes H.C. van Hoof	1/2

2. Board of Directors Mandate

The Mandate of the Board of Directors is annexed to this Circular as Schedule A. It is also available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's web site at www.globexmining.com.

3. Position Description

The Board of Directors has developed a written position description for the chair of the Board of Directors which is summarized below. Jack Stoch, President and CEO of the Corporation, chairs the meetings of the Board of Directors. The chair position description is also available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's web site at www.globexmining.com. The Board of Directors has not developed written position descriptions for the chairs of the Board of Directors' committees.

The primary role and responsibility of the chair of the Board of Directors is to oversee the activities of Board of Directors and, in particular, assume a leadership role with respect to: (i) establishing a transparent process for managing the Corporation; (ii) elaborating the mandate of each of the Board of Directors' committees; and (iii) reviewing and evaluating the performance of the Board of Directors as a whole.

In particular, the chair of the Board of Directors:

- establishes the agenda for each Board of Directors' meeting;
- chairs all meetings of the Board of Directors with a view to: (i) maximizing the effective use of time; and (ii) taking advantage of the individual strengths of each of the members of the Board of Directors;
- provides input and support to the chairs of the various other Board of Directors' committees;
- ensures that the Board of Directors is provided with full information on the Corporation, its business and any other element that is relevant to the matters that may come before the Board of Directors from time to time; and
- facilitates and encourages open and effective communication between management of the Corporation and the Board of Directors.

The primary role and responsibility of the chair of each committee of the Board of Directors is to: (i) ensure that the committee fulfills its mandate, as determined by the Board of Directors; (ii) chair meetings of the committee; (iii) report thereon to the Board of Directors; and (iv) act as liaison between the committee and the Board of Directors and, if necessary, management of the Corporation.

The Board of Directors and the CEO have developed a written position description for the CEO as summarized below. The full CEO position description is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's web site at www.globexmining.com.

The primary responsibility of the CEO is to carry out the strategic plan approved by the Board of Directors for the Corporation. As the principal manager of the Corporation, the CEO provides leadership, direction and support to the employees and the members of the Board of Directors in the exercise of their duties.

4. Orientation and Continuing Education

The Corporation does not currently have a formal orientation program in place for new directors and generally takes such measures as are appropriate to orient each new director on a case-by-case basis. There has been only one new director of the Corporation since 1997.

The Board of Directors does not formally provide continuing education to its directors. The directors are experienced members, including two independent directors who are directors and/or officers of other reporting issuers in the mining sector. The Board of Directors relies on professional assistance when judged necessary in order to be educated or updated on a particular topic.

The Corporation provides financial support to Jack Stoch (Acc.Dir.) and Dianne Stoch (Acc.Dir.) for the obligatory continuing education that they require as certified/accredited directors in order to maintain their standing as such.

5. Ethical Business Conduct

The Board of Directors has adopted a Code of Business Conduct and Ethics for the Corporation (the "**Code**"). Directors, officers and employees are required to read and be familiar with the Code. The Board of Directors relies on these individuals to report to their superiors any suspected violation of the Code. Known or suspected illegal or unethical behaviour reported must be submitted to the CGC to determine whether an investigation is required. If a person is uncomfortable reporting suspected violations to his or her immediate superior or the Chair of the CGC, the person may report matters to the Corporation's outside counsel.

A copy of the Code is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's website at www.globexmining.com. A copy may also be obtained from the Secretary of the Corporation at 86 - 14th Street, Rouyn-Noranda, Québec J9X 2J1, e-mail: jwilson@globexmining.com.

The Corporation has not filed any material change reports since the beginning of its most recently-completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the Code.

It is the policy of the Corporation that an interested director or officer recuse himself or herself from the decision-making process pertaining to a contract or transaction in which such person has an interest.

In addition to the Code, the Corporation has adopted a Disclosure Policy and Insider Trading Policy, applicable to all members of the Board of Directors, executive officers and employees of the Corporation and its subsidiaries, in compliance with legal disclosure requirements and good corporate governance. The Disclosure Policy includes provisions regarding "blackout" periods during which trading in the securities of the Corporation is not permitted. The Disclosure Policy is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's website at www.globexmining.com.

6. Nomination of Directors

The Board of Directors as a whole is responsible for identifying and recommending new candidates for election or appointment to the Board of Directors.

The Board of Directors does not have a nominating committee. The independent directors play a predominant role in the nomination process.

The Corporation has not adopted term limits for its directors or other mechanisms of Board renewal. The Corporation is aware of the positive impacts of bringing new perspectives to the Board of Directors, and therefore does occasionally add new members; however, it values continuity on the Board of Directors and the in-depth knowledge of the Corporation held by those members who have a long-standing relationship with the Corporation.

The Corporation does not currently have a written policy relating to the identification and nomination of women directors. Historically, the Corporation has not felt that such a policy was needed. However, the Corporation is currently considering the adoption of such a policy.

When the Board of Directors recommends candidates for election as a director, 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 Board of Directors 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.

When the Board of Directors 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 group 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 has not adopted a "target" regarding women on the Board of Directors or in executive officer positions. The Corporation considers candidates based on their qualifications, personal qualities, business background and experience, and does not feel that targets necessarily result in the identification or selection of the best candidates.

There is one woman on the Board of Directors of the Corporation, representing 20% of the membership of the Board of Directors. Of the four executive officers of the Corporation, one (25%) is a woman.

7. Compensation

The Compensation Committee is mandated to review and recommend to the Board of Directors for approval the compensation of the members of the Board of Directors and the senior executives of the Corporation.

In 2011, the Compensation Committee developed recommendations for Board of Directors' compensation which were followed in 2016. The process by which the Corporation determines the compensation of its executive officers is described in the section entitled "Compensation of Executive Officers and Directors" above.

The Compensation Committee is composed entirely of independent directors within the meaning of NI 52-110.

The primary responsibilities, powers and operation of the Compensation Committee are set out in its charter, and can be summarized as follows:

The mandate of the Compensation Committee consists of assisting the Board of Directors in its oversight responsibilities relating to:

(i) appointment, performance evaluation and compensation of the Corporation's President and CEO and other senior executives;

(ii) succession planning;

(iii) determination of director compensation; and

(iv) management and administration of the Corporation's compensation plans, including any incentive and equity compensation plans.

The Compensation Committee has authority and is responsible for performing the following:

President and Chief Executive Officer's Compensation:

(i) review and approve a position description for the President and CEO and the corporate performance goals and objectives relevant to determining the President and CEO's compensation;

(ii) evaluate the President and CEO's performance in light of the corporate goals and objectives established on an annual basis;

(iii) make recommendations to the Board of Directors with respect to the President and CEO's compensation based on its evaluation of the President and CEO's performance, including, as appropriate, salary, bonus, incentive and equity compensation and benefit plans; and

(iv) develop and implement a President and CEO succession plan.

Executive Officers' Compensation:

(i) review and approve the evaluation process and compensation structure for the Corporation's executive officers;

(ii) make recommendations to the Board of Directors with respect to the compensation of all other senior executives of the Corporation, including, as appropriate salary, bonus, incentive and equity compensation;

(iii) assess the competitiveness and appropriateness of the Corporation's executive compensation plans and policies; and

(iv) review management's succession planning for senior executives.

Directors' Compensation:

(i) review and recommend to the Board of Directors a compensation package for members of the Board of Directors, taking into account the relative responsibilities of directors in serving on the Board of Directors and on the various committees of the Board of Directors.

The Corporation's Compensation Plans:

(i) review the Corporation's compensation philosophy, policies, plans and guidelines annually and recommend any changes to the Board of Directors;

(ii) review and recommend to the Board of Directors any new incentive compensation and equity compensation plans;

(iii) manage and administer all equity compensation plans and make recommendations respecting grants of equity and options and any changes to such plans; and

(iv) review all material proposed actions with respect to pension plans for approval by the Board of Directors.

General:

(i) review and approve compensation disclosure before the Corporation publicly discloses such information.

The Corporation did not engage any compensation consultant or advisor during the most recently completed fiscal year.

8. Other Board of Directors Committees

There are no committees of the Board of Directors other than the: (i) Audit Committee; (ii) Compensation Committee; and (iii) CGC. The charter of each of these committees is available under the Corporation's profile on SEDAR at www.sedar.com and on the Corporation's website at www.globexmining.com.

The members of the CGC are Ian Atkinson, Chris Bryan and Johannes H.C. van Hoof, each of whom is an independent director. The primary mandate of the CGC, which was created in March 2006, and is reviewed on an annual basis, is set out in its charter, and can be summarized as follows:

The primary role and responsibility of the CGC is to:

(i) review and make recommendations to the Board of Directors respecting:

- (a) corporate governance in general and the Board of Directors' stewardship role in the management of the Corporation, including the role and responsibilities of directors and appropriate policies and procedures for directors to carry out their duties with due diligence and in compliance with all legal and regulatory requirements;
- (b) general responsibilities and functions of the Board of Directors and its members, including position descriptions for the President and CEO and the Chair;
- (c) the organization, mandate and responsibilities of Board of Directors committees;
- (d) the procedures for effective Board of Directors meetings to ensure that the Board of Directors functions independently of management and without conflicts of interest;
- (e) the long-term plan for the composition of the Board of Directors that takes into consideration the current strengths, skills and experience on the Board of Directors and the strategic direction of the Corporation;
- (f) nominees for election as members of the Board of Directors, in consultation with the Chair of the Board of Directors and the President and CEO, annually;
- (g) as required, candidates to fill any Board of Directors and committee vacancies;
- (h) annually, together with the Chairs of other Board of Directors committees, the scope, duties and responsibilities of those committees and where advisable, any amendments thereto, as well as the establishment or disbanding of Board of Directors' committees and changes to their composition, including the Chairs thereof;
- (i) the framework for delegating authority from the Board of Directors to management; and
- (j) any improvements necessary to ensure an effective and appropriate working relationship between management and the Board of Directors;

(ii) review the qualifications of candidates for the Board of Directors and the slate of candidates to be nominated for election as directors by shareholders at annual meetings of shareholders;

(iii) oversee the development and implementation of a process for regularly assessing the effectiveness of the Board of Directors, its committees and its members;

(iv) oversee the development of appropriate induction and education programs for new directors;

(v) oversee the development of corporate governance policies and practices and a procedure for assessing the effectiveness of, and compliance with, those policies and practices;

(vi) establish procedures for Board of Directors' meetings and to otherwise ensure that the processes, procedures and structures are in place to ensure that the Board of Directors functions independently of management and without conflicts of interest;

(vii) review related party transactions to ensure that they reflect sound industry practices and are in the best interests of the Corporation; and

(viii) review and approve the corporate governance disclosure section in the Corporation's management information circular, and any other corporate governance matters as required by public disclosure requirements.

9. Assessments

The Board of Directors, as a whole, is responsible for assessing on an ongoing basis the: (i) performance and contribution of each of the members of the Board of Directors on an individual basis; and (ii) performance and effectiveness of the Board of Directors generally and of each of its committees. The CGC, on behalf of the Board of Directors, conducts an annual self-assessment survey to evaluate the effectiveness of the Board of Directors as a whole, the committees of the Board of Directors and, where appropriate, individual directors.

ADDITIONAL INFORMATION

Financial information about the Corporation is contained in its comparative financial statements and Management's Discussion and Analysis for the fiscal year ended December 31, 2016, and additional information about the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com.

If you would like to obtain, at no cost to you, a copy of any of the following documents:

(a) the latest Annual Information Form of the Corporation together with any document, or the pertinent pages of any document, incorporated by reference therein;

(b) the comparative financial statements of the Corporation for the fiscal year ended December 31, 2016 together with the accompanying report of the auditors thereon and any interim financial statements of the Corporation for periods subsequent to December 31, 2016 and Management's Discussion and Analysis with respect thereto; and

(c) this Circular,

please send your request to:

Globex Mining Enterprises Inc.
86 - 14th Street
Rouyn-Noranda, Québec
J9X 2J1
Telephone: 819-797-5242
Fax: 819-797-1470
E-mail: jwilson@globexmining.com

AUTHORIZATION

The contents and the mailing of this Circular have been approved by the Board of Directors of the Corporation.

(signed) Jack Stoch
President and Chief Executive Officer

DATED at Toronto, Ontario
April 21, 2017

SCHEDULE A
MANDATE OF THE BOARD OF DIRECTORS

The directors, as agents of the Corporation, have a duty to use their powers in ways that are best for the Corporation. The Board is responsible for the stewardship of the business and affairs of the Corporation through exercise of reasonable skill and care. The Board strives to fulfil this responsibility by reviewing, discussing and approving the Corporation's strategic plans, annual budgets and significant decisions and transactions as well as by overseeing the senior officers of the Corporation in their management of its day-to-day business and affairs.

The Board's primary role is to oversee corporate performance and assure itself of the quality, integrity, depth and continuity of management so that the Corporation is able to successfully execute its strategic plans and complete its corporate objectives.

The Board delegates to the senior officers the responsibility for managing the day-to-day business of the Corporation. The Board discharges its responsibilities to oversee management directly and through the Audit Committee, the Corporate Governance and the Compensation Committee. In addition to these regular committees, the Board may appoint ad hoc committees periodically to address issues of a more short-term nature. At all times, the Board will retain its oversight function and ultimate responsibility for matters that the Board may delegate to Board committees.

Specific additional expectations of the individual Board members include regular meeting attendance and familiarity with material to be discussed at such meeting, serving on and contributing to regular and sub-committees established by the Board.

The mandate of the Board also includes, but is not limited to:

1.0 Management

1.1 Approving the appointment of the Chief Executive Officer (CEO) and the other senior officers of the Corporation. The Board of Directors must satisfy itself as to the integrity of the CEO and other senior officers of the Corporation and that the CEO and other senior executive create and foster a culture of integrity throughout the organization.

1.2 Through the Compensation Committee, ensuring that management succession planning programs are in place, including programs to recruit management with the highest standards of integrity and competence and train, develop and retain them. The Board of Directors is also responsible for reviewing and approving such succession plans including those concerning the current and future organizational structure of the Corporation, in each case, as recommended by the Compensation Committee.

1.3 Through the Compensation Committee, establishing and updating the Corporation's executive compensation policy and ensuring that such policy aligns management's interests with those of the shareholders.

2.0 Corporate Governance

2.1 Recommend the Board's composition and size, the selection of the Chair of the Board, the candidates nominated for election to the Board, committee and committee chair appointments, committee charters and director compensation as well as managing succession planning issues concerning the Board to ensure that it has an appropriate balance in terms of skills and experience. In doing so, the Board will respond to recommendations received from the Corporate Governance Committee but will always retain responsibility for final approval.

2.2 Through the Corporate Governance Committee, and directly, developing the Corporation's approach to governance issues, including a specific set of corporate governance principles and guidelines.

2.3 Putting in place appropriate structures and procedures to ensure that the Board can function independently of management.

2.4 Developing a position description for the Board Chair and, together with the Chief Executive Officer, a position description for the Chief Executive Officer.

2.5 Annual review of charters and mandates and disclosing the process in all appropriate public documents.

2.6 Through the Corporate Governance Committee, overseeing the processes and procedures implemented regarding compliance with the Corporation's Code of Business Conduct and Ethics.

2.7 Support of continuing education for Directors to ensure the board keeps abreast of industry practices, corporate governance and other regulatory developments.

3.0 Strategic Planning

3.1 Participating directly, and through its committees, in the review, discussion and approval of the Corporation's strategic plan. The Board is also responsible for discussing and considering the strategic plan and whether it remains appropriate taking into account the risks and opportunities inherent in the Corporation's business.

3.2 Reviewing and considering the business, operating, financial and other plans proposed by management by which the Corporation will execute its strategic plan.

3.3 Reviewing and approving the Corporation's annual and short-term corporate objectives developed by management.

3.4 Providing input to management on emerging trends and issues that may affect the business of the Corporation, its strategic plan or its annual and short-term corporate objectives.

3.5 Monitoring the Corporation's progress in executing its strategic plan and achieving its annual and short-term corporate objectives and overseeing management in changing such strategic plan or objectives in light of changing circumstances affecting the Corporation or its businesses.

3.6 Taking action as the Board deems appropriate if the Corporation does not successfully execute its strategic plan or achieve its annual or short-term corporate objectives or when other special circumstances warrant.

4.0 Monitoring of Financial Performance/Reporting and Other Financial Matters

4.1 Reviewing and approving the Corporation's annual budget presented by management.

4.2 Reviewing and approving the Corporation's annual audited financial statements and unaudited interim financial statements and the notes for each, as well as the annual and interim Management's Discussion and Analysis, the Annual Information Form, Management Information Circular, other public offering documents and the Annual Report.

4.3 Overseeing, directly and through the Audit Committee, the processes implemented to ensure that the financial performance and results of the Corporation are reported fairly, accurately and in a timely manner in accordance with generally accepted accounting standards and in compliance with legal and regulatory requirements.

4.4 Overseeing, directly and through the Audit Committee, the process implemented to ensure integrity of the Corporation's internal control and management information systems.

5.0 Risk Management

5.1 Overseeing the processes by which the principal risks of the Corporation are identified, assessed and managed and for ensuring that appropriate risk management systems are implemented and maintained with a view to achieving a proper balance between risks incurred and the creation of long-term sustainable value to shareholders.

6.0 Corporate Policies and Procedures

6.1 Directly and through its Board committees, reviewing and approving, and monitoring compliance with, all significant policies and procedures by which the Corporation and its wholly-owned subsidiaries conduct their business and operations. In discharging such responsibility, the Board shall ensure that such policies and procedures are consistent

with the principle that the Corporation and its wholly-owned subsidiaries must operate at all times in compliance with applicable laws and regulatory requirements and under the highest ethical standards.

7.0 Communications and Reporting

7.1 Approving and reviewing annually the Corporation's Corporate Disclosure Policy and Insider Trading Policy as well as other communications policies and procedures that address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Corporation and its wholly owned subsidiaries is conducted.

SCHEDULE B
SHAREHOLDERS' RESOLUTION

Ratification and Approval of Amended and Restated Shareholder Rights Plan

BE AND IT IS HEREBY RESOLVED:

THAT the Amended and Restated Shareholder Rights Plan of the Corporation, as approved by the Board of Directors on April 19, 2017 and as described in the management proxy circular of the Corporation dated April 21, 2017, is hereby ratified and approved, with all such modifications, additions or deletions thereto which the President and Chief Executive Officer of the Corporation, in his sole discretion, may deem appropriate or necessary.