



Notice of Annual Meeting  
of Shareholders  
Wednesday, 28 June 2017

Management Information Circular



**EUROMAX RESOURCES LTD.**  
**("Corporation")**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

NOTICE IS HEREBY GIVEN that the annual general meeting ("**Meeting**") of the holders of common shares of the Corporation will be held at Marriott Hotel, Ploshtad Makedonija 7, 1000 Skopje, Macedonia, on Wednesday 28 June 2017 at 2:00 p.m. (CEST) for the following purposes:

1. To receive the audited consolidated financial statements of the Corporation for the financial year ended 31 December 2016, and the auditors' report thereon;
2. To fix the number of directors of the Corporation at eight (8);
3. To elect the directors of the Corporation for the ensuing year;
4. To appoint Deloitte LLP as auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
5. To transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The directors have fixed the close of business (CEST) on 24 May 2017 as the record date for determining registered shareholders who are entitled to receive notice of the Meeting and are entitled to vote at the Meeting or any adjournment(s) thereof.

This notice is accompanied by the Information Circular ("**Circular**"), a proxy or voting instruction form and a supplemental mailing list return card. The Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

Registered shareholders who cannot attend the Meeting are encouraged to date, sign and deliver the accompanying proxy and return it in accordance with the instructions set out therein. Non-registered shareholders who receive these materials through their broker or another intermediary are encouraged to complete and return the materials in accordance with the instructions provided by their broker or other intermediary.

DATED this 24 May 2017

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read 'S Sharpe', with a horizontal line extending to the right.

Steven Sharpe  
President and Chief Executive Officer



**EUROMAX RESOURCES LTD.**

**INFORMATION CIRCULAR**

**(AS AT 24 MAY 2017 UNLESS OTHERWISE INDICATED)**

**Time, Date and Place**

The Meeting of holders of common shares of Euromax Resources Ltd. ("**Euromax**" or "**Corporation**") will be held at the Marriott Hotel, Ploshtad Makedonija 7, 1000 Skopje, Macedonia, on Wednesday 28 June 2017 at 2:00 p.m. (CEST) for the purposes set forth in the accompanying notice of annual general meeting of shareholders ("**Notice**").

**Record Date**

The record date for determining registered holders of common shares of the Corporation ("**Shareholders**") entitled to receive notice of the Meeting and for determining Shareholders entitled to vote at the Meeting has been fixed at 5:00 p.m. (CEST) on 24 May 2017. Any Shareholder of record at 5:00 p.m. (CEST) on 24 May 2017 who either personally attends the Meeting or who has completed and delivered a form of proxy in the manner and subject to the provisions described below shall be entitled to vote or have his or her common shares voted at the Meeting.

**GENERAL PROXY INFORMATION**

**Solicitation of Proxies**

This information circular ("**Information Circular**") is furnished in connection with the solicitation of proxies by the management of the Corporation for use at the Meeting (and any adjournment thereof) for the purposes set forth in the Notice.

It is expected that the solicitation of proxies will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers, employees or agents of the Corporation without special compensation. The costs associated with the solicitation of proxies by management will be borne by the Corporation.

**Appointment and Deposit of Proxies**

The individuals named as appointed proxyholders in the accompanying form of proxy are Steven Sharpe, the President and Chief Executive Officer and a director of the Corporation and, failing him, Varshan Gokool, the Chief Financial Officer and a director of the Corporation.

**A Shareholder has the right to appoint a person, or company (who need not be a Shareholder) to attend and act for the Shareholder and on the Shareholder's behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by inserting the name of the desired person in the blank space provided in the form of proxy or by completing another form of proxy.**

To be valid, a proxy must be in writing and executed by the Shareholder or its attorney authorized in writing, or if the Shareholder is a corporation, an authorized director, officer or attorney. Completed proxies must be delivered to the Corporation c/o Computershare Investor Services Inc., Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 (fax no. 1-866-249-7775) by 2:00 p.m. (CEST) on Friday 23 June 2017 or, in the case of a Meeting adjournment, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the adjourned Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

### Exercise of Discretion by Proxies

The common shares represented by a properly executed proxy will be voted for or against or be withheld from voting on each matter referred to in the Notice, in accordance with the instructions of the Shareholder, on any ballot that may be called for. If the Shareholder specifies a choice with respect to any matter, the common shares will be voted accordingly. **If a Shareholder does not specify a choice, the common shares represented by a proxy given to management proxyholders will be voted in favour of all matters specified in the Notice.**

The form of proxy accompanying this Information Circular also confers discretionary authority upon the proxyholder named therein with respect to any amendments or variations to the matters identified in the Notice and any other matters which may properly come before the Meeting or any postponement or adjournment thereof, in each instance, to the extent permitted by law, whether or not the amendment or variation or other matter that comes before the Meeting is contested. In the event that amendments or variations to matters identified in the Notice are properly brought before the Meeting, it is the intention of the persons designated in the accompanying form of proxy to vote in accordance with their best judgment on such matter or business. At the time of printing of this Information Circular, management of the Corporation is not aware of any such amendment, variation or other matter which may be presented at the Meeting.

### Revocation of Proxies

A proxy may be revoked by: (a) completing a proxy bearing a later date and returning it to Computershare Investor Services Inc. to arrive as described above; or (b) by depositing a written instrument executed by the Shareholder, by the Shareholder's attorney authorized in writing or, if the Shareholder is a corporation, by an authorized director, officer or attorney of the corporation: (i) to the Corporation's registered office at 10th Floor - 595 Howe Street, Vancouver, BC, V6C 2T5 Canada at any time up to 5:00 p.m. (Vancouver time) on the last business day preceding the date of the Meeting or any adjournment thereof; or (ii) with the chairman of the Meeting on the date of the Meeting or any adjournment thereof before the taking of any vote in respect of which the proxy is to be used; or (c) in any other manner permitted by law. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

### Information for Non-Registered (Beneficial) Owners of Common Shares

The common shares owned by many Shareholders are not registered on the records of the Corporation in their own names. Rather, such common shares are registered in the name of a securities dealer, bank or other intermediary, or in the name of a clearing agency (referred to in this Information Circular as "**Intermediaries**"). Shareholders who do not hold their common shares in their own names (referred to in this Information Circular as "**non-registered owners**") should note that **only registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. A non-registered owner cannot be recognized at the Meeting for the purposes of voting his or her common shares unless such holder is appointed by the applicable Intermediary as a proxyholder.**

Non-registered owners who have not objected to their Intermediary disclosing certain ownership information about themselves to the Corporation are referred to as non-objecting beneficial owners ("**NOBOs**"). Those non-registered owners who have objected to their Intermediary disclosing ownership information about themselves to the Corporation are referred to as objecting beneficial owners ("**OBOs**").

The Corporation will pay for an Intermediary to deliver the Meeting materials to non-registered owners who are OBOs, including a VIF (as defined below). The Corporation will not rely on the notice and access delivery procedures outlined in National Instrument 54-101 (Communications with Beneficial Owners of Securities of a Reporting Issuer) to distribute copies of proxy-related materials in connection with the Meeting.

Meeting materials sent to non-registered owners who have not waived the right to receive Meeting materials are accompanied by a request for voting instructions ("**VIF**"). This form is provided instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered owner is able to instruct the registered shareholder how to vote on behalf of the non-registered owner. VIFs, whether provided by the Corporation or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered owners to direct the voting of the common shares which they beneficially own. If a non-registered owner who receives a VIF wishes to attend the Meeting, then the non-registered owner should appoint him or herself as proxyholder by writing his or her name in the space provided on the VIF and return it in accordance with the instructions noted on it. Do not complete the voting section of the VIF as your vote will be taken at the Meeting.

**IF YOU ARE A NON-REGISTERED OWNER AND WISH TO VOTE IN PERSON AT THE MEETING, PLEASE REFER TO THE INSTRUCTIONS SET OUT ON THE "REQUEST FOR VOTING INSTRUCTIONS" (VIF) THAT ACCOMPANIES THIS INFORMATION CIRCULAR.**

**Voting Securities and Principal Holders of Voting Securities**

As of 24 May 2017 there were 120,334,598 fully paid and non-assessable common shares of the Corporation issued and outstanding, each carrying the right to one vote. The Corporation has no other classes of voting securities.

To the knowledge of the directors and executive officers of the Corporation, as at the date hereof, no person or company beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding common shares of the Corporation except as follows:

<b>Name</b>	<b>Number of Common Shares</b>	<b>Percentage of Common Shares Outstanding</b>
European Bank for Reconstruction and Development ("EBRD")	23,368,547	19.42%
Richard Griffiths/ Blake Holdings Limited	22,318,499	18.55%
Richmond Capital LLP	13,614,900	11.31%

**BUSINESS OF THE MEETING**

**Financial Statements**

The audited consolidated financial statements of the Corporation for the year ended December 31, 2016 and the report of the auditors thereon will be presented at the Meeting.

**Election of Directors**

Pursuant to the Corporation's Articles, the number of directors may be fixed or changed by ordinary resolution, subject to a limited right of the board of directors of the Corporation ("Board") to increase the number of directors between shareholder meetings. At the Meeting, shareholder approval will be sought by way of an ordinary resolution to fix the number of directors of the Corporation at eight (8). The management proxyholders named in the accompanying form of proxy intend to vote in favour of fixing the number of directors at eight.

The term of office of each of the present directors expires at the Meeting. Each of the persons whose name appears below will be presented at the Meeting as management's nominees for election as a director of the Corporation and the management proxyholders named in the accompanying form of proxy intend to vote for the election of these nominees. Management does not expect that any of these nominees will be unable to act. The directors of the Corporation are elected to serve until the next annual general meeting of the Shareholders of the Corporation or until their successors are appointed, unless they cease to hold office sooner.

The following table sets out the names and positions of the proposed nominees for election as directors, the province and country in which each is resident, their principal occupations, the period of time for which each has served as a director of the Corporation, and the number of common shares of the Corporation beneficially owned, or controlled or directed, directly or indirectly, by each as of the date of the Information Circular. This information concerning respective nominees has been furnished by them.

<b>Name, Jurisdiction of Residence and Position</b>	<b>Director Since</b>	<b>Principal Occupation and, if not a previously elected Director, Occupation during the past 5 years</b>	<b>Common Shares beneficially owned, or controlled or directed, directly or indirectly</b>
Martyn Konig <sup>(1)(2)</sup> Non-Executive Chairman Jersey, Channel Islands	May 22, 2012	Non-executive Chairman of the Corporation, Non-executive Chairman of Nyrstar NV, Non-executive director of New Gold Inc.	3,115,739
Steven Sharpe President, Chief Executive Officer and Director Surrey, England	May 22, 2012	President and Chief Executive Officer of the Corporation	962,479
Varshan Gokool <sup>(3)</sup> Chief Financial Officer and Director London, England	May 22, 2012	Chief Financial Officer of the Corporation	989,915
Randal Matkaluk <sup>(1)(2)</sup> Non-Executive Director Calgary, Canada	September 22, 2010	Chief Financial Officer of Capio Energy Inc., a private oil and gas company	935,324
Tim Morgan-Wynne <sup>(1)(2)(3)</sup> Non-Executive Director London, England	June 14, 2012	Non-executive director of the Corporation	1,111,111
Patrick Forward <sup>(3)</sup> Chief Operating Officer and Director East Sussex, England	November 8, 2012	Chief Operating Officer of the Corporation	883,296
Bill Abel <sup>(3)</sup> Non-Executive Director Alderney, Channel Islands	March 23, 2015	Non-executive director of Lydian International, Non-executive director of Alderney Electricity Ltd., and Director of Abel Mining Consultants Ltd.	-
Raymond Threlkeld <sup>(3)</sup> Non-Executive Director Washington DC, USA	March 21, 2016	Director and Interim Chief Operating Officer of New Gold Inc. and Independent Director of Kirkland Lake Gold Inc.	-

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Technical Committee

The Corporation's Audit Committee is currently comprised of three directors: Tim Morgan-Wynne (Chair), Randal Matkaluk and Martyn Konig. If they are re-elected, it is expected that all three directors will continue to serve on the Audit Committee.

The Corporation's Compensation Committee is currently comprised of three directors: Martyn Konig (Chair), Randal Matkaluk and Tim Morgan-Wynne. If they are re-elected, it is expected that all three directors will continue to serve on the Compensation Committee.

The Corporation's Technical Committee is currently comprised of five directors: Bill Abel (Chair), Varshan Gokool, Patrick Forward, Tim Morgan-Wynne and Raymond Threlkeld. If they are re-elected, it is expected that all five directors will continue to serve on the Technical Committee.

## Majority Voting Policy

In a movement aimed at providing the most fair and unbiased election of directors to the Board, the Corporation has chosen to adopt a majority voting policy that will apply to future nominees for election to the Board in uncontested elections. Future nominees for election to the Board will be required to confirm that they will abide by this policy. Applicable laws require that forms of proxy for the election of directors permit a shareholder to vote in favour of, or to withhold from voting, separately for each director nominee. In uncontested elections of directors at duly called meetings of shareholders, any director nominee who receives a greater number of "Withhold" votes than "For" votes will be considered by the Board not to have received the support of shareholders, even though duly elected as a matter of corporate law. Such a nominee will be expected to immediately tender his or her resignation to the Chair of the Board. The Chair of the Board will immediately refer the resignation to the directors who did not receive a majority Withhold vote, who shall review the resignations and recommend a course of action to the full Board.

## Nomination Rights

On December 9, 2014, the Corporation entered into an investor rights agreement with EBRD (as amended on May 20, 2016), pursuant to which EBRD is entitled to designate one nominee to be included among the Corporation's nominees for election to the Board at each meeting of Shareholders of the Corporation at which directors of the Corporation are to be elected. This nomination right shall terminate when EBRD is no longer the beneficial owner of common shares representing 5% or more of the Corporation's issued and outstanding capital, on a non-diluted basis. In accordance with such nomination right, Mr. Bill Abel has been included in the management slate of director nominees for re-election at the Meeting as the designated nominee of EBRD.

As long as it owns 5% or more of the issued and outstanding capital, EBRD shall be entitled to appoint an individual to serve as its delegate on the Technical Committee. At present, Mr. Bill Abel is serving as EBRD's delegate on the Technical Committee.

On April 29, 2016, the Corporation entered into a convertible debenture subscription and investor rights agreement with CC Mining S.A. ("**CCM**"), pursuant to which, upon subscription of the convertible loan and for so long as CCM beneficially owns more than 5% of the outstanding common shares of the Corporation:

- CCM shall be entitled to nominate a director to the Board of Euromax (subject to such nominee satisfying the qualification requirements under the Toronto Stock Exchange ("**TSX**") and Euromax's governing statute and articles and being approved by the Board and Shareholders of Euromax); and
- CCM shall also be entitled to appoint a member to the Euromax Technical Committee to assist in the front-end-engineering design process and the development of the Ilovica Project.

CCM has not nominated a director for election at the Meeting.

## Cease Trade Orders, Bankruptcies, Penalties and Sanctions

No proposed director of the Corporation is, as at the date of the Information Circular, or has been, within 10 years prior to the date of this Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:

- (i) was the subject of an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer, chief financial officer of the company being the subject of such order 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 that company.

For the purposes of the above, "order" means a cease trade order, or an order that denied the relevant company access to any exemption under securities regulation, in each case, that was in effect for a period of more than 30 days.

No proposed director of the Corporation is, as at the date of the 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 Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or 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.

No proposed director of the Corporation has, within the 10 years before the date of the 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.

No proposed director of the Corporation has been subject to:

- (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or
- (ii) any 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 that proposed director.

### **Appointment of Auditors**

Management recommends that Shareholders re-appoint Deloitte LLP as auditors of the Corporation, to hold office until the next annual general meeting of Shareholders, and to authorize the directors to fix their remuneration. Deloitte LLP has been the Corporation's auditor since February 2007.

## **STATEMENT OF EXECUTIVE COMPENSATION**

### **Introduction**

In the following pages we describe the Corporation's policies and practices in respect to the compensation of senior executives, the role and structure of the Compensation Committee in this process, and the detailed disclosure of the remuneration of the Named Executive Officers (each a "NEO"). A NEO of the Corporation means each of the following individuals:

- (a) a CEO of the Corporation;
- (b) a CFO of the Corporation;
- (c) each of the Corporation's three most highly compensated executive officers, or the three most highly compensated individuals acting in similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6 of national Instrument 51-102 *Continuous Disclosure Obligations*, for that financial year; and
- (d) each individual who would be a NEO under paragraph (c) above but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of that financial year.

During the financial year ended December 31, 2016, the Corporation had five Named Executive Officers, being Steven Sharpe, President & CEO; Varshan Gokool, CFO; Patrick Forward, Chief Operating Officer; Brett Ballintyne, Vice President Finance & Financial Controller; and Alan Baker, Vice President Project & Construction Manager.

The Circular contains references to United States dollars and Canadian dollars. All dollar amounts referenced, unless otherwise indicated, are Canadian dollars ("C\$") and United States dollars ("US\$"). Unless otherwise stated, all amount referred to in this Circular that were paid or incurred in either British pounds sterling, United States dollars, Macedonian denars or Bulgarian levs have been converted into Canadian dollars using rate information sourced from [www.oanda.com](http://www.oanda.com).

### **Compensation Discussion and Analysis**

The Corporation's Compensation Committee is committee of the Board that has the primary functions of making recommendation to the board of directors on the compensation, recruitment, retention, termination and incentive policies and procedures for the NEOs of the Corporation and also administering the Corporation's equity based compensation plans.



The Corporation's compensation philosophy is to attract, retain and motivate NEOs of the quality required to manage the Corporation having regard to views of shareholders to ensure that the Corporation has in place programmes to attract and develop management of the highest calibre. Additionally the Corporation ensures that the compensation it pays is competitive and affordable as an element of the Corporation's overall cost of doing business, and that it appropriately rewards performance and acts as an incentive to achieve long term success.

Another important principle of the Corporation's compensation philosophy is to align NEO compensation with shareholder interests, which specifically is to maximise long term shareholder value. In March 2013 the Board approved an Executive Compensation Policy which aimed to provide structure to the Corporation's compensation and incentive plans. As a result, a new restricted share unit plan ("**RSU Plan**") was adopted following approval by shareholders at the Corporation's 2013 annual meeting of shareholders, in addition to the Corporation's existing Stock Option Plan ("**Option Plan**").

In addition, a deferred phantom unit plan ("**DPU Plan**") was adopted by the directors for the primary purpose of offering an alternative means of compensation to the non-executive directors and to the extent deemed appropriate by the Board, the NEO's.

#### *Compensation Governance and Executive Compensation Policy*

The Corporation's Compensation Committee makes recommendations to the Board with respect to annual salary, bonus, equity based awards and other benefits of its executive management in line with the principles set out in the Corporation's Executive Compensation Policy. In determining compensation each Compensation Committee member's personal experience and knowledge of compensation practices in comparable companies is applied in the context of the Corporation's available cash resources.

Please refer to the description of the Compensation Committee members on page 22 of this Information Circular as it relates to their experiences and qualifications applicable to serving on the Compensation Committee

The Executive Compensation Policy was designed to reflect the Corporation's new focus on project development with a view to motivating and retaining suitably skilled and experienced senior management to create value for Shareholders. The Executive Compensation Policy is intended to be commensurate with compensation policies of comparable companies whilst endeavouring to adhere to remuneration policy guidelines recommended by best corporate governance practice in Canada and the United Kingdom.

The Executive Compensation Policy includes three basic elements:

- (a) Base salary
- (b) Short term incentive
- (c) Long term incentive

#### *Base salary*

Each NEO's base salary was intended to remunerate the NEO for discharging his or her responsibilities. The amount of the base salary or fee was determined primarily by evaluating the responsibility of the individual and the experience and knowledge of the individual, having regard to the Corporation's understanding of compensation received by executives in similar positions at companies similar to the Corporation. The Corporation's available cash was also taken into consideration when determining the amount of the base salary.

Messrs Sharpe, Gokool, Forward and Ballintyne are located in London, United Kingdom and therefore their salaries are set in consideration of current salary trends in London.

Mr Baker is a UK citizen whom has relocated to Macedonia to perform his role as VP Projects & Construction Manager on the Corporations Ilovica-Shtuka Project. In setting his salary external recruitment consultants assisted the Corporation's Compensation Committee to set a market competitive salary.

#### *Short Term Incentive*

The annual bonus is a short term incentive designed to reward NEOs for performance during the previous calendar year measured against criteria agreed at or prior to the beginning of that year. The Compensation Committee has discretion to assess performance generally and not solely against previously agreed criteria, particularly if unforeseen events occur during the year. The bonus is normally paid 50% in cash with the balance being awarded as RSUs or DPUs. The Compensation Committee has absolute discretion to award annual bonuses

entirely in cash or in any proportions of cash and/or restricted share units (“RSUs”)/ deferred phantom units (“DPUs”).

In April 2016 the Compensation Committee granted annual bonus awards to Messrs Sharpe, Gokool, Forward and Ballintyne representing 100% of their base salary following the completion of Feasibility Study (“FS”) for the Ilovica-Shtuka gold-copper project in Macedonia (“Ilovica-Shtuka Project”), published on 6 January 2016 and the graduation of the Corporation to the TSX main board from the TSX Venture Exchange. These bonus awards were paid 50% in cash and 50% in DPUs.

#### *Long Term Incentive*

The Corporation’s long term incentive strategy is comprised of the Long Term Incentive Plan (“LTIP”) and the DPU Plan.

#### **LTIP**

The Executive Compensation Policy established the LTIP pursuant to which executives are awarded options and performance related RSUs which vest over three years. The LTIP aims to achieve the following objectives:

- Align the interests of senior management with the medium to long term interests of Shareholders.
- Link compensation to the performance of the Corporation.
- Leverage performance through emphasis on variable compensation awarded against defined business goals.
- Align senior management closely with key elements of Euromax’s business strategy.

Subject always to the overriding discretion of the Compensation Committee, all awards made under the LTIP will comprise two parts of equal value:

- Options that vest in tranches over a three year period; on the condition of the executive remaining employed and not under notice of termination on the vesting date; and
- RSUs that will vest in tranches over a three year period, and pro-rata according to the Corporation’s share price performance measured against the GDJ calculated over a calendar year.

Vesting of all awards is conditional on the executive remaining employed and not under notice of termination on the vesting date. All awards will be subject to the Compensation Committee having complete discretion to “claw back” the award in the event that it is later discovered that successful performance was based on material misstatement or error.

Awards of options and RSUs for all employees and consultants, including NEOs, are approved by the Board on the recommendation of the Compensation Committee.

#### **Option Plan**

TSX policy requires stock option plans which reserve a maximum of 15% of the issued and outstanding Corporation’s common shares from time to time, to be approved by shareholders when instituted, when amended and every three years after institution.

Under the Option Plan directors, executive officers, employees and consultants of the Corporation are eligible to receive share options. The purpose of the Option Plan is to incentivise eligible persons to deliver beneficial services to the Corporation and to align their objectives with shareholders in maximising long term shareholder value.

The Board has the right to amend any provisions of the Option Plan, which will be subject to any necessary regulatory approval and, if required, shareholder approval.

The Option Plan is administered by the Compensation Committee, which has the authority to grant options to directors, officers, employees, and consultants. At the time an option is granted, the Compensation Committee will determine the exercise price, which shall not be less than the closing price of the common shares of the Corporation traded on the TSX on the day immediately preceding the date of the grant less any discount permitted by the TSX, and any vesting criteria or other restrictions with respect to the exercise of the options.

Options granted pursuant to the Option Plan are not transferable or assignable, and the term of any options granted shall not exceed a term of five years. If an optionee ceases to be an eligible person for any reason whatsoever, other than death, each option held by such optionee will cease to be exercisable in a period not exceeding 90 days following termination, or such longer period as the Compensation Committee may determine. However, if the option holder is engaged in investor relations activities the options must cease to be exercisable in a period not exceeding 30 days following termination, or such longer period as the Compensation Committee may determine. If an optionee dies, the legal representative of the optionee may exercise the option for a period not exceeding one year after the date of the optionee's death.

The maximum number of common shares of the Corporation which may be reserved for issuance to any one person under the Option Plan in any 12-month period is 5% of the issued common shares of the Corporation (on a non-diluted basis), less the aggregate number of common shares reserved for issuance under any other share based compensation arrangement of the Corporation. The maximum number of common shares of the Corporation which may be reserved for issuance under the Option Plan to all persons performing investor relations activities or any one consultant, in any 12-month period is, in either case, 2% of the issued common shares of the Corporation (on a non-diluted basis), less the aggregate number of common shares reserved for issuance under any other share-based compensation arrangement of the Corporation. If the optionee is an insider of the Corporation at the time of any proposed reduction in exercise price of an option, the proposed reduction in the exercise price is subject to the receipt of prior disinterested shareholder approval.

As of 24 May 2017, the Corporation has granted 9,523,470 options (or 7.9% of outstanding shares), out of which 5,891,187 options have been granted to NEOs (detailed presented below in "Outstanding Option Based and Share based awards").

The exercise price of all options granted for NEOs is calculated on the basis of the closing market price of the Corporation's common shares on the day prior to grant of the option. Therefore, as options only have value if the market value of the Corporation's common shares appreciates over time (detailed presented below in "Summary Compensation Table"), the objective of option grants to executives is to align the interests of the executives directly to the interests of Shareholders while acting as a long term retention and incentive tool.

#### **RSU Plan**

In March 2013 the Corporation adopted the RSU Plan authorizing the Compensation Committee to grant, from time to time, RSUs and RSI JOE Awards (as defined below) to acquire a common shares of the Corporation to RSU Eligible Persons (as defined below). RSUs are "phantom" shares that rise and fall in value based on the value of the Corporation's common shares and are redeemed at no cost for a like number of common shares on the vesting dates determined by the Compensation Committee when the RSUs are granted. RSU JOE Awards are awards of shares to be jointly owned by an RSU Eligible Person and the trustee of the employees' share trust established by the Corporation ("**RSU JOE Award**"). "**RSU Eligible Person**" means for the purposes of RSUs, at the grant date, directors, officers, employees or consultants of the Corporation, or any related entity or permitted assign of any such person (as such terms are defined in the RSU Plan) and for the purpose of RSU JOE Awards means directors, officers, employees of the Corporation, or any related entity or permitted assign of any such person (as such terms are defined in the RSU Plan), provided that they are not in Canada.

The maximum number of RSUs reserved for issuance under the RSU Plan shall not exceed 8,534,734 common shares (or 7% of outstanding common shares as of 24 May 2017), subject to certain adjustment under the RSU Plan, provided that the combined number of share options and RSUs in issue does not exceed 15% of the outstanding common shares at the time of grant.

Unless permitted by regulatory approval, the Corporation shall obtain shareholder approval of any grant of RSUs that exceeds, in either case 1% per RSU Eligible Person or 2% in the aggregate, of the number of outstanding common shares on grant date within a 12-months period.

The Compensation Committee has the right to amend any provisions of the RSU Plan, which will be subject to any necessary regulatory approval and, if required, shareholder approval.

The vesting criteria for the RSUs is designed so that the value of the RSUs will appreciate or depreciate depending on how well the Corporation's common share price performs against its peers and general market conditions that are defined as benchmarks for that. The Compensation Committee has determined the Market Vectors Junior Gold Mines ETF ("**GDXJ**") to be a relevant benchmark to assess the share price performance. To the extent that the Corporation's share price underperforms the GDXJ the number of RSUs vesting shall reduce on a pro-rata basis.

To the extent that the Company's share price outperforms the GDXJ additional RSUs shall be awarded on a proportionate basis.

No later than 30 days following the vesting of RSUs, an equal number of common shares will be issued from the treasury of the Corporation.

Considering that all issued RSUs' vesting conditions were met, the Compensation Committee has agreed with RSU Eligible Persons who had RSUs to postpone the vesting of these RSUs to at least 31 December 2017. In return the Corporation agreed that in the event of the termination of the RSU Eligible Person's employment for any reason or death, prior to the postponed vesting date, the RSUs would vest in full, notwithstanding provisions to the contrary in the RSU Plan.

At 24 May 2017, 1,864,076 RSUs were granted (or 1.5% of outstanding shares), whereby 1,679,277 RSUs were granted to NEOs (detailed presented below in "Outstanding Option Based and Share based awards").

Following the condition that RSUs are redeemed at no cost, the market value of the Corporation's common shares represents the value of executives, whereby RSUs, as an incentive tool, is aligning the interests of the executives directly to the interests of Shareholders.

### **DPU Plan**

In March 2013 the Corporation adopted the DPU Plan authorizing the Compensation Committee to grant, from time to time, DPUs to any DPU Eligible Person. DPUs are "phantom" units that rise and fall in value based on the value of the Corporation's common shares, to be redeemed by the Corporation on a date as provided for in the DPU Plan ("**Redemption Date**"). Under the terms of the DPU Plan, the Redemption Date cannot occur earlier than 90 days following the Separation Date or later than the last business day of the calendar year following the calendar year in which the Separation Date occurs. A "**Separation Date**" is the earliest date that the holder of a DPU ("**DPU Participant**") ceases to be a director, officer or employee of the Corporation or an affiliate of the Corporation (as designated by the Compensation Committee for the purposes of the DPU Plan) ("**Designated Affiliate**"). However, DPUs are not redeemed for actual common shares in the Corporation, but instead for a payment of cash by the Corporation to the relevant DPU Participant ("**DPU Payment**") on the Redemption Date. "**DPU Eligible Person**" means, at the effective date of grant any officer or director of the Corporation or of a Designated Affiliate.

Subject to the terms of the DPU Plan, each DPU Participant may elect ("**DPU Election**") to receive up to 100% of the remuneration (including any bonus) ("**Remuneration**") due to him/her, in respect of services that he/she has performed during a six month period, in DPUs. The deadline ("**DPU Election Deadline**") for the DPU Election to be made for (i) services rendered between April 1 and September 30 of a given year shall be March 31 of that year and (ii) for services rendered between September 30 and March 31 shall be September 30 of that previous year. Subject to compliance with any applicable rules of the TSX, the number of DPUs that a DPU Participant is entitled to receive (on the date that an instalment of Remuneration is payable to him/her by the Corporation) ("**DPU Issue Date**") will be equal to the number that results from dividing (a) the dollar value of the portion of the Remuneration that the DPU Participant has elected to receive in DPUs by (b) the volume weighted average trading price of the common shares of the Corporation on the TSX for the last five trading days immediately preceding the DPU Issue Date.

Notwithstanding any of the above, the Compensation Committee has the authority to make any special grants of DPUs to any DPU Eligible Person, at any time and attaching any terms or conditions (including in relation to the vesting of such DPUs), as the Compensation Committee shall in its sole discretion deem appropriate.

Each vested DPU held by a DPU Participant who ceases to be a DPU Eligible Person shall be redeemed by the Corporation on the relevant Redemption Date for that DPU Participant, by way of a DPU Payment, less applicable withholding taxes. In respect of each vested DPU to be redeemed, the DPU Payment shall be a cash payment equal to the volume weighted average trading price of the common shares of the Corporation on the TSX for the last five trading days immediately preceding the applicable Separation Date.

The DPU Plan shall remain in effect until it is terminated by the Compensation Committee. Notwithstanding termination of the DPU Plan, the Corporation shall redeem all DPUs that are outstanding as at the date of termination, on the applicable Redemption Date for each of the remaining DPU Participants.

Except to the extent that the DPU Plan requires any action or decision to be taken or made by the Compensation Committee as a whole, the DPU Plan shall be administered by either the Board or if the Board so determines by

resolution, a committee of the Board (“Committee”) comprised of not less than three members. The Committee shall have full discretionary authority to administer the DPU Plan, which shall include the authority to interpret and construe any provision of the DPU Plan and to adopt, amend and rescind such rules and regulations for administering the DPU Plan as the Committee may deem necessary to comply with the requirements of the DPU Plan. This is subject to the fact that certain amendments (including materially increasing the benefits under the DPU Plan) shall only be effective upon such amendment being approved by the Board and, if required, the TSX and any other applicable regulatory authority.

### Risk Management

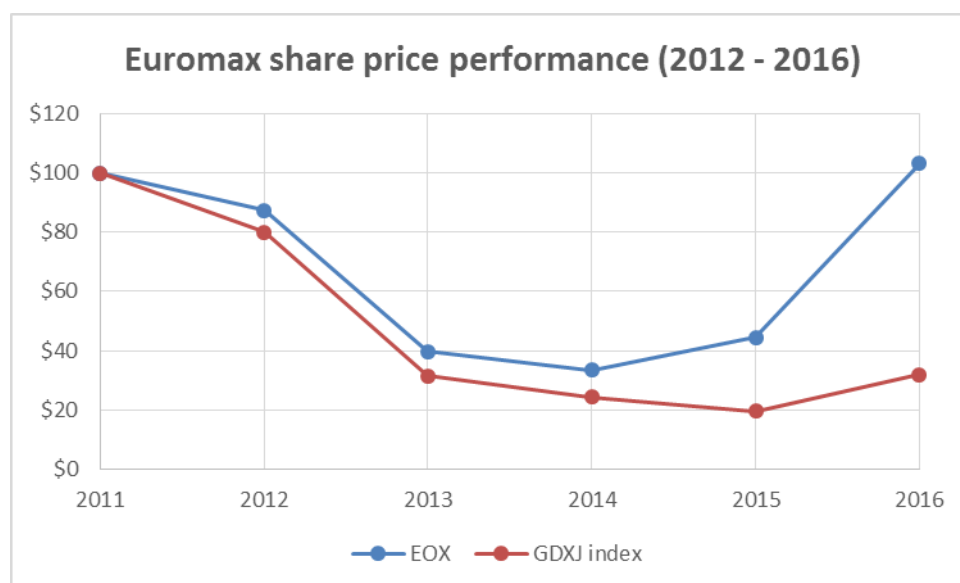
The Board reviews at least once annually the risks, if any, associated with the Corporation's compensation policies and practices. To date, the Board has not identified any risks that would be likely to have a material adverse effect on the Corporation.

### Hedging of Economic Risks in the Corporation's Securities

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

### Performance Graphs

The following graph compares the yearly percentage change in the cumulative total shareholder return on the Toronto Stock Exchange for \$100 invested in Euromax’s common shares on January 1, 2012 against the cumulative total shareholder return of the GDJ for five most recently completed financial years.



As illustrated above, the Corporation’s common shares has significantly outperformed both the GDJ during the five years ended December 31, 2016. The GDJ is considered by the Corporation to be the most relevant benchmark index to assess the Corporation’s share price performance.

The Corporation’s share price performance against the GDJ is a performance condition that attaches to RSUs and DPUs granted to NEOs as part of the Corporations long term incentive plans and therefore this outperformance is broadly consistent compensation of the NEOs.

### Summary Compensation Table

The following table provides a summary of the compensation paid to each of the Corporation's NEOs for each of the Corporation's three most recently completed financial years that ended on or after December 31, 2014.

Name and Principal Position	Year	Salary	Share-based Awards <sup>(1)</sup>	Option-based Awards <sup>(2)</sup>	Non-equity incentive plan compensation		Pension Contributions	All other compensation	Total compensation
					Annual incentive plans <sup>(3)</sup>	Long-term incentive plans			
Steven Sharpe, Chief Executive Officer	2016	\$310,354	\$197,144	\$111,324	\$147,891	Nil	\$26,939	Nil	\$793,652
	2015	\$310,741	Nil	\$59,961	Nil	Nil	\$29,278	Nil	\$399,980
	2014	\$273,630	\$346,875	Nil	\$270,870	Nil	\$27,363	Nil	\$918,738
Varshan Gokool, Chief Financial Officer	2016	\$274,435	\$171,902	\$92,770	\$129,405	Nil	\$25,143	Nil	\$693,655
	2015	\$271,703	Nil	\$59,961	Nil	Nil	\$26,701	Nil	\$358,365
	2014	\$237,146	\$300,625	Nil	\$234,754	Nil	\$23,715	Nil	\$796,240
Patrick Forward, Chief Operating Officer	2016	\$274,435	\$171,902	\$92,770	\$129,405	Nil	\$25,143	Nil	\$693,655
	2015	\$271,703	Nil	\$59,961	Nil	Nil	\$26,701	Nil	\$358,365
	2014	\$237,146	\$300,625	Nil	\$234,754	Nil	\$23,715	Nil	\$796,240
Brett Ballintyne, Vice President Finance & Financial Controller	2016	\$166,678	\$96,174	\$55,662	\$73,946	Nil	\$20,499	Nil	\$412,969
	2015	\$148,734	Nil	\$43,608	Nil	Nil	\$21,653	Nil	\$213,995
	2014	\$122,221	\$161,875	Nil	\$126,406	Nil	\$18,997	Nil	\$429,499
Alan Baker, VP Project & Construction Manager	2016	\$90,618	Nil	Nil	Nil	Nil	Nil	\$300,024 <sup>(4)</sup>	\$390,642
	2015	Nil	Nil	\$84,924	Nil	Nil	Nil	\$219,101 <sup>(4)</sup>	\$304,025
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Share based awards represent RSUs and DPUs. Such awards are calculated according to International Financial Reporting Standards and are valued using the Corporation's share price on day preceding grant date.
- (2) Option based-awards are calculated according to International Financial Reporting Standards using the Black-Scholes option pricing model. The weighted average assumptions used for options granted in 2016 and 2015 were: (1) 0.53% discount rate for 2016, 0.84% for 2015, (2) 50% annualized volatility (applied for both years), (3) no dividends being paid during the term of the options (applied for both years), and (4) a five-year term (applied for both years). No options were granted to any of the Corporation's NEOs in 2014. The Corporation believes that the Black-Scholes option pricing model adequately captures the substantive features of the option granted and is appropriate to calculate their fair value.
- (3) These amounts represent cash bonuses.
- (4) The amount represents payment to Mr. Baker for provision of project management consulting services through Trentside Projects Limited, a corporation wholly owned by Mr. Baker. The contracted annual fee was set based on advice from third party human resources consultants as being a fair market price for such services.

### Outstanding Option-Based and Share Based Awards

The following table sets out, for each NEO, information concerning all option-based and share-based awards outstanding as of December 31, 2016.

NEO Name	Option based awards				Share based awards		
	Number of securities underlying unexercised options	Option exercise price	Option expiry date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or pay-out value of share awards that have not vested	Market or pay-out value of vested share awards not paid out or distributed
Steven Sharpe	500,000	\$0.60	23 May 2017	\$25,000	545,842	\$354,797	Nil
	451,654	\$0.58	12 March 2018	\$31,616			
	550,000	\$0.25	22 January 2020	\$220,000			
	600,000	\$0.43	11 July 2021	\$132,000			
Varshan Gokool	416,667	\$0.60	23 May 2017	\$20,833	473,064	\$307,492	Nil
	391,433	\$0.58	12 March 2018	\$27,400			
	550,000	\$0.25	22 January 2020	\$220,000			
	500,000	\$0.43	11 July 2021	\$110,000			
Patrick Forward	416,667	\$0.60	23 May 2017	\$20,833	415,650	\$270,173	Nil
	391,433	\$0.58	12 March 2018	\$27,400			
	550,000	\$0.25	22 January 2020	\$220,000			
	500,000	\$0.43	11 July 2021	\$110,000			
Brett Ballintyne	66,667	\$0.80	8 November 2017	Nil	244,720	\$159,068	Nil
	240,000	\$0.18	4 December 2018	\$112,800			
	400,000	\$0.25	22 December 2020	\$160,000			
	300,000	\$0.43	11 July 2021	\$66,000			
Alan Baker	400,000	\$0.49	25 August 2020	\$64,000	Nil	Nil	Nil

### Incentive Plan Awards - Value Vested or Earned During Year

The following table sets forth information concerning all awards outstanding under incentive plans of the Corporation that provide compensation, for the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the NEOs:

NEO Name	Option-Based Awards - Value Vested During The Year <sup>(1)</sup> (\$)	Share-Based Awards - Value Vested During The Year <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Steven Sharpe	\$73,333	\$356,433	\$147,891
Varshan Gokool	\$73,333	\$310,486	\$129,405
Patrick Forward	\$73,333	\$310,486	\$129,405
Brett Ballintyne	\$90,933	\$172,644	\$73,946
Alan Baker	\$21,333	Nil	Nil

Notes:

- (1) Amounts shown are based on the difference between the market price of the common shares of the Corporation on the TSX at market close on the date of vesting of the options and the exercise price of in-the-money options. The options have not been and may never be exercised and the actual gain, if any, on exercise will depend on the value of the common shares on the date of exercise.
- (2) Amounts shown represent DPUs that have vested during 2016 and have been valued using the market value of the common shares of the Corporation on the TSX at market close on December 31, 2016.

### Estimated payment to NEO on Termination and Change of Control Benefits

The Corporation's UK subsidiary has employment contracts with each of Messrs Sharpe, Gokool, Forward, Ballintyne and Baker that provide in case of termination without cause, a change of control of the Corporation or its subsidiaries, or a change in responsibilities of the Named Executive Officer following a change in control. Assuming the triggering event occurred on December 31, 2016 the estimated costs are summarized in the table below.

Name	Estimated severance payment	
	Termination without Cause	Termination without Cause on Change of Control
Steven Sharpe	\$145,787	\$437,361
Varshan Gokool	\$127,564	\$382,691
Patrick Forward	\$127,564	\$382,691
Brett Ballintyne	\$72,893	\$145,787
Alan Baker	\$168,339	\$505,016

### Pension benefits

The Corporation does not have in place its own defined benefit or defined contribution pension plan. The Corporation's UK subsidiary's employment contracts with Messrs Sharpe, Gokool, Forward and Ballintyne provide for the Corporation to make pension contributions from 5% to 10% of their salary to their individual pension plans.

### Director Compensation

The following table provides a summary of the compensation earned in respect of the Corporation's financial year ended December 31, 2016 by the directors of the Corporation who are not NEOs.

Name	Fees earned	Share-based awards <sup>(1)</sup>	Option-based awards <sup>(2)</sup>	Non-equity incentive plan compensation	Pension contributions	All other compensation	Total
Martyn Konig <sup>(3)</sup>	Nil	\$107,791	\$92,770	Nil	Nil	Nil	\$200,561
Randal Matkaluk <sup>(4)</sup>	Nil	\$71,861	\$55,662	Nil	Nil	Nil	\$127,523
Tim Morgan-Wynne <sup>(5)</sup>	Nil	\$71,861	\$55,662	Nil	Nil	Nil	\$127,523
Bill Abel <sup>(6)</sup>	\$69,638	Nil	Nil	Nil	Nil	Nil	\$69,638
Raymond Threlkeld <sup>(7)</sup>	Nil	\$52,191	Nil	Nil	Nil	Nil	\$52,191

Notes:

- (1) Amounts shown represent grants of DPUs to non-management directors in 2016. The value of the DPUs are based on the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days prior to grant. The DPUs were granted within 5 days of each calendar quarter end and vested immediately.
- (2) Option based-awards are calculated according to International Financial Reporting Standards using the Black-Scholes option pricing model. The weighted average assumptions used for option-based awards previously granted in 2016 were: 0.53% discount rate, 50% annualized volatility, no dividends being paid during the term of the options, and a five year term.
- (3) Non-executive Chairman of the Corporation since May 22, 2012.
- (4) Non-executive director of the Corporation since September 22, 2010.
- (5) Non-executive director of the Corporation since June 14, 2012.
- (6) Non-executive director of the Corporation since March 23, 2015.
- (7) Non-executive director of the Corporation since March 21, 2016.

Non-management directors of the Corporation are entitled to a quarterly retainer of £10,000 (\$17,700) and the non-executive Chairman of the Corporation is entitled to a quarterly retainer of £15,000 (\$26,950). Non-management directors are not paid additional fees for membership on Board committees, attendance fees or for acting as chair of a Board committee. All directors are reimbursed for transportation and other out-of-pocket expenses incurred for attending Board and committee meetings.



### Outstanding Share Based Awards and Option Based Awards - Non-Management Directors

The following table sets out, for each director who is not a NEO, information concerning option based and share-based awards as at December 31, 2016, the end of the Corporation's most recently completed financial year.

Option based awards					Share based awards		
Name	Number of securities underlying unexercised options	Option exercise price	Option expiry date	Value of unexercised in-the-money options	Number of shares or units of shares that have not vested	Market or pay-out value of share awards that have not vested	Market or pay-out value of vested share awards not paid out or distributed
Martyn Konig	333,333	\$0.60	23 May 2017	\$16,667	Nil	Nil	Nil
	550,000	\$0.25	22 January 2020	\$220,000			
	500,000	\$0.43	11 July 2021	\$110,000			
Randal Matkaluk	100,000	\$0.60	23 May 2017	\$5,000	Nil	Nil	Nil
	550,000	\$0.25	22 January 2020	\$220,000			
	300,000	\$0.43	11 July 2021	\$66,000			
Tim Morgan-Wynne	250,000	\$0.75	6 June 2017	Nil	Nil	Nil	Nil
	550,000	\$0.25	22 January 2020	\$220,000			
	300,000	\$0.43	11 July 2021	\$66,000			
Bill Abel	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Raymond Threlkeld	Nil	Nil	Nil	Nil	Nil	Nil	Nil

### Incentive Plan Awards - Value Vested or Earned During Year - Non-Management Directors

The following table sets out, for each director who is not a NEO, the value vested or earned of incentive plan awards granted during the Corporation's most recently completed financial year.

Director Name	Option-Based Awards - Value Vested During The Year <sup>(1)</sup> (\$)	Share-Based Awards - Value Vested During The Year <sup>(2)</sup> (\$)	Non-Equity Incentive Plan Compensation - Value Earned During The Year (\$)
Martyn Konig	Nil	\$107,791	Nil
Randal Matkaluk	Nil	\$71,861	Nil
Tim Morgan Wynne	Nil	\$71,861	Nil
Bill Abel	Nil	Nil	Nil
Raymond Threlkeld	Nil	\$52,191	Nil

Notes:

- (1) Amounts shown are based on the difference between the market price of the common shares of the Corporation on the TSX at market close on the date of vesting of the options and the exercise price of in-the-money options. The options have not been and may never be exercised and the actual gain, if any, on exercise will depend on the value of the common shares on the date of exercise.
- (2) Amounts shown represent grants of DPUs to non-management directors in 2016. The value of the DPUs are based on the volume weighted average trading price of the common shares of the Corporation on the TSX for the five trading days prior to grant. The DPUs were granted within 5 days of each calendar quarter end and vested immediately.

## Securities Authorized for Issuance under Equity Compensation Plans

The following table summarizes relevant information as of December 31, 2016 with respect to compensation plans under which equity securities are authorized for issuance. At that date the Corporation had 120,334,598 common shares issued and outstanding.

Plan Category	Number of Common Shares of the Corporation to be issued upon exercise of outstanding options warrants and rights	Weighted Average exercise price of outstanding options warrants and rights \$	Number of Common Shares of the Corporation remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders <sup>(1)</sup>	11,933,466	\$0.44	6,116,724
Equity compensation plans not approved by securityholders	Nil	N/A	Nil

Notes:

- (1) The Option Plan has previously been submitted to Shareholders for approval at the 2015 Annual General Meeting. Unless the Option Plan is amended, it will be subject to approval by Shareholders every three years pursuant to the TSX Corporate Finance Manual. See "Option Plan" above, for further details.

The maximum aggregate number of common shares available for the grant of options under the Option Plan, the RSU Plan and any other security-based compensation arrangement of the Corporation, is that number which is equal to 15% of the number of issued and outstanding common shares of the Corporation, on a non-diluted basis, immediately prior to the grant of any particular option. As at the date of this Information Circular, the Corporation has a total of 120,334,598 common shares issued and outstanding, and has granted a total of:

- (a) 9,523,470 outstanding options to purchase common shares of the Corporation, representing approximately 7.91% of the Corporation's issued and outstanding common shares; and
- (b) 1,864,076 RSUs that convert into common shares of the Corporation when vested, representing approximately an additional 1.55% of the Corporation's issued and outstanding common shares.

The Corporation is therefore entitled to grant a further 6,662,643 options or RSUs under either the Option Plan or under the RSU Plan provided that at all times the Corporation is in compliance with the limits set out in the Option Plan.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board is responsible for the corporate governance of the Corporation. The Board guides and monitors the business and affairs of the Corporation on behalf of its Shareholders.

Under National Instrument 58-101 - "Disclosure of Corporate Governance Practices" ("**NI 58-101**") and National Policy 58-201 Corporate Governance Guidelines, the Corporation is required to disclose certain information relating to its corporate governance practices. A description of the Corporation's governance practices and policies with reference to the items set forth in NI 58-101 is set out below.

The Board and senior management consider good corporate governance to be central to the effective and efficient operation of the Corporation.

### Board of Directors

The Board is currently comprised of eight members, five of whom are "independent", within the meaning of NI 58-101. Specifically, Messrs. Konig, Matkaluk, Abel, Morgan-Wynne and Threlkeld are independent within the meaning of NI 58-101. Mr. Sharpe is the President and CEO, Mr. Gokool is the Chief Financial Officer and Mr. Forward is the Chief Operating Officer of the Corporation, and therefore not considered to be independent.

The Board works with management to develop the Corporation's strategic direction. During 2012, following a change in management, the Corporation was re-focused as a gold exploration and development company and specific key strategic steps were identified.

Since May 2012, to reflect good corporate governance, the Corporation has maintained separate non-executive Chairman and CEO positions. This allows the Board to be more effective in overseeing the Corporation's affairs and holding management accountable for its activities. A non-executive Chairman provides the Board with stronger leadership; fosters more effective discussion and decision-making and avoids conflicts of interest. Martyn Konig has been the non-executive Chairman of the Corporation since May 22, 2012.

The Corporation has not adopted term limits for the directors on its Board. The Board is composed of directors elected by shareholders at an annual general meeting of the Corporation, and directors appointed by the Board between annual general meetings in accordance with the Corporation's Articles of Incorporation and applicable law.

#### Roles and Responsibilities of the Board

On August 24<sup>th</sup>, 2015, the Corporation adopted a Mandate of the Board of Directors ("**Mandate**") to assist it in fulfilling its fiduciary duties and other responsibilities for the stewardship and supervision of the business and affairs of the Corporation with a view to preserving and enhancing the business and underlying value of the Corporation.

The Board's Mandate can be accessed through the Corporation's web site under "About us – Corporate Governance – Board of Directors" at <http://www.euromaxresources.com/>

#### Meetings of the Board of Directors

The Board's responsibility for managing the Corporation includes oversight of management and in that regard the independent directors provide an important function. All Board committees are comprised at all times of only independent directors, except for the Technical Committee. According to the Corporation's Mandate, the Board shall ensure that the independent directors meet regularly without executive directors and management present. During the year ended December 31, 2016, the Board held one in camera session of independent directors without the presence of management.

The Board meets a minimum of 4 times per year and as otherwise required. Typically, the Audit Committee meets at least four times per year, the Compensation Committee meets at least once a year and the Technical Committee at least twice a year. Each committee may meet more frequently as deemed necessary by the applicable committee. The frequency of meetings and the nature of each meeting agenda depend on the business and affairs that the Corporation faces from time to time. The table below provides details on director attendance of Board and committee meetings held during the year ended December 31, 2016.

Directors	Board of Directors	Audit Committee	Compensation Committee	Technical Committee	Totals	
	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Meetings Attended	Overall Attendance %
Martyn Konig	5 of 5	3 of 5	0 of 1	N/A	8 of 11	73%
Steve Sharpe	5 of 5	N/A	N/A	N/A	5 of 5	100%
Varshan Gokool	5 of 5	N/A	N/A	2 of 3	7 of 8	88%
Randal Matkaluk	5 of 5	5 of 5	1 of 1	N/A	11 of 11	100%
Tim Morgan-Wynne	5 of 5	5 of 5	1 of 1	2 of 3	13 of 14	93%
Patrick Forward	5 of 5	N/A	N/A	3 of 3	8 of 8	100%
Bill Abel	5 of 5	N/A	N/A	3 of 3	8 of 8	100%
Raymond Threlkeld	5 of 5	N/A	N/A	3 of 3	8 of 8	100%

## **Directorships**

Mr. Matkaluk is also a director of Triangle Petroleum Corporation. Mr. Konig, is also a non-executive Chairman of Nyrstar NV and non-executive director of New Gold Inc. Mr. Abel is the EBRD's nominated director on the board of Lydian International Ltd. Mr. Threlkeld is Director and Interim Chief Operating Officer of New Gold Inc. and independent director of Kirkland Lake Gold Inc. None of Messrs. Morgan-Wynne, Sharpe, Forward or Gokool is a director of any other reporting issuer.

## **Position Descriptions**

The Board of Directors has developed a written position description for the CEO of the Corporation. The CEO of the Corporation, in partnership with the Board, is responsible for the success of the Corporation; the accomplishment of its mission, and the accountability of the Corporation to its shareholders and stakeholders. The Board delegates responsibility for management and day-to-day operations to the CEO and he has the authority to carry out these responsibilities, in accordance with the direction and policies established by the Board.

To date, the Board of Directors has not formalized position descriptions for the Chairman of the Board and the chair of each committee. However, certain responsibilities of the Chairman of the Board are delineated in the Mandate of the Board. Furthermore, the Chairman of the Audit Committee acts within the parameters set out in the Audit Committee Charter, attached as Schedule "A" to this Information Circular. It is the Corporation's intention to develop and approve clear position descriptions for these roles in the future.

## **Orientation and Continuing Education**

The Corporation does not provide a formal orientation or education program for new directors. However, new directors are provided with information about the nature and operation of the Corporation's business, current issues, corporate strategy and the role of the Board and its committees. The Board also encourages directors to participate in continuing education opportunities in order to ensure that directors may maintain or enhance their skills and abilities as directors, and maintain a current and thorough understanding of the Corporation's business.

In addition, management of the Corporation takes steps to ensure that its directors and officers are continually updated as to the latest corporate and securities policies which may affect the directors, officers, committee members and the Corporation as a whole. Any such changes or new requirements are brought to the attention of the Corporation's directors either by way of meetings or circulated in a memorandum.

## **Ethical Business Conduct**

The Board is of the view that the fiduciary duties placed on individual directors by the governing corporate legislation and the common law and the restrictions placed by such legislation on an individual director's participation in decisions of the Board in which the director has an interest are sufficient to ensure that the Board operates independently of management and that directors act in the best interests of the Corporation.

The governing corporate legislation provides that a director is required to act honestly and in good faith with a view to the best interests of a corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances, and disclose to the Board the nature and extent of any interest of the director in any material contract or material business transaction, whether made or proposed, or is a director or senior officer of, or has a material interest in, a person that has a material interest in such material contract or business transaction.

As part of its commitment to maintain the highest ethical standards, the Board has adopted a Code of Business Conduct and Ethics ("**Code**") which applies to all our directors, officers and employees including permanent, contract, secondment and temporary agency employees who are on long term assignments with the Corporation, as well as to consultants and contractors to the Corporation. A copy of our Code may be accessed through the Corporation's web site under "About us – Corporate Governance" at <http://www.euromaxresources.com/>. Each director, officer and employee of the Corporation are required to certify on an annual basis that he or she has read the Code and is in compliance with it. The Annual Certification Form is attached to the Code as Exhibit B. Exhibit A of the Code is the internal Whistleblower Policy that provides for a formal process for submitting reports concerning breaches of the Code and complaints regarding accounting, internal accounting controls, auditing matters or fraud, with the ability to submit such reports on an anonymous basis. The Board reviews and evaluate the Whistleblower Policy on an annual basis to determine whether it is effective.

Any waivers of compliance with the Code will only be given where appropriate. Any waivers for executive officers and directors must be approved, in advance, by the Board, and will be promptly disclosed as required by law or stock exchange regulation. The Board did not grant any waiver of the Code in 2016.

The Corporation has a separate Disclosure, Confidentiality and Insider Trading Policy which sets out the rules and guidelines that all employees, offices and directors must follow in order to comply with the laws on securities trading.

Another demonstration of the Corporation's commitment to conduct business honestly, ethically and in compliance with laws is the Corporation's Anti-Corruption and Bribery Policy regulating the Corporation's zero-tolerance approach to bribery and corruption and its' commitment to acting professionally, fairly and with integrity in all business dealings.

#### **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. 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 Chief Executive Officer. Members of the Board and representatives of the mining industry are consulted for possible candidates.

#### **Women in Leadership**

Whilst the Board views diversity and inclusion as essential to the growth and success of the Corporation, no formal policy relating to the identification and nomination of women directors has yet been adopted, but the Board continues to consider it. The Corporation also does not set fixed percentages or quotas regarding women on the Corporation's Board or in executive officer positions as such fixed quotas do not necessarily result in the identification and selection of the best candidates.

With respect to executive officer appointments, Euromax recruits, manages and promotes on the basis of an individual's competence, qualification, experience and performance, also with due regard for the benefits of diversity (including the level of representation of women in executive officer positions). In addition to the expertise and experience required, management considers the representation of women when making recommendations to the Board on executive officer appointments and the Board considers both the level of female representation and diversity as essential considerations in the selection process for executive officers. There is currently one female executive officer, the Vice President Legal Affairs and Corporate Secretary, thus from a total of 6, women are represented in 16 % of the Corporation's executive officer positions.

The Board considers our future business strategy, the core skills and experience required to carry out the strategy, gender balance and ability of each individual when identifying potential successors for advancement to more senior roles.

The Corporation currently has no women on the Corporation's Board. The Board remains receptive to increasing the representation of women on the Board, taking into account the skills, background, experiences and knowledge desired at that particular time by the Board and its committees.

#### **Compensation Committee**

The Compensation Committee of the Board is currently comprised of Martyn Konig (Chair), Randal Matkaluk and Tim Morgan-Wynne, all of whom are independent, as determined in accordance with the definition provided in National Instrument 52-110 Audit Committees ("**NI 52-110**"). The Compensation Committee is responsible for, among other things, evaluating the performance of the Corporation's management and directors in light of the Corporation's performance and making recommendations to the Board with respect to the compensation level for the Corporation's management and directors based on this evaluation. The Compensation Committee reviews compensation annually. Further information regarding the activities and recommendations of the Compensation Committee is provided above in the Compensation Discussion and Analysis.

#### **Technical Committee**

The Technical Committee of the Board is currently comprised of five directors: Bill Abel (Chair), Varshan Gokool, Patrick Forward, Tim Morgan-Wynne and Raymond Threlkeld. The Technical Committee establishes project governance and reporting framework for the Ilovica-Shtuka Project. It also regularly assesses and reviews the

progress of the project and makes recommendations on project matters for the Board's or management's consideration.

#### **Audit Committee**

The Audit Committee provides review and oversight of the Corporation's accounting and financial reporting process, and the audit process, including the selection, oversight and compensation of the Corporation's external auditor. Further information regarding the Audit Committee, in accordance with Form 52-110F1 is provided below.

#### **Assessments**

The contributions and effectiveness of the Board and its committees are evaluated on an informal basis through discussions among Board members and communication between Board members and management.

### **AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITOR**

#### **Charter**

The Corporation has adopted a charter ("**Charter**") of the Audit Committee, which is attached as Schedule "A" to this Information Circular.

#### **Composition**

The Audit Committee of the Board is currently comprised of Tim Morgan-Wynne (Chair), Martyn Konig and Randal Matkaluk, each of whom are considered to be financially literate and are independent, in accordance with NI 52-110.

#### **Relevant Education and Experience**

Mr. Morgan-Wynne was Director and CFO of European Goldfields Limited where he worked from 2006 until 2012. Prior to that he was Director of the Resources and Energy Group at HSBC and was involved in a broad range of corporate finance and capital markets transactions. Before HSBC he worked in the mining industry as Group Finance Manager for Ashanti Goldfields and Cluff Resources plc. Mr. Morgan-Wynne holds a Master's degree from Cambridge University and is a member of the Institute of Chartered Accountants in the UK.

Mr. Konig has over 30 years of experience in investment banking and the commodity markets as well as extensive experience in the natural resource sector. He is Chief Investment Officer for T Wealth Management SA, the private family office for partners and senior management of the Trafigura Group and a director and a member of the audit committee at New Gold Inc. Mr. Konig was Executive Chairman and President of European Goldfields Limited until its acquisition by Eldorado Gold Corp. in February 2012 and was Chief Executive Officer of the Blackfish Capital Group from 2005 until August 2009. Mr. Konig was a main Board Director of NM Rothschild and Sons Ltd. for 15 years and held senior positions at Goldman Sachs and UBS.

Mr. Matkaluk is a member of the Institute of Chartered Accountants of Alberta with extensive experience in financial management. Mr. Matkaluk has been a Chartered Accountant since 1983 and has worked in the role of CFO for various private and publicly listed companies since that time. He is currently CFO of Capio Energy Inc and sits on the Audit Committee at Triangle Petroleum Corporation (as Chairman of the Audit Committee). Mr. Matkaluk received his Bachelors' Degree in Commerce in 1980 from the University of Calgary.

#### **Audit Committee Oversight**

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

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

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described in the Corporation's Audit Committee Charter.

### Reliance on Certain Exemptions

The Corporation is relying upon the exemption from Part 3 of NI 52-110 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) as per section 6.1 of NI 52-110.

### External Auditor Service Fees

The fees paid by the Corporation to its auditors in each of the last two years, by category, are as follows:

Category of Fees	2016(C\$)	2015(C\$)
Audit Fees <sup>(1)</sup>	200,611	151,585
Tax Fees <sup>(2)</sup>	21,775	21,133
Other Fees <sup>(3)</sup>	49,722	-
<b>Total</b>	<b>272,108</b>	<b>172,718</b>

Notes:

- (1) For audit of annual financial statements and quarterly reviews.
- (2) For services in connection with completion of the Corporation's Canadian tax returns.
- (3) For review of offering documents for a prospectus in connection with a marketed offering of units of common shares.

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former director, executive officer or employee of the Corporation or its subsidiary was indebted to the Corporation or any of its subsidiaries as at the date hereof or at any time during the most recently completed financial year of the Corporation. None of the proposed nominees for election as a director of the Corporation, or any associate of any director, executive officer or proposed nominee, was indebted to the Corporation or any of its subsidiaries as at the date hereof or at any time during the most recently completed financial year of the Corporation.

The Corporation has not provided any guarantees, support agreements, letters of credit or other similar arrangements or understandings for any indebtedness of any of the Corporation's directors, executive officers, proposed nominees for election as a director, or associates of any of the foregoing individuals as at the date hereof or at any time during the most recently completed financial year of the Corporation.

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

No 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, no proposed nominee of management of the Corporation for election as a director of the Corporation and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting, except that directors and executive officers of the Corporation may have an interest in the resolution regarding the approval of the Corporation's Option Plan, as such persons are eligible to participate in the plan.

### INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Since the commencement of the Corporation's most recently completed financial year, there were no transactions or proposed transactions that materially affected or will materially affect the Corporation or any of its subsidiaries, in which (i) any informed person of the Corporation, (ii) any proposed director of the Corporation, or (iii) any associate or affiliate of any of the foregoing, has any material interest.

### ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Corporation's comparative annual financial statements and MD&A for the Corporation's most recently completed financial year ended December 31, 2016, copies of which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of such documents are also available upon request from the Corporation's Vice President Finance and Financial Controller at Office 1.08, 1<sup>st</sup> Floor, 14 Curzon Street, London, England W1J 5HN or via telephone number +44 (0) 203 667 2970.

Copies of the above documents will be provided free of charge to securityholders of the Corporation. The Corporation may require the payment of a reasonable charge by any person or company who is not a securityholder of the Corporation, and who requests a copy of such documents.

As at the date of the Information Circular, management of Euromax is not aware of any other matters which may come before the Meeting other than as set forth in the Notice. 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 common shares represented thereby in accordance with their best judgment on such matter.

**APPROVAL OF THIS INFORMATION CIRCULAR**

The contents and the sending of this Information Circular have been approved by the directors of the Corporation.

DATED this 24 May 2017

BY ORDER OF THE BOARD OF DIRECTORS

A handwritten signature in cursive script, appearing to read "S Sharpe".

By order of the Board

Steven Sharpe  
President and Chief Executive Officer



**SCHEDULE "A"**  
**EUROMAX RESOURCES LTD.**  
("Company")  
**AUDIT COMMITTEE CHARTER**

**Organisation**

This charter governs the operations of the Audit Committee (the "Committee") of the Company. The Committee shall review and reassess the charter at least annually and obtain the approval of the Company's Board of Directors. The Committee shall be members of, and appointed by, the Board of Directors and shall comprise at least three directors, the majority of whom are independent of management, subject to applicable regulations. All Committee members shall be financially literate. The quorum for any meeting of the Committee shall be a majority of its members.

**Purpose**

The Committee shall provide assistance to the Board of Directors in fulfilling their oversight responsibility to the shareholders, potential shareholders, the investment community, and others relating to:

- (i) the integrity of the Company's financial statements;
- (ii) the financial reporting process;
- (iii) the systems of internal accounting and financial controls;
- (iv) the performance of the Company's internal audit function and independent auditors;
- (v) the independent auditor's qualifications and independence; and
- (vi) the Company's compliance with ethics policies and legal and regulatory requirements.

In so doing, it is the responsibility of the Committee to maintain free and open communication between the Committee, independent auditors, the internal auditors, and management of the Company.

In discharging its oversight role, the Committee is empowered to investigate any matter brought to its attention with full access to all books, records, facilities, and personnel of the Company and the authority to engage independent counsel and other advisers as it determines necessary to carry out its duties.

**Responsibilities**

The primary responsibility of the Committee is to oversee the Company's financial reporting process on behalf of the Board and report the results of their activities to the Board. While the Committee has the responsibilities and powers set forth in this Charter, it is not the duty of the Committee to plan or conduct audits or to determine that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Management is responsible for the preparation, presentation, and integrity of the Company's financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Company. The independent auditors are responsible for auditing the Company's financial statements and for reviewing the Company's unaudited interim financial statements.

The Committee, in carrying out its responsibilities, believes its policies and procedures should remain flexible, in order to best react to changing conditions and circumstances. The Committee should take appropriate actions to set the overall corporate "tone" for quality financial reporting, sound business risk practices, and ethical behaviour. The following shall be the principal direct responsibilities of the Committee:

1. Appointment and termination (subject, if applicable, to shareholder ratification), compensation, and oversight of the work of the independent auditors, including resolution of disagreements between management and the auditor regarding financial reporting.

2. Pre-approve all audit and non-audit services prepared by the independent auditors and shall not engage the independent auditors to perform the specific non-audit services prescribed by law or regulation. The Committee may delegate pre-approval authority to a member of the Committee. The decisions of any Committee member to whom pre-approval authority is delegated must be presented to the full Committee at its next scheduled meeting.
3. At least annually, obtain and review a report by the independent auditors describing:
  - (a) The firm's internal quality control procedures.
  - (b) Any material issues raised by the most recent internal quality control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues.
  - (c) All relationships between the independent auditor and the Company (to assess the auditor's independence).
4. Establish clear hiring policies for employees or former employees of the independent auditors that meet the stock exchange listing standards.
5. Discuss, with the internal auditors (if any) and the independent auditors, the overall scope and plans for their respective audits, including the adequacy of staffing and compensation.
6. Discuss with management, the internal auditors (if any), and the independent auditors the adequacy and effectiveness of the accounting and financial controls, including the Company's policies and procedures to assess, monitor, and manage business risk, and legal and ethical compliance programs (e.g. Company's Code of Conduct).
7. Periodically meet separately with management, the internal auditors (if any), and the independent auditors to discuss issues and concerns warranting Committee attention. The Committee shall provide sufficient opportunity for the internal auditors and the independent auditors to meet privately with the members of the Committee. The Committee shall review with the independent auditor any audit problems or difficulties and management's response.

The processes set forth represent a guide with the understanding that the Committee may supplement them as appropriate.

#### **Specifically Delegated Duties**

For purposes of this charter, specific accounting, financial and treasury related duties delegated to the Committee by the Company's Board of Directors include:

##### Accounting and Financial

1. Receive regular reports from the independent auditor on the critical policies and practices of the Company, and all alternative treatments of financial information within generally accepted accounting principles that have been discussed with management.
2. Where applicable, review management's assertion on its assessment of the effectiveness of internal controls as of the end of the most recent fiscal year and the independent auditor's report on management's assertion.
3. Review and discuss earnings press releases provided to shareholders and/or to be posted on the Company's website.
4. Review the interim quarterly unaudited financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations with management and the independent auditors prior to the filing of the Company's Quarterly Report and or their inclusion in any filing with regulatory authorities. Also, the Committee shall discuss the results of the quarterly review and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards. The chair of the Committee may represent the entire Committee for the purposes of this review.

5. Review with management and the independent auditors the financial statements and disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations to be included in the Company's Annual Report to shareholders and any other filing with regulatory authorities, including their judgment about the quality, not just the acceptability of accounting principles, the reasonableness of significant judgments, and the clarity of the disclosures in the financial statements. Also, the Committee shall discuss the results of the annual audit and any other matters required to be communicated to the Committee by the independent auditors under generally accepted auditing standards.
6. Establish procedures for the receipt, retention, and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters, and the confidential, anonymous submission by employees of the issuer of concerns regarding questionable accounting or auditing matters.
7. Perform an evaluation of its performance at least annually to determine whether it is functioning effectively.

Treasury Related

1. Monitor and review risk management strategies as they pertain to the Company's general insurance programs, and foreign exchange and product hedging programs, and make recommendations to the Board of Directors with respect to such strategies.
2. Approve investment policies and appoint investment managers for the Company's retirement and other funded benefit plans.
3. Perform such other duties in respect of financial matters as, in the opinion of the Board of Directors, should be performed by the Committee.

Re-approved by the Board, 15 May 2017