

**TARTISAN RESOURCES CORP.**

1060 – 44 Victoria Street  
Toronto, Ontario M5C 1Y2

**INFORMATION CIRCULAR**

**(As at June 27, 2016 except as indicated)**

**TARTISAN RESOURCES CORP.** (the “Company”) is providing this Information Circular and a form of proxy in connection with management’s solicitation of proxies for use at the annual general and Special meeting (the “Meeting”) of the Company to be held on Friday, July 29, 2016 and at any adjournments thereof. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation.

**APPOINTMENT OF PROXYHOLDER**

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder’s behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or Directors of the Company (the “Management Proxyholders”).

A shareholder has the right to appoint Company a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person’s name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

**VOTING BY PROXY**

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

**COMPLETION AND RETURN OF PROXY**

Completed forms of proxy must be deposited at the office of the Company’s registrar and transfer agent, Capital Transfer Agency Inc., 121 Richmond Street, West, Suite 401, Toronto, ON M5H 2K1, not later

than July 28, 2016 at 5:00 p.m. EDT, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

## **NON-REGISTERED HOLDERS**

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are “non-registered” shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as a brokerage firm through which they purchased the shares; bank, trust company, trustee or administrator of self-administered RRSP’s, RRIF’s, RESP’s and similar plans; or clearing agency such as The Canadian Depository for Securities Limited (a “Nominee”). If you purchased your shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the Proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your Shares are voted at the Meeting.

If you, as a non-registered holder, wish to vote at the Meeting in person, you should contact the Company yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

Non-registered holders who have not objected to their Nominee disclosing certain ownership information about themselves to the Company are referred to as “non-objecting beneficial owners (“NOBOs”). Those non-registered holders who have objected to their Nominee disclosing ownership information about themselves to the Company are referred to as “objecting beneficial owners” (“OBOs”).

The Company is not sending the Meeting materials directly to NOBOs in connection with the Meeting, but rather has distributed copies of the Meeting materials to the Nominees for distribution to NOBOs.

The Company does not intend to pay for Nominees to deliver the Meeting materials and Form 54-101F7 – Request for Voting Instructions Made by Intermediary to OBOs. As a result, OBOs will not receive the Meeting Materials unless their Nominee assumes the costs of delivery.

## **NOTICE-AND-ACCESS**

The Company is not sending the Meeting materials to shareholders using “notice-and-access”, as defined under NI 54-101.

## **REVOCABILITY OF PROXY**

In addition to revocation in any other manner permitted by law, a shareholder, his or her attorney authorized in writing or, if the shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a

proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting.

## VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares without par value (the “shares”), of which 58,394,982 shares were issued and outstanding as at June 27, 2016. Persons who are registered shareholders at the close of business on June 27, 2016 will be entitled to receive notice of and vote at the Meeting and will be entitled to one vote for each share held. The Company has only one class of shares.

To the knowledge of the Directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, shares carrying 10% or more of the voting rights attached to all shares of the Company.

## ELECTION OF DIRECTORS

The Directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted for the nominees herein listed.

Shareholder approval will be sought to fix the number of Directors of the Company at four.

Pursuant to the Advance Notice Policy of the Company adopted by the Board of Directors on March 28, 2013, any additional Director nominations for the Meeting must have been received by the Company in compliance with the Advance Notice Policy no later than the close of business on July 15, 2016.

The Company is required to have an audit committee. Members of this committee are as set out below. Management of the Company proposes to nominate each of the following persons for election as a Director.

Information concerning such persons, as furnished by the individual nominees, is as follows:

| <i>Name, Jurisdiction of Residence and Position</i>                                  | <i>Principal Occupation or Employment and, if not a Previously Elected Director, Occupation During the Past 5</i> | <i>Previous Service as a Director</i> | <i>Number of Shares Beneficially Owned, Controlled or Directed,<sup>(2)</sup></i> |
|--|---|---------------------------------------|---|
| D. Mark Appleby <sup>(1)</sup><br><i>President, CEO and Director</i><br>Toronto, ON, | President and Chief Executive Officer of the Tartisan Resources Corp  | Since December 21, 2010               | 3,558,700 shares <sup>(3)</sup>   |
| Yves Pierre Clement <sup>(1)</sup><br>Director<br>New Westminster, BC                | P. Geo. V.P, Exploration Xtra-Gold Resources Corp. since 2006.  | Since January 14, 2016                | 200,000 shares  |
| Douglas Flett <sup>(1)</sup><br>Director<br>Toronto, ON,                             | Chairman, KWG Resources Inc.  | Since June 14, 2011                   | 710,000 Shares  |
| Denis Laviolette<br>Director<br>Renfrew, Ontario                                     | Mining Consultant to Brownstone Energy Corp and a director of Xtra-Gold Resources Corp.                           | Since December 15, 2015               | 200,000 Shares  |

(1) Member of the audit committee.

- (2) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at November 10, 2014, based upon information furnished to the Company by individual Directors. Unless otherwise indicated, such shares are held directly.
- (3) Including shares owned by Atlantis Bancorp Inc.

No proposed Director is to be elected under any arrangement or understanding between the proposed Director and any other person or company, except the Directors and executive officers of the Company acting solely in such capacity.

### **Corporate Cease Trade Orders**

To the knowledge of the Company, no proposed Director:

- (a) is, as at the date of the Information Circular, or has been, within 10 years before the date of the Information Circular, a Director, chief executive officer (“CEO”) or chief financial officer (“CFO”) of any company (including the Company) that:
  - (i) was the subject, while the proposed Director was acting in the capacity as Director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
  - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed Director ceased to be a Director, CEO or CFO but which resulted from an event that occurred while the proposed Director was acting in the capacity as Director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of the Information Circular, a Director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed Director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed Director.

The following Directors of the Company hold Directorships in other reporting issuers as set out below:

| <b>Name of Director</b> | <b>Name of Other Reporting Issuer</b>     |
|-------------------------|---|
| Yves Pierre Clement     | Nil                                       |
| Douglas Flett           | KWG Resources Inc.                        |
| Denis Laviolette        | Xtra-Gold Resources Corp. Northern Sphere |
| D. Mark Appleby         | Nil                                       |

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Compensation Discussion and Analysis**

The Company's compensation philosophy for its NEO's is designed to attract well qualified individuals in what is essentially an international market by paying competitive base management fees plus short and long term incentive compensation in the form of stock options or other suitable long term incentives. The Board of Directors meets to discuss and determine executive compensation without reference to formal objectives, criteria or analysis. In making its determinations regarding the various elements of executive compensation, the Board of Directors does not benchmark its executive compensation program, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry and geographic location while taking into account the financial and other resources of the Company.

The duties and responsibilities of the President and CEO are typical of those of a business entity of the Company's size in a similar business and include direct reporting responsibility to the Board, overseeing the activities of all other executive and management consultants, representing the Company, providing leadership and responsibility for achieving corporate goals and implementing corporate policies and initiatives.

#### *Elements of Compensation*

The Company's executive compensation policy consists of an annual base salary and long term incentives in the form of stock options granted under the Company's Stock Option Plan.

The base salaries paid to officers of the Company are intended to provide fixed levels of competitive pay that reflect each officer's primary duties and responsibilities and the level of skill and experience required to successfully perform their role. The Company intends to pay base salaries to officers that are competitive with those for similar positions in the mining industry to attract and retain executive talent in the market in which the Company competes for talent. Base salaries of officers are reviewed annually by the Board of Directors.

The incentive component of the Company's compensation program is the potential longer term reward provided through the grant of stock options. The Company's Stock Option Plan is intended to attract, retain and motivate officers and Directors of the Company in key positions, and to align the interests of those individuals with those of the Company's shareholders. The Stock Option Plan provides such individuals with an opportunity to acquire a proprietary interest in the Company's value growth through the exercise of stock options. Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations. Stock options are granted at an exercise price of not less than the prevailing market price of the Company's shares at the time of the grant, and for a term of exercise not exceeding ten years.

The Company has not currently identified specific performance goals or benchmarks as such relate to executive compensation, but from time to time does review compensation practices of companies of similar size and stage of development to ensure the compensation paid is competitive within the Company's industry. The stage of the Company's development and the small size of its specialized management team allow frequent communication and constant management decisions in the interest of developing shareholder value as a primary goal. As the Company progresses toward a revenue-producing entity, and performance goals are more apt to be delegated, particular performance goals will become more complex and measurable, and included in the compensation structure accordingly.

#### *Compensation Policies and Risk Management*

The Board of Directors considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers. The Board of Directors intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of short-term compensation in the form of a base salary and long-term ownership through the Company's Stock Option Plan. This structure ensures that a significant portion of executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value. As the benefits of such compensation, if any, are not realized by officers until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, the short-term component of executive compensation (base salary) represents a relatively small part of the total compensation. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the small size of the Company and the current level of the Company's activity, the Board of Directors is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company are reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

#### *Hedging of Economic Risks in the Company's Securities*

The Company has not adopted a policy prohibiting Directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of the Company's securities granted as compensation or held, directly or indirectly, by Directors or officers. However, the Company is not aware of any Directors or officers having entered into this type of transaction.

#### **Option-Based Awards**

The Company's Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Canadian Securities Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The Board of Directors as a whole has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

### Compensation Governance

Options are granted at the discretion of the Board of Directors, which considers factors such as how other junior exploration companies grant options and the potential value that each optionee is contributing to the Company. The number of options granted to an individual is based on such considerations.

### Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 (“Statement of Executive Compensation”) (the “Form 51-102F6”)) sets forth all annual and long term compensation for services in all capacities to the Company for the three most recently completed financial years of the Company in respect of each of the individuals comprised of each CEO and CFO who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (other than the CEO and the CFO), as at March 31, 2015, whose total compensation was, individually, more than \$150,000 for the financial year, and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively the “Named Executive Officers” or “NEOs”).

| NEO Name and Principal Position           | Year | Salary (\$) | Share-Based Awards (\$) | Option-Based Awards (\$) <sup>(1)</sup> | Non-Equity Incentive Plan Compensation (\$) |                           | Pension Value (\$) | All Other Compensation (\$) | Total Compensation (\$) |
|---|------|-------------|-------------------------|---|---|---------------------------|--------------------|-----------------------------|-------------------------|
|   |      |             |                         |   | Annual Incentive Plans                      | Long-term Incentive Plans |                    |                             |                         |
| D. Mark Appleby<br>President, CEO         | 2015 | 60,000      | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | Nil <sup>1</sup>            | 60,000                  |
|   | 2014 | 60,000      | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | Nil                         | 60,000                  |
|   | 2013 | 66,000      | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | Nil                         | 66,000                  |
|   | 2012 | 77,000      | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | Nil                         | 77,000                  |
| Dan Fuoco <sup>(2)</sup><br>CFO           | 2015 | N/A         | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | N/A                         | N/A                     |
|   | 2014 | N/A         | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | N/A                         | N/A                     |
|   | 2013 | N/A         | N/A                     | Nil                                     | N/A   | N/A                       | N/A                | N/A                         | N/A                     |
| Paul Ankcorn <sup>(3)</sup><br>Former CFO | 2015 | 36,000      | Nil                     | Nil                                     | Nil   | Nil                       | Nil                | Nil                         | 36,000                  |
|   | 2014 | 27,000      | Nil                     | Nil                                     | Nil   | Nil                       | Nil                | Nil                         | 27,000                  |
|   | 2013 | 58,000      | Nil                     | Nil                                     | Nil   | Nil                       | Nil                | Nil                         | 58,000                  |
|   | 2012 | 77,000      | Nil                     | Nil                                     | Nil   | Nil                       | Nil                | Nil                         | 77,000                  |

- (1) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: under the following assumptions: (i) risk free interest rate of 1.11%; (ii) expected dividend yield of Nil%; (iii) expected volatility of 100%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.
- (2) Mr. Fuoco was appointed as CFO effective December 1, 2015.
- (3) Mr. Ankcorn resigned as CFO on December 1, 2015.

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

The following table sets out all the option-based and share-based awards outstanding as at June 27,

2016 for each NEO:

| <i>Name</i>                       | <i>Option-Based Awards</i>                                     |                                   |                               |   | <i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i> | <i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i> | <i>Market or payout value of vested share-based awards not paid out or distributed (\$)</i> |
|-----------------------------------|--|-----------------------------------|-------------------------------|---|---|---|---|
|                                   | <i>Number of Securities Underlying Unexercised Options (#)</i> | <i>Option Exercise Price (\$)</i> | <i>Option Expiration Date</i> | <i>Value of Unexercised In-The-Money Options<sup>(1)</sup> (\$)</i> |   |   |   |
| D. Mark Appleby<br>President, CEO | 500,000  | 0.07                              | June 8,<br>2021               | Nil <sup>(1)</sup>  | Nil   | Nil   | Nil   |
| Dan Fuoco<br>CFO                  | 500,000  | 0.07                              | June 8,<br>2021               | Nil <sup>(1)</sup>  | Nil   | Nil   | Nil   |

<sup>(1)</sup> The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's shares as at January 31, 2015 and the exercise price of the options. The closing price of the Company's shares on the CSE on Jun 27, 2016 was \$0.05 per share.

#### **Incentive Plan Awards – Value Vested or Earned During the Year**

| <i>Name</i>          | <i>Option-Based Awards - Value Vested During The Year (\$)</i> | <i>Share-Based Awards - Value Vested During The Year (\$)</i> | <i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i> |
|----------------------|--|---|---|
| D. Mark Appleby, CEO | Nil  | Nil   | Nil   |
| Dan Fuoco, CFO       | Nil  | Nil   | Nil   |

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

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs.

#### **Pension Plan Benefits**

The Company does not have a pension plan that provides for payments or benefits to the NEOs at, following, or in connection with retirement.

#### **Termination and Change of Control Benefits**

The Company has no compensatory plan, contract or agreement with any NEO, except as follows.

The Company entered into a consulting agreement dated December 1, 2015 with Danville Consulting Inc., pursuant to the terms of which the Company agreed to pay an annual management fee of \$36,000 to

Danville Consulting Inc. (“Danville”). Danville provides the services of Dan Fuoco in the capacity as Chief Financial Officer of the Company. Danville is a private company wholly-owned by the Dan Fuoco. In the event the consulting agreement is terminated without cause or in the event of a change of control or a change in responsibilities and the agreement is terminated, three month’s remuneration (\$9,000) is payable to Danville.

### Director Compensation

From April, 2016 the company will pay NEO directors \$500 per month. The following table sets forth all amounts of compensation provided to the Directors, who are each not also an NEO, for the Company’s most recently completed financial year:

| <i>Director Name</i> | <i>Fees Earned (\$)</i> | <i>Share-Based Awards (\$)</i> | <i>Option-Based Awards<sup>(1)</sup> (\$)</i> | <i>Non-Equity Incentive Plan Compensation (\$)</i> | <i>Pension Value (\$)</i> | <i>All Other Compensation (\$)</i> | <i>Total (\$)</i> |
|----------------------|-------------------------|--------------------------------|---|--|---------------------------|------------------------------------|-------------------|
| Yves Pierre Clement  | 1,500                   | N/A                            | 000 <sup>(1)</sup>                            | N/A  | N/A                       | N/A                                | 1,500             |
| Denis Laviolette     | 1,500                   | N/A                            | 000 <sup>(1)</sup>                            | N/A  | N/A                       | N/A                                | 1,500             |
| Douglas Flett        | 1,500                   | N/A                            | 000 <sup>(1)</sup>                            | N/A  | N/A                       | N/A                                | 1,500             |

- (1) The Company used the Black-Scholes pricing model as the methodology to calculate the grant date fair value, and relied on the following the key assumptions and estimates for each calculation: under the following assumptions: (i) risk free interest rate of 1.16%; (ii) expected dividend yield of Nil%; (iii) expected volatility of 108%; and (iv) an expected term of five years. The Black-Scholes pricing model was used to estimate the fair value as it is the most accepted methodology.

The Company has no arrangements, standard or otherwise, pursuant to which Directors are compensated by the Company for their services in their capacity as Directors, or for committee participation, involvement in special assignments or for services as consultant or expert during the most recently completed financial year or subsequently, up to and including the date of this Information Circular.

The Company has a Stock Option Plan for the granting of incentive stock options to the officers, employees and Directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the Directors of the Company and to closely align the personal interests of such persons to that of the shareholders.

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

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not Named Executive Officers:

| <i>Director Name</i> | <i>Option-Based Awards</i>                                     |                                   |                               |   | <i>Share-Based Awards</i>   |   |
|----------------------|--|-----------------------------------|-------------------------------|---|---|---|
|                      | <i>Number of Securities Underlying Unexercised Options (#)</i> | <i>Option Exercise Price (\$)</i> | <i>Option Expiration Date</i> | <i>Value of Unexercised In-The-Money Options<sup>(1)</sup> (\$)</i> | <i>Number of Shares Or Units Of Shares That Have Not Vested (#)</i> | <i>Market or Payout Value Of Share-Based Awards That Have Not Vested (\$)</i> |

|                                    |         |      |              |     |     |     |
|------------------------------------|---------|------|--------------|-----|-----|-----|
| Yves Pierre Clement <sup>(2)</sup> | 500,000 | 0.07 | June 8, 2021 | Nil | Nil | Nil |
| Douglas Flett                      | 500,000 | 0.07 | June 8, 2021 | Nil | Nil | Nil |
| Denis Laviolette                   | 500,000 | 0.07 | June 8, 2021 | Nil | Nil | Nil |

(1) The value of unexercised in-the-money options is calculated based on the difference between the market value of the Company's shares as at June 27, 2016 and the exercise price of the options. The closing price of the Company's shares on the CSE on June 27, 2016 was \$0.05 per share.

### Incentive Plan Awards – Value Vested or Earned During the Year

The value vested or earned during the most recently completed financial year of incentive plan awards granted to Directors who are not Named Executive Officers are as follows:

| <i>Director Name</i>       | <i>Option-Based Awards - Value Vested During The Year (\$)</i> | <i>Share-Based Awards - Value Vested During The Year (\$)</i> | <i>Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)</i> |
|----------------------------|--|---|---|
| Paul Ankorn <sup>(1)</sup> | Nil  | N/A   | N/A   |
| Yves Pierre Clement        | Nil  | N/A   | N/A   |
| D. Mark Appleby            | Nil  | N/A   | N/A   |
| Douglas Flett              | Nil  | N/A   | N/A   |
| Denis Laviolette           | Nil  | N/A   | N/A   |

(1) Paul Ankorn resigned as a director on December 1, 2015.

The Company does not have any incentive plans, pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the Directors.

### Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets forth the Company's compensation plans under which equity securities are authorized for issuance as at the end of the most recently completed financial year.

| <i>Plan Category</i>   | <i>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</i> | <i>Weighted-average exercise price of outstanding options, warrants and rights (b)</i> | <i>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</i> |
|--|--|--|--|
| <i>Equity compensation plans approved by securityholders</i> | Nil  | Nil  | Nil  |

|  |           |        |           |
|--|-----------|--------|-----------|
| <i>Equity compensation plans not approved by securityholders</i> | 3,900,000 | \$0.07 | 1,938,498 |
| <i>Total</i>   | 3,900,000 | \$0.07 | 1,938,498 |

## **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

As at March 31, 2016, there was no indebtedness outstanding of any current or former Director, executive officer or employee of the Company which is owing to the Company or to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a Director or executive officer of the Company, no proposed nominee for election as a Director of the Company and no associate of such persons:

- (i) is or at any time since the beginning of the most recently completed financial year has been, indebted to the Company; or
- (ii) whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company,

in relation to a securities purchase program or other program.

## **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Except as set out herein, no person who has been a Director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a Director of the Company and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of Directors.

## **INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Except as set out below, no informed person or proposed Director of the Company and no associate or affiliate of the foregoing persons has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company.

## **APPOINTMENT OF AUDITOR**

Collins Barrow LLP, Chartered Accountants, of Toronto, Ontario, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the re-appointment of Collins Barrow LLP, Chartered Accountants, as the auditors of the Company to hold office for the ensuing year.

Collins Barrow LLP, Chartered Accountants, were appointed as auditors of the Company on June 28, 2012.

## **MANAGEMENT CONTRACTS**

No management functions of the Company are performed to any substantial degree by a person other than

the Directors or executive officers of the Company.

## **CORPORATE GOVERNANCE DISCLOSURE**

National Policy 58-201 establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and, therefore, these guidelines have not been adopted. National Instrument 58-101 mandates disclosure of corporate governance practices which disclosure is set out below.

### **Independence of Members of Board**

The Company's current Board consists of four Directors, three of whom are independent based upon the tests for independence set forth in National Instrument 52-110 ("NI 52-110"). Yves Pierre Clement, Douglas Flett and Denis Laviolette are independent. D. Mark Appleby is not independent as he is the President and CEO of the Company.

### **Management Supervision by Board**

The operations of the Company do not support a large Board of Directors and the Board has determined that the current constitution of the Board is appropriate for the Company's current stage of development. Independent supervision of management is accomplished through choosing management who demonstrate a high level of integrity and ability and having strong independent Board members. The independent Directors are however able to meet at any time without any members of management including the non-independent Directors being present. Further supervision is performed through the use of special committees as required and through the audit committee which is composed of a majority of independent Directors who meet with the Company's auditors without management being in attendance. The independent Directors also have access to the Company's outside legal counsel as required, and its officers.

### **Risk Management**

The Board of Directors is responsible for adoption of a strategic planning process, identification of principal risks and implementing risk management systems, succession planning and the continuous disclosure requirements of the Company under applicable securities laws and regulations.

The audit committee is responsible for the risk management items set out in the audit committee charter.

### **Participation of Directors in Other Reporting Issuers**

The participation of the Directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

### **Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board of Directors, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company, technical reports and the Company's

- internal financial information;
- 3. access to management and technical experts and consultants; and
- 4. summary of significant corporate and securities responsibilities.

Board members are encouraged to communicate with management, auditors and technical consultants, to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

### **Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. The Board has adopted a Code of Conduct and has instructed its management and employees to abide by the Code.

### **Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

### **Compensation of Directors and the CEO**

The independent Directors are Yves Pierre Clement, Douglas Flett and Denis Laviolette. These Directors have the responsibility for determining compensation for the Directors and senior management.

To determine compensation payable, the independent Directors review compensation paid for Directors and CEOs of companies of similar size and stage of development in the mineral exploration industry and determine an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the Directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation the independent Directors annually review the performance of the CEO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

### **Board Committees**

The Company has an Audit Committee comprised of Douglas Flett, D. Mark Appleby and Denis Laviolette. Special Committee's comprised of independent and non-conflicted Directors are formed to review any proposed non-arms length transactions. The Directors are actively involved in the operations of the Company and the size of the Company's operations does not warrant a larger board of Directors. The Board has determined that additional committees beyond the audit committee and special committee are not necessary at this stage of the Company's development.

### **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual Directors and each of its committees. To assist in its review, the Board conducts informal surveys of its Directors.

## **Nomination and Assessment**

The Board determines new nominees to the Board, although a formal process has not been adopted. The nominees are generally the result of recruitment efforts by the Board members, including both formal and informal discussions among Board members and the President and CEO. The Board monitors but does not formally assess the performance of individual Board members or committee members or their contributions.

## **Expectations of Management**

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

## **AUDIT COMMITTEE**

### **The Audit Committee's Charter**

#### *Mandate*

The primary function of the audit committee (the "Committee") is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board of Directors.

#### *Composition*

The Committee shall be comprised of three Directors as determined by the Board of Directors, the majority of whom shall be free from any relationship that, in the opinion of the Board of Directors, would interfere with the exercise of his or her independent judgment as a member of the Committee.

At least one member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Company's Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Committee shall be elected by the Board of Directors at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board of Directors, the members of the

Committee may designate a Chair by a majority vote of the full Committee membership.

### *Meetings*

The Committee shall meet at least quarterly, or more frequently as circumstances dictate. As part of its job to foster open communication, the Committee will meet at least annually with the CFO and the external auditors in separate sessions.

### *Responsibilities and Duties*

To fulfill its responsibilities and duties, the Committee shall:

#### Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

#### External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board of Directors and the Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board of Directors take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board of Directors the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation

related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:

- i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
- ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
- iii. such services are promptly brought to the attention of the Committee by the Company and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval such authority may be delegated by the Committee to one or more independent members of the Committee.

### Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.
- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

### Risk Management

1. To review, at least annually, and more frequently if necessary, the Company's policies for risk assessment and risk management (the identification, monitoring, and mitigation of risks).
2. To inquire of management and the independent auditor about significant business, political, financial and control risks or exposure to such risk.
3. To request the external auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are being managed or controlled.
4. To assess the effectiveness of the over-all process for identifying principal business risks and report thereon to the Board.

### Other

Review any related-party transactions.

### **Composition of the Audit Committee**

The following are the members of the Committee:

|                  |                                |                                     |
|------------------|--------------------------------|-------------------------------------|
| D. Mark Appleby  | Non-Independent <sup>(1)</sup> | Financially literate <sup>(1)</sup> |
| Douglas Flett    | Independent <sup>(1)</sup>     | Financially literate <sup>(1)</sup> |
| Denis Laviolette | Independent <sup>(1)</sup>     | Financially literate <sup>(1)</sup> |

<sup>(1)</sup> As defined by NI 52-110 – Audit Committee

### **Audit Committee Member Education and Experience**

**Douglas Flett** is the Chairman of the Audit Committee. He has completed the Rotman Institute of Corporate Directors SME Program. Mr. Flett is experienced as a corporate director and is currently the chairman of KWG Resources Ltd. Mr. Flett’s business knowledge and experience has provided him with an understanding of financial reporting to enable him to act as a member of the Audit Committee.

**D. Mark Appleby** has been involved in public companies for over 20 years. Through his involvement with public companies, Mr. Appleby has developed an understanding of financial reporting sufficient to enable him to act as a member of the Audit Committee.

**Denis Laviolette** has corporate experience as a director and officer of Canadian public companies. He was responsible for market/portfolio analysis, reviewing and vetting assets from a technical perspective and providing valuation estimates, analyzing and summarizing technical reports on resources, feasibility and corporate financial statements. Through his involvement with public companies, Mr. Laviolette has developed an understanding of financial reporting sufficient to enable him to act as a member of the Audit Committee.

### **Audit Committee Oversight**

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

### **Reliance on Certain Exemptions**

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

### **Pre-Approval Policies and Procedures**

The Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading “External Auditors”.

### **Exemption in Section 6.1 of NI 52-110**

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

### **External Auditor Service Fees (By Category)**

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

| <i>Financial Year Ending</i> | <i>Audit Fees</i> | <i>Audit Related Fees</i> | <i>Tax Fees</i> | <i>All Other Fees</i> |
|------------------------------|-------------------|---------------------------|-----------------|-----------------------|
| March 31, 2015               | \$17,000          | Nil                       | \$1,921         | Nil                   |
| March 31, 2014               | \$17,000          | Nil                       | \$1,921         | Nil                   |

## **PARTICULARS OF OTHER MATTERS TO BE ACTED UPON Approval and Ratification of**

### **Stock Option Plan**

The Board of Directors of the Company implemented a Stock Option Plan (the "Plan") effective September 7, 2011. The Plan is attached as Schedule A to this information circular. The number of shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding shares at the time of the grant. In addition, the number of shares which may be reserved for issuance to insiders as a group is 10%, to any one individual may not exceed 5% of the issued shares on a yearly basis or 2% if the optionee is engaged in investor relations activities or is a consultant. The Stock Option Plan which sets the number of shares issuable under the plan at a maximum of 10% of the issued and outstanding shares is approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"UPON MOTION IT WAS RESOLVED that the Company approve and ratify, subject to regulatory approval, if required, the Stock Option Plan pursuant to which the Directors may, from time to time, authorize the issuance of options to Directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis."

The purpose of the Plan is to allow the Company to grant options to Directors, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board of Directors of the Company and are required to have an exercise price no less than the closing market price of the Company's shares prevailing on the day that the option is granted. Pursuant to the Plan, the Board of Directors may from time to time authorize the issue of options to Directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

If the optionee ceases to be an eligible person as a result of termination for cause of such optionee by the Company any outstanding option held by such optionee on the date of such termination, whether in respect of option shares that are vested or not, shall be cancelled as of that date. If the optionee ceases to be an eligible person due to his or her retirement at the request of his or her employer earlier than the normal retirement date under the Company's retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to his or her voluntary resignation, the option then held by the optionee shall be exercisable to acquire unissued option shares at any time up to but not after the earlier of the expiry date and the date which is 90 days (30 days if the optionee was engaged in investor relations activities) after the optionee or, the Board of Directors of the Company may, in its sole discretion if it determines such is in the best interests of the Company, extend the expiry date of the option of an optionee to a later date within a reasonable period.

The full text of the Plan will be available for review at the Meeting.

**Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Plan.**

### **Sale of Interest in La Victoria Property, Peru**

At the Meeting, Shareholders will be asked to consider and, if thought fit, to pass a resolution (the "La Victoria Property Resolution"), substantially in the form below, authorizing and approving the transaction (the "Transaction") to sell to Eloro Resources Ltd. ("Eloro") Tartisan's 100% undivided interest in La Victoria property ("La Victoria" or the "Property"), in consideration for: i) 6 million common shares (the "Shares") and 3,000,000 non-transferable warrants ("Warrants"), ii) staged cash payments totaling C\$350,000, and iii) the granting of a 2% royalty interest (the "Royalty"), half of which (1%) can be repurchased by Eloro for C\$3 million.

**The Board recommends that Shareholders vote FOR the approval of the La Victoria Property Resolution. Unless otherwise directed, the management proxy nominees named in the accompanying form of proxy to this Circular intend to vote the Common Shares represented thereby FOR the approval of the La Victoria Property Resolution.**

### **BE IT RESOLVED THAT:**

1. the entering into by the Transaction, as described herein with all the actions of the directors of the Corporation in approving the Agreement and the actions of the directors and officers of the Corporation in executing and delivering the related definitive agreement and causing the performance by the Corporation of its obligations thereunder are hereby confirmed, ratified, authorized and approved; and
2. any one director or officer of the Corporation is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Corporation, to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

## *Background*

The Company entered into a Letter of Intent Agreement (the “Agreement”) with Eoro Resources Ltd. (“Eoro”) for Eoro to acquire Tartisan’s 100% undivided interest in La Victoria property (“La Victoria” or the “Property”), in consideration for:

- (i) 6 million common shares (the “Shares”) and 3,000,000 non-transferable warrants (“Warrants”),
- (ii) staged cash payments totaling C\$350,000, and
- (iii) the granting of a 2% royalty interest (the “Royalty”), half of which (1%) can be repurchased by Eoro for C\$3 million (collectively, the “Transaction”).

On completion of the proposed Transaction, Eoro will hold an undivided 100% interest in the Property, subject to the Royalty.

## *La Victoria Property, Peru*

The La Victoria Property is free of royalties and consists eight mining concessions encompassing approximately 34.4 square kilometres plus two pending claims called Romina 1 and Roberto 1. The La Victoria Property is within 50 kilometres of several producing mines, with three producers visible from the Property, which has good infrastructure with road-access and nearby sources of water and electricity.

Currently, the Property is currently governed by the La Victoria Option and Joint Venture Agreement with Eoro dated July 3, 2014 (the “Option and Joint Venture Agreement”), as amended.

## *Transaction Highlights*

On closing, Eoro would acquire Tartisan’s 100% undivided interest in La Victoria property in consideration of:

- i) the issuance of 6,000,000 Shares and 3,000,000 Warrants of Eoro to the Company;
- ii) a cash payment of C\$250,000 on closing, with a further payment of C\$100,000 six months from closing (the San Markito mineral claim will not be transferred by the Company to Eoro until such time that the final C\$100,000 payment is made). The Option and Joint Venture Agreement will be terminated upon completion of the Transaction.
  - Each Warrant will give the Company the right to purchase one Share of Eoro at a price of \$0.40 for a period of three years after closing, subject to acceleration in certain circumstances.
  - All securities issued to the Company in the Transaction would be subject to a lock-up agreement whereby the Company will be restricted from transferring securities of Eoro for a period of 18 months following the closing date of the Transaction, subject to certain exceptions, and transfers subsequent to that period will be subject to further restrictions, whereby should the Company wish to proceed with a disposition, it would be restricted to 1 million Shares every six months and the Company would agree to provide Eoro 45 days’ notice prior to any sale, during which time Eoro could identify a purchaser or purchasers of the Shares and would have the right of first refusal to place the Shares pursuant to the terms of a mutually agreeable sale.
  - Eoro would grant the Company a 2% Net Smelter Royalty on the Property, with a buy-down provision for one-half (1%) of the Royalty for consideration of C\$3 million.

- During a two year term, Eloro would grant the Company a pre-emptive purchase right to participate in future Eloro financings to concurrently purchase such number of Eloro shares as would allow the Company to maintain the same beneficial ownership in aggregate, up to a maximum of 19.9%, as the Company owned immediately prior to the closing of the proposed financing.
- the Company will be entitled to nominate its C.E.O., Mr. Mark Appleby, to the Board of Directors of Eloro, during such time that the Company holds more than 10% of the outstanding Eloro Shares.
- For a four-year term, the Company will not vote its Shares of Eloro against any nominees to Eloro's Board of Directors proposed by Eloro or vote against any resolutions supported by the Board of Directors of Eloro, subject to certain exceptions.

The proposed Transaction would create a new "Control Person" in Eloro pursuant to applicable securities legislation as it is proposed that Eloro issue the Company 6 million Shares and 3,000,000 Warrants (representing 22.8% of the Shares of Eloro on a non-diluted basis, and 30.7% of the Shares of Eloro on a partially-diluted basis, assuming the exercise of only the Warrants). In accordance with the policies of the TSX Venture Exchange ("TSXV"), disinterested shareholder approval is required for the creation of a new Control Person.

The Transaction remains subject to several conditions, including:

- (i) the satisfactory completion of a due diligence review of the Property by Eloro,
- (ii) the completion and execution of a Definitive Agreement,
- (iii) approval of the Board of Directors of each of Eloro and the Company,
- (iv) the receipt of all necessary approvals, including the approval of the TSXV for Eloro and of the Canadian Securities Exchange for the Company, and
- (v) shareholder approval from the shareholders of Eloro and if applicable, the shareholders of the Company.

Eloro will be making a submission to the TSX-V in order to obtain conditional approval for the Transaction and will schedule an Annual and Special Meeting of its shareholders in order to obtain the required shareholder approval for the issuance of the securities pursuant to the Transaction. Any securities to be issued by Eloro pursuant to the proposed Transaction would be subject to a 4-month hold period.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may contact the Company at 1060 – 44 Victoria Street, Toronto, Ontario, M5C 1Y2, to request copies of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year which are filed on SEDAR.

## **OTHER MATTERS**

Management of the Company is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 27<sup>th</sup> day of June, 2016.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“D. Mark Appleby”*

D. Mark Appleby, President and  
Chief Executive Officer

## SCHEDULE "A"

### TARTISAN RESOURCES CORP.

#### STOCK OPTION PLAN

#### 1. PURPOSE OF PLAN

- 1.1 The purpose of the Plan is to attract, retain and motivate persons as directors, officers, key employees and consultants of the Corporation and its Subsidiaries and to advance the interests of the Corporation by providing such persons with the opportunity, through share options, to acquire an increased proprietary interest in the Corporation.

#### 2. DEFINED TERMS

Where used herein, the following terms shall have the following meanings, respectively:

- 2.1 "Board" means the board of directors of the Corporation or, if established and duly authorized to act, the Executive Committee or another Committee appointed for such purpose by the board of directors of the Corporation;
- 2.2 "Business Day" means any day, other than a Saturday or a Sunday, on which the Exchange is open for trading and if the Corporation is not listed on any exchange, any day when the major chartered banks in Toronto are open for business;
- 2.3 "Consultant" means an individual (including an individual whose services are contracted through a personal holding corporation) with whom the Corporation or any Subsidiary has a contract for substantial services;
- 2.4 "Corporation" means Tartisan Resources Inc. and includes any successor corporation thereto and any subsidiary thereof;
- 2.5 "Eligible Person" means any director, officer, employee (part-time or full-time), service provider or Consultant of the Corporation or any Subsidiary;
- 2.6 "Exchange" means the CSE Exchange and, where the context permits, any other exchange on which the Shares are or may be listed from time to time;
- 2.7 "Insider" means:
- (a) an Insider as defined under Section 1 (1) of the *Securities Act* (Ontario), other than a person who falls within that definition solely by virtue of being a director or senior officer of a Subsidiary; and
  - (b) an associate as defined under Section 1 (1) of the *Securities Act* (Ontario) of any person who is an insider by virtue of (a) above;
- 2.8 "Market Price" at any date in respect of the Shares shall be the greatest closing price of such Shares on any Exchange on the last Business Day preceding the date on which the Option is approved by the Board (or, if such Shares are not then listed and posted for trading on the Exchange, on such stock exchange in Canada on which the Shares are listed and posted for trading as may be selected for such purpose by the Board). In the event that such Shares did not trade on such Business Day, the Market Price shall be the average of the bid and ask prices in respect of such Shares at the close of trading on such date. In the event that such Shares are not listed and posted for trading on any stock exchange, the Market Price shall be the fair market value of such Shares as determined by the Board in its sole discretion;

- 2.9 “Option” means an option to purchase Shares granted under the Plan;
- 2.10 “Option Price” means the price per Share at which Shares may be purchased under the Option, as the same may be adjusted from time to time in accordance with Article 8;
- 2.11 “Optionee” means an Eligible Person to whom an Option has been granted;
- 2.12 “Person” means an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the *Business Corporations Act* (Ontario);
- 2.13 “Plan” means the Tartisan Resources Inc. Stock Option Plan, as the same may be amended or varied from time to time;
- 2.14 “Share Compensation Arrangement” means any stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise;
- 2.15 “Shares” means the common shares of the Corporation or, in the event of an adjustment contemplated by Article 8, such other shares or securities to which an Optionee may be entitled upon the exercise of an Option as a result of such adjustment; and
- 2.16 “Subsidiary” means any corporation which is a subsidiary as such term is defined in the *Business Corporations Act* (Ontario) (as such provision is from time to time amended, varied or re-enacted) of the Corporation.

### **3. ADMINISTRATION OF THE PLAN**

- 3.1 The Plan shall be administered in accordance with the rules and policies of the Exchange in respect of employee stock option plans by the Board. The Board shall receive recommendations of management and shall determine and designate from time to time those directors, officers, employees and Consultants of the Corporation or its Subsidiaries to whom an Option should be granted and the number of Shares, which will be optioned from time to time to any Eligible Person and the terms and conditions of the grant.
- 3.2 The Board shall have the power, where consistent with the general purpose and intent of the Plan and subject to the specific provisions of the Plan:
- (a) to establish policies and to adopt, prescribe, amend or vary rules and regulations for carrying out the purposes, provisions and administration of the Plan and make all other determinations necessary or advisable for its administration;
  - (b) to interpret and construe the Plan and to determine all questions arising out of the Plan and any Option granted pursuant to the Plan and any such interpretation, construction or determination made by the Board shall be final, binding and conclusive for all purposes;
  - (c) to determine which Eligible Persons are granted Options and to grant Options;
  - (d) to determine the number of Shares covered by each Option;
  - (e) to determine the Option Price;
  - (f) to determine the time or times when Options will be granted and exercisable;

- (g) to determine if the Shares which are subject to an Option will be subject to any restrictions upon the exercise of such Option; and
- (h) to prescribe the form of the instruments relating to the grant, exercise and other terms of Options which initially shall be substantially in the form annexed hereto as Schedule "A-1".

#### **4. SHARES SUBJECT TO THE PLAN**

- 4.1 Options may be granted in respect of authorized and unissued Shares provided that, the maximum aggregate number of Shares reserved by the Corporation for issuance and which may be purchased upon the exercise of all Options, subject to adjustment of such number pursuant to the provisions of Section 8 hereof, shall not exceed 10% of the then issued and outstanding Shares of the Corporation. Shares in respect of which Options are not exercised shall be available for subsequent Options under the Plan. No fractional Shares may be purchased or issued under the Plan.

#### **5. ELIGIBILITY; GRANT; TERMS OF OPTIONS**

- 5.1 Options may be granted to Eligible Persons. The Corporation covenants that all employees, service providers, Consultants or individuals employed by companies providing management services to the Corporation shall be bona fide employees, service providers, Consultants or employees of such Consultants or service providers of the Corporation or its subsidiaries.
- 5.2 Options may be granted by the Corporation pursuant to the recommendations of the Board from time to time provided and to the extent that such decisions are approved by the Board.
- 5.3 Subject to the provisions of this Plan, the number of Shares subject to each Option, the Option Price, the expiration date of each Option, the extent to which each Option is exercisable from time to time during the term of the Option and other terms and conditions relating to each such Option shall be determined by the Board. At no time shall the period during which an Option shall be exercisable exceed 5 years.
- 5.4 In the event that no specific determination is made by the Board with respect to any of the following matters, the period during which an Option shall be exercisable shall be 5 years from the date the Option is granted to the Optionee and the Options shall vest on the date of the grant save and except that Options granted to persons employed in Investor Relations Activities (as defined in the policies of the Exchange) shall vest in stages over 12 months with no more than  $\frac{1}{4}$  of the Options vesting in any three month period from the date of grant.
- 5.5 The Option Price of Shares which are the subject of any Option shall in no circumstances be lower than the Market Price of the Shares at the date of the grant of the Option.
- 5.6 The maximum number of Shares which may be reserved for issuance to any one Optionee under this Plan or under any other Share Compensation Arrangement shall not exceed 5% of the Shares outstanding at the date of the grant (on a non-diluted basis) in any 12 month period.
- 5.7 The maximum number of Shares which may be reserved for issuance to Insiders under the Plan or under any other Share Compensation Arrangement shall be 10% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.8 The maximum number of Shares which may be issued to any one Insider and such Insider's associates under the Plan and any other Share Compensation Arrangement in any 12 month period shall be 5% of the Shares outstanding at the date of the issuance (on a non-diluted basis). The maximum number of Shares which may be issued to any Insiders under the Plan and any other Share Compensation Arrangement in any 12 month period shall be 10% of the Shares outstanding at the date of the issuance (on a non-diluted basis).

- 5.9 The maximum number of shares which may be reserved for issuance to persons employed in Investor Relations Activities under the Plan or under any other Share Compensation Arrangement in any 12 month period shall not exceed 2% of the Shares outstanding at the date of grant (on a non-diluted basis).
- 5.10 The maximum number of shares which may be reserved for issuance to any one person employed as a Consultant under the Plan or any other Share Compensation Arrangement shall not exceed 2% of the Shares outstanding at the date of the grant (on a non-diluted basis).
- 5.11 Any entitlement to acquire Shares granted pursuant to the Plan or any other Share Compensation Arrangement prior to the Optionee becoming an Insider shall be excluded for the purposes of the limits set out in 5.7 and 5.8 above.
- 5.12 An Option is personal to the Optionee and is non-assignable and non-transferable.
- 5.13 If required by Exchange policies, disinterested shareholder approval shall be required for any reduction in the exercise price or extension of the term of the Options if the optionholder is an Insider of the Corporation at the time of a proposed amendment to the exercise price or extension of the term.

## **6. EXERCISE OF OPTIONS**

- 6.1 Subject to the provisions of the Plan, an Option may be exercised from time to time by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Secretary of the Corporation specifying the number of Shares with respect to which the Option is being exercised and accompanied by payment in full of the Option Price of the Shares to be purchased. Certificates for such Shares shall be issued and delivered to the Optionee within a reasonable period of time following the receipt of such notice and payment.
- 6.2 Notwithstanding any of the provisions contained in the Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of an Option shall be subject to:
- (a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as counsel to the Corporation shall reasonably determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; and
  - (b) the receipt from the Optionee of such representations, agreements and undertakings, including as to future dealings in such Shares, as the Corporation or its counsel reasonably determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection the Corporation shall, to the extent necessary, take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Shares in compliance with applicable securities laws and for the listing of such Shares on the Exchange.

## **7. TERMINATION OF EMPLOYMENT: DEATH**

- 7.1 Subject to Section 7.2 and any express resolution passed by the Board with respect to an Option, an Option, and all rights to purchase pursuant thereto, shall expire and terminate 30 days after the Optionee ceasing to be a director, officer or a part-time or full-time employee or service provider of the Corporation or of any Subsidiary. The entitlement of a Consultant to Options including the termination thereof shall be in accordance with the terms of the consulting agreement entered into between the Corporation or the Subsidiary and the Consultant.

- 7.2 If, before the expiry of an Option in accordance with the terms thereof, the employment of the Optionee with the Corporation or with any Subsidiary shall terminate, in either case by reason of the death of the Optionee, such Option may, subject to the terms thereof and any other terms of the Plan, be exercised by the legal representative(s) of the estate of the Optionee at any time during the first six months following the death of the Optionee (but prior to the expiry of the Option in accordance with the terms thereof) but only to the extent that the Optionee was entitled to exercise such Option at the date of the termination of his employment.
- 7.3 Options shall not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director where the Optionee continues to be employed by the Corporation or continues to be a director of the Subsidiary or an officer of the Corporation or any Subsidiary.

## **8. CHANGE IN CONTROL AND CERTAIN ADJUSTMENTS**

- 8.1 Notwithstanding any other provision of this Plan in the event of:
- (a) the acquisition by any Person who was not, immediately prior to the effective time of the acquisition, a registered or a beneficial shareholder in the Corporation, of Shares or rights or options to acquire Shares of the Corporation or securities which are convertible into Shares of the Corporation or any combination thereof such that after the completion of such acquisition such Person would be entitled to exercise 30% or more of the votes entitled to be cast at a meeting of the shareholders; or
  - (b) the sale by the Corporation of all or substantially all of the property or assets of the Corporation;

then notwithstanding that at the effective time of such transaction the Optionee may not be entitled to all the Shares granted by the Option, the Optionee shall be entitled to exercise the Options to the full amount of the Shares remaining at that time within 90 days of the close of any such transaction.

- 8.2 Appropriate adjustments with respect to Options granted or to be granted, in the number of Shares optioned and in the Option Price, shall be made by the Board to give effect to adjustments in the number of Shares of the Corporation resulting from subdivisions, consolidations or reclassifications of the Shares of the Corporation, the payment of stock dividends or cash dividends by the Corporation (other than dividends in the ordinary course), the distribution of securities, property or assets by way of dividend or otherwise (other than dividends in the ordinary course), or other relevant changes in the capital stock of the Corporation or the amalgamation or merger of the Corporation with or into any other entity, subsequent to the approval of the Plan by the Board. The appropriate adjustment in any particular circumstance shall be conclusively determined by the Board in its sole discretion, subject to approval by the Shareholders of the Corporation and to acceptance by the Exchange respectively, if applicable.

## **9. AMENDMENT OR DISCONTINUANCE**

- 9.1 The Board may amend or discontinue the Plan at any time upon receipt of requisite regulatory approval including without limitation, the approval of the Exchange, provided, however, that no such amendment may increase the maximum number of Shares that may be optioned under the Plan, change the manner of determining the minimum Option Price or, without the consent of the Optionee, alter or impair any of the terms of any Option previously granted to an Optionee under the Plan. Any amendments to the terms of an Option shall also require regulatory approval, including without limitation, the approval of the Exchange.

## **10. MISCELLANEOUS PROVISIONS**

- 10.1 The holder of an Option shall not have any rights as a shareholder of the Corporation with respect to any of the Shares covered by such Option until such holder shall have exercised such Option in accordance with

the terms of the Plan (including tendering payment in full of the Option Price of the Shares in respect of which the Option is being exercised) and the issuance of Shares by the Corporation.

- 10.2 Nothing in the Plan or any Option shall confer upon an Optionee any right to continue in the employ of the Corporation or any Subsidiary or affect in any way the right of the Corporation or any Subsidiary to terminate his employment at any time; nor shall anything in the Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment of any Optionee beyond the time which he would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or beyond the time at which he would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.
- 10.3 To the extent required by law or regulatory policy or necessary to allow Shares issued on exercise of an Option to be free of resale restrictions, the Corporation shall report the grant, exercise or termination of the Option to the Exchange and the appropriate securities regulatory authorities.

## **11. SHAREHOLDER AND REGULATORY APPROVAL**

- 11.1 The Plan shall be subject to the approval of the shareholders of the Corporation to be given by a resolution passed at a meeting of the shareholders of the Corporation in accordance with the Business Corporations Act, (Ontario) and to acceptance by the Exchange, if applicable. Any Options granted prior to such approval and acceptances shall be conditional upon such approval and acceptance being given and no such Options may be exercised unless such approval and acceptance is given.

