



**NOTICE OF ANNUAL AND SPECIAL MEETING  
OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**May 9, 2017**

**The Annual and Special Meeting of Shareholders will be held at 10:00 a.m. (Toronto Time)  
on Wednesday, June 21, 2017 at the offices of McMillan LLP  
located at 181 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3**

**YOUR VOTE IS IMPORTANT.**

**VOTES MAY BE CAST AT THE MEETING, ONLINE, BY EMAIL, BY FAX OR BY REGULAR MAIL.  
SHAREHOLDERS ARE REMINDED TO REVIEW THE MANAGEMENT INFORMATION CIRCULAR  
BEFORE VOTING.**



## LETTER TO SHAREHOLDERS FROM THE CHAIR OF THE BOARD

Dear Fellow Shareholders,

Wesdome is in its 30<sup>th</sup> year of continuous gold mining operations in Canada. Over the past year, we have been focused on growing the Company's production profile at Eagle River and expanding exceptional exploration opportunities at Kiena and Moss Lake.

Our core producing asset, the Eagle River Complex near Wawa, Ontario, which consists of two operating mines, the underground Eagle River Mine and the open pit Mishi Mine, has experienced improved operational success resulting from higher grades underground at Eagle River Mine and improved mill efficiency. For the first time in many years, we are producing gold from three separate, high grade underground zones (811, 7 and 300) where exploration drilling proves these zones are expanding and remain open. Mishi continues to provide open pit feed to the mill and recent exploration drilling here shows resource expansion west of the existing pit.

At the Kiena Mine Complex located in Val d'Or, Quebec, exploration drilling has discovered two high grade, deep gold zones below this 100% owned past producing mine. Drilling continues as we drive a ramp towards the new discoveries to provide improved access for resource development. With fully permitted mining and milling infrastructure at Kiena, the new discoveries provide the potential for a renewed mining opportunity.

At Moss Lake, west of Thunder Bay, Ontario, the Company is exploring the potential to expand an existing gold deposit that contains a large open pit mineral resource. Wesdome is drilling with two rigs at this 100% owned project.

We are pleased to invite you to join us at the Annual and Special Meeting of Shareholders ("Meeting") to be held on June 21, 2017 in Toronto, Ontario.

At the Meeting, you will be asked to approve:

1. The election of Directors of the Company for the ensuing year;
2. The nomination of Grant Thornton LLP as auditor of the Company for 2017;
3. The adoption of an omnibus equity incentive plan of Wesdome; and
4. To consider other business as may properly come before the Meeting.

This Management Information Circular provides you with information that will be addressed at the Meeting. Your participation is important to us. We ask you to show your support by voting in favour of the various proposals that we are putting forward at the Meeting using your proxy in advance of the Meeting.

We thank you for your support and confidence as we continue to build shareholder value at Wesdome.

Respectfully,



Charles E. Page  
Chair of the Board of Directors

**WESDOME GOLD MINES LTD.  
MANAGEMENT INFORMATION CIRCULAR**

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**WESDOME GOLD MINES LTD.  
NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**Date:** Wednesday, June 21, 2017  
**Time:** 10:00 a.m. Toronto Time  
**Location:** McMillan LLP, 181 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3

The purpose of the annual and special meeting (the “Meeting”) is as follows:

1. To receive the audited consolidated financial statements of the Company for the year ended December 31, 2016, together with the auditor’s report thereon;
2. To elect the directors of the Company for the ensuing year;
3. To appoint Grant Thornton LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix its remuneration;
4. To consider, and if deemed advisable, pass an ordinary resolution, the full text of which is set out in the accompanying Management Information Circular (the “Information Circular”) and Form of Proxy of Wesdome Gold Mines Ltd. (“Wesdome” or the “Company”) dated May 9, 2017, confirming and approving the adoption of the 2017 omnibus equity incentive plan of Wesdome; and
5. To consider other business as may properly come before the Meeting.

Particulars of the matters referred to above are set forth in the accompanying Information Circular.

Holders of common shares of Wesdome on May 9, 2017, the record date (the “Record Date”), are eligible to vote at the Meeting either in person or by proxy. Shareholders who are unable to attend the Meeting in person are requested to read the notes included in the Form of Proxy enclosed and to complete, date, sign and mail the enclosed Form of Proxy or voting instruction form, or follow other voting procedures as set out in the Form of Proxy and Information Circular.

Toronto, Ontario  
May 9, 2017

**BY ORDER OF THE BOARD OF DIRECTORS**



Heather Laxton  
Chief Governance Officer & Corporate Secretary

**WESDOME GOLD MINES LTD.  
MANAGEMENT INFORMATION CIRCULAR**

As at May 9, 2017 and in Canadian dollars except where indicated.

**This management information circular (“Circular”) is furnished in connection with the solicitation of proxies by management of Wesdome Gold Mines Ltd. (the “Company”) for use at the annual and special meeting of shareholders (the “Meeting”) to be held on Wednesday, June 21, 2017 at 10:00 a.m. (Toronto Time) and any adjournment or postponement thereof at the time and place and for the purposes set forth in the accompanying Notice of Annual and Special Meeting of Shareholders (the “Notice”).**

**GENERAL INFORMATION RESPECTING THE MEETING**

**Notice-and-Access**

In lieu of mailing this Notice and Circular and the Company’s audited consolidated financial statements for the year ended December 31, 2016 (the “**Financial Statements**”) and related management discussion and analysis (“**MD&A**”) to holders of common shares of the Company (“**Common Shares**”), the Company is using notice-and-access to provide access to an electronic copy of these documents to registered and beneficial holders of the Company’s Common Shares (“**Shareholders**”) by posting them on the Company’s website at [www.wesdome.com](http://www.wesdome.com) and on SEDAR at [www.sedar.com](http://www.sedar.com).

Although this Circular, the Financial Statements and the MD&A will be posted electronically on-line as noted above, Shareholders will receive paper copies of a “notice package” via prepaid mail containing the Notice with information prescribed by National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations*, a form of proxy (“**Proxy**”) or voting instruction form (“**VIF**”), and supplemental mail list return card for Shareholders to request they be included in the Company’s supplementary mailing list for receipt of the Company’s interim financial statements for the 2017 fiscal year. **Shareholders who have previously provided standing instructions will receive a paper copy of these documents.**

Shareholders with questions about notice-and-access can call the Company’s transfer agent, Computershare Investor Services Inc. (“**Computershare**”) toll-free at 1.866.962.0498. Shareholders may also obtain paper copies of this Circular, the Financial Statements and the MD&A free of charge by contacting Computershare at the same toll-free number or upon request to the Corporate Secretary of the Company. A request for paper copies which are required in advance of the Meeting should be sent so that they are received by Computershare or the Company, as applicable, by Friday, June 9, 2017 in order to allow sufficient time for Shareholders to receive their paper copies and to return a) their form of proxy to Computershare or the Company, or b) their voting instruction form to their intermediaries by its due date.

**Solicitation of Proxies**

The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail, and, in relation to the delivery of this Circular, by posting it on the Company’s website at [www.wesdome.com](http://www.wesdome.com) and on SEDAR at [www.sedar.com](http://www.sedar.com) pursuant to the notice-and-access provisions described above. The solicitation of proxies may be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company or by the Company’s transfer agent and registrar. The Company may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. All costs of solicitation will be borne by the Company.

## **Appointment, Revocation and Deposit of Proxies**

The persons named in the accompanying Proxy are directors or officers of the Company. **If you are a Shareholder entitled to vote at the Meeting, you have the right to designate or appoint a person or company (who need not be a Shareholder) to attend and act for and on your behalf at the Meeting other than the persons designated in the Proxy.** Such right may be exercised by striking out the names of the two persons designated in the instrument of proxy and by inserting in the blank space provided for that purpose the name of the desired person or company or by completing another proper form of proxy and, in either case, depositing the completed and executed proxy with the registrar and transfer agent of the Company, Computershare c/o Proxy Dept., at 100 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario M5J 2Y1, at any time prior to 10:00 a.m. on Monday, June 19, 2017.

## **Voting by Proxyholder**

The persons named in the Proxy will vote or withhold from voting the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares shall be voted accordingly.

**Where no choice is specified, the Proxy will confer discretionary authority and will be voted for each of the matters identified in the Notice and described in this Circular. The Proxy also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice and with respect to other matters which may properly come before the Meeting in such manner as such nominee in his judgment may determine. As of the date of this Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice.**

## **Registered Shareholders**

Every registered holder of Common Shares (“**Registered Shareholder**”) at the close of business on May 9, 2017 is entitled to receive notice of, and to vote their shares at, the Meeting. Registered Shareholders who are unable to attend the Meeting in person and who wish to ensure that their Common Shares will be voted at the Meeting are requested to complete, sign and deliver the enclosed Proxy to Computershare, c/o Proxy Dept., 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1, Canada. In order to be valid and acted upon at the Meeting, a Proxy must be received at the aforesaid address not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment(s) thereof. Further instructions with respect to voting by proxy are provided in the Proxy and below.

## **Beneficial Shareholders**

Shareholders may beneficially own shares that are registered in the name of a broker, another intermediary or an agent of that broker or intermediary (“**Beneficial Shareholders**”). Such Common Shares will more likely be registered under the names of intermediaries. Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders or as set out in the following disclosure. Intermediaries are required to seek voting instructions from Beneficial Shareholders in advance of meetings of Company Shareholders. Without specific instructions, intermediaries are prohibited from voting shares for their clients. **If you are a Beneficial Shareholder, it is vital that the VIF provided to you by Computershare, your broker, intermediary or its agent is returned according to the instructions provided in or with such form, sufficiently in advance of the deadline specified, to ensure that they are able to provide voting instructions on your behalf.**

Every intermediary has its own mailing procedures and provides its own return instructions to clients. The Company is relying on the provisions of NI 54-101 that permit it to deliver proxy-related materials directly to its Beneficial Shareholders. As a result, Beneficial Shareholders can expect to receive a VIF from their broker. Voting can be completed by filling out and signing the VIF and returning it to their broker by telephone, by the Internet or by mail, in each case as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from the Beneficial Shareholders and will provide appropriate instructions at the Meeting with respect to



the Common Shares represented by the VIFs they receive. These securityholder materials are being sent to both Registered Shareholders and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name and address, and information about your holdings of securities were obtained in accordance with applicable securities regulatory requirements from the intermediary holding securities on your behalf. By choosing to send these materials to you directly, the Company (and not the intermediary holding securities on your behalf) has assumed responsibility for (a) delivering these materials to you, and (b) carrying out your voting instructions. Please return your VIF as specified in the request for voting instructions sent to you.

### **Revocation of Proxies**

**Shareholders have the power to revoke Proxies previously given by them.** Revocation of proxies for Registered Shareholders can be effected by an instrument in writing (which includes a Proxy bearing a later date) signed by a Shareholder or the Shareholder's attorney duly authorized in writing (in the case of a corporation, such investment must be executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation) which is either delivered to Computershare c/o Proxy Dept., at 100 University Avenue, 8<sup>th</sup> Floor Toronto, Ontario M5J 2Y1, Canada any time up to and including the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, or deposited with the Meeting Chair prior to the hour of commencement on the day of the Meeting.

A Beneficial Shareholder who has submitted a Proxy may revoke it by contacting the intermediary through which the Beneficial Shareholder's Common Shares are held and following the instructions of the intermediary respecting the revocation of proxies.

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

None of the directors or executive officers of the Company, any person who has held such a position since the beginning of the Company's last completed financial year, any proposed nominee for election as a director of the Company nor any associate or affiliate of the foregoing persons, has any substantial or material interest, directly or indirectly, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting (other than the election of directors).

### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS**

#### **Record Date**

The Board of Directors of the Company (the "**Board**") has fixed May 9, 2017 as the record date (the "**Record Date**") for the purpose of determining Shareholders entitled to receive the Notice and vote at the Meeting. As at the Record Date, 132,622,276 fully paid and non-assessable Common Shares, each carrying one right to vote, were issued and outstanding.

#### **Voting Securities**

In accordance with the provisions of the *Business Corporations Act* (Ontario) (the "**OBCA**"), the Company will prepare a list of holders of Common Shares at the close of business on the Record Date. Holders of record at the close of business on the Record Date will be entitled to one vote for each Common Share held. Only those Shareholders as of the Record Date will be entitled to vote at the Meeting or any adjournment thereof. Each Shareholder named in the list will be entitled to vote at the Meeting the Common Shares shown opposite his or her name on the list except to the extent that the Shareholder has transferred any of his or her Common Shares after the Record Date and the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that the transferee owns such Common Shares and demands not later than 10 days before the Meeting that his name be included in the list before the Meeting, in which case the transferee is entitled to vote his shares at the Meeting or any adjournment thereof.

## Principal Holders

To the knowledge of the directors and senior officers of the Company, as at the date of this Circular, the only persons, firms or corporations that beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights of the Common Shares of the Company are as follows:

Name	Number of Common Shares <sup>(1)</sup>	Percentage <sup>(3)</sup>
Resolute Performance Fund	26,000,000	19.61%
Van Eck Associates Corporation	16,269,772	12.27%

(1) As at April 30, 2017. The information as to shares owned, controlled or directed, not being within the knowledge of the Company, has been obtained by the Company from publicly disclosed information.

(2) On a non-diluted basis.

## Advance Notice Requirements

The Company's By-Law No. 1, as amended, contains a requirement providing for advance notice of nominations of directors (the "Advance Notice Requirements") in certain circumstances where nominations for election to the Board are made by Shareholders. For an annual meeting of Shareholders, notice to the Company must be provided not less than 30 and not more than 65 days prior to the date of the annual meeting; save and except where the annual meeting is to be held on a date less than 40 days after the date on which the first public announcement of the date of such annual meeting was made, in which event notice may be given not later than the close of business on the 10<sup>th</sup> day following such public announcement. The Company's By-Law No. 1 is available on SEDAR at [www.sedar.com](http://www.sedar.com).

## BUSINESS OF THE MEETING

### Financial Statements

The Company's Financial Statements and related MD&A are available on SEDAR at [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.wesdome.com](http://www.wesdome.com). The Financial Statements and the report of the auditor thereon will be placed before the Shareholders at the Meeting.

### Appointment of Auditor

Shareholders will be asked to consider and, if thought advisable, to pass an ordinary resolution to appoint the firm of Grant Thornton LLP, Chartered Professional Accountants, of Toronto, Ontario to serve as auditor of the Company until the next annual meeting of Shareholders and to authorize the directors of the Company to fix the remuneration of the auditor, subject to approval by the Audit Committee.

The following table discloses the fees billed to the Company by its external auditor during the last two financial years:

Financial Year Ending	Audit Fees <sup>(1)</sup>	Audit Related Fees	Tax Fees <sup>(2)</sup>	All Other Fees	Total
December 31, 2016	\$133,750	\$30,870	\$31,485	0	\$196,105
December 31, 2015	\$133,750	\$0	\$47,425	0	\$181,175

(1) The aggregate fees billed for audit services.

(2) The aggregate fees billed for tax compliance, tax advice, and tax planning services.

All fees for any services provided by Grant Thornton LLP are subject to pre-approval by the Audit Committee. For further information with respect to the auditor, please see the Company's Annual Information Form ("AIF") for the year ended December 31, 2016, available on SEDAR at [www.sedar.com](http://www.sedar.com) as well as on the Company's website at [www.wesdome.com](http://www.wesdome.com).

**The Board unanimously recommends that Shareholders vote FOR the appointment of GRANT THORNTON LLP as auditor of the Company to serve until the next annual meeting of the Shareholders and to authorize the directors to fix the auditor's remuneration. Unless authority to do so is withheld, the persons designated as proxyholders in the accompanying Proxy or VIF intend to vote the Common Shares represented by such Proxy FOR the appointment of Grant Thornton LLP as auditor of the Company to serve until the next annual meeting of Shareholders and to authorize the directors to fix the remuneration of the auditor.**

#### **Election of Directors**

The Company's executive management team ("**Management**") is supervised by the Board as per the *OBCA*. The articles of incorporation of the Company provide that there be a minimum of three (3) and a maximum of ten (10) directors. Seven (7) directors are proposed for nomination. As the Board has adopted a majority voting policy with respect to the election of directors, the process of voting will be on an individual basis. Shareholders can vote for or withhold from voting on the election of individual directors. See "Statement of Corporate Governance Practices" in this Circular for more information about the Company's majority voting policy. Each director elected will hold office until the next annual meeting of Shareholders or until the director's successor is duly elected or appointed, unless the director's office is earlier vacated in accordance with the Company's by-laws or the director becomes disqualified to act as a director. Management does not contemplate that any of the nominees in this Circular will be unable to serve as a director.

#### **Nominees for Election**

Information concerning the seven nominees proposed for election as Directors of the Company is set out below, and includes the positions and offices which they presently hold, their respective principal occupations or employments, directorships with other reporting issuers, and the number of Common Shares and stock options of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular. Information concerning the proposed nominees has been furnished by the respective nominees.

**The Board unanimously recommends that Shareholders vote FOR the election of each of the director nominees listed in this Circular. Unless authority to do so is withheld, the persons designated as proxyholders in the accompanying Proxy or VIF intends to vote the Common Shares represented by such proxy FOR the election of each of the director nominees named in this Circular.**

## CHARLES MAIN



**Status:** Nominee Independent Director  
**Age:** 60  
**Residence:** Burlington, Ontario, Canada  
**Joined Board:** N/A

### Biography

Mr. Main was previously Executive Vice President, Finance and Chief Financial Officer of Yamana Gold Inc. from August 2003 to March 2017. He has 30 years of experience in the finance and mining industries. Prior to joining Yamana, Mr. Main held the principal positions of Director of Corporate Development of Newmont Capital Corporation and Vice President of Normandy Mining Limited and Outokumpu Mines Ltd, Vice President, Finance of TVX Gold, and was with PriceWaterhouseCoopers for 10 years. Mr. Main is a Chartered Professional Accountant and a member of the Ontario and Canadian Institutes of Chartered Professional Accountants. Mr. Main holds a Bachelor of Commerce degree from McGill University.

### Principal Occupation

Mining Executive and Professional Accountant

### Other Public Directorships

None

### Memberships and Awards

Chartered Professional Accountants of Canada  
 Institute of Corporate Directors

Securities Held		Board and Committee Membership	2016 Attendance
Common Shares	25,000	N/A	N/A
Stock Options	Nil		

## DUNCAN MIDDLEMISS



**Status:** Non-Independent Director  
**Age:** 55  
**Residence:** Mississauga, Ontario, Canada  
**Joined Board:** June 2016

### Biography

Mr. Middlemiss serves as the President and Chief Executive Officer of the Company. Previously, he was President and Chief Executive Officer and a director of St. Andrew Goldfields Ltd. ("SAS") until its acquisition by Kirkland Lake Gold Inc. in January 2016. Mr. Middlemiss joined SAS in July 2008 as General Manager and Vice President Operations, later assuming the role of Chief Operating Officer. He was appointed as President and Chief Executive Officer in October 2013. He earned a B. Sc. in mining engineering at Queen's University in 1989 and worked for Inco Limited (now Vale Canada Limited) as Mine Design Engineer until 1995. At that time, he joined Barrick Gold Inc. at their Holt-McDermott Mine, where he held the position of Chief Mine Engineer. In 2002, he joined Foxpoint Resources (now Kirkland Lake Gold Inc.) where he was instrumental in overseeing the rehabilitation, development, and commencement of production at the Macassa Mine beginning as Engineering & Production Manager, and later as Mine Manager. Mr. Middlemiss is a native of Kirkland Lake, Ontario and has extensive experience in the mining of gold deposits in the Abitibi Greenstone Belt.

### Principal Occupation

President and Chief Executive Officer of the Company

### Other Public Directorships

IDM Mining Ltd.

### Memberships and Awards

Professional Engineers of Ontario  
 Institute of Corporate Directors  
 Recipient of 2017 CIM Outstanding Mining Engineer of the Year

Securities Held		Board and Committee Membership	2016 Attendance
Common Shares	30,303	Board	9/9
Stock Options	900,000		

**NADINE MILLER**



**Status:** Independent Director  
**Age:** 44  
**Residence:** Thornhill, Ontario, Canada  
**Joined Board:** February 2016

**Biography**

Ms. Miller is a trained Geotechnical Engineer with over 15 years of experience in geotechnical engineering and project management in the mining and transportation industries, and has worked on mining projects in Australia, Europe, North and South America. She has undertaken geotechnical mandates for projects ranging in size from less than \$100k to projects greater than \$1B. She is currently Manager of Business Development – Toronto with Bantrel Co. providing EPC/EPCM services to the mining and metals, oil, gas and chemicals and infrastructure sectors with the backing of Bantrel’s parent company, Bechtel. Prior to joining Bantrel she was previously Business Development Manager with SNC-Lavalin’s Mining and Metallurgy business unit from 2012 to 2015. Ms. Miller is a graduate of the Massachusetts Institute of Technology (MIT) with a Master’s degree in Civil and Environmental Engineering (specializing in geotechnical engineering), and has a Bachelor of Applied Science degree from the University of Toronto in Mineral and Geological Engineering; she is presently studying at the University of Oxford’s Said Business School for her Executive MBA. She is a licensed professional Engineer in the Province of Ontario.

**Principal Occupation**

Professional Engineer and Corporate Director

**Other Public Directorships**

None

**Memberships and Awards**

Professional Engineers of Ontario  
 Ontario Society of Professional Engineers  
 Institute of Corporate Directors  
 Canadian Institute of Mining Metallurgy and Petroleum  
 Prospectors and Developers Association of Canada  
 2017 Ontario Leading Women Building Communities Award

<b>Securities Held</b>		<b>Board and Committee Membership</b>	<b>2016 Attendance</b>
Common Shares	Nil	Board	13/13
Stock Options	150,000	Compensation & Human Resources Committee	4/4
		Governance & Nominating Committee	2/2
		Technical, Safety & Sustainability Committee	1/1

**WARWICK MORLEY-JEPSON**



**Status:** Nominee Independent Director  
**Age:** 58  
**Residence:** Toronto, Ontario, Canada  
**Joined Board:** N/A

**Biography**

Mr. Morley-Jepson has more than 35 years' experience in the mining industry, within operations, project and business development in the precious metal sector. He served as Executive Vice President and Chief Operating Officer of Kinross Gold Corporation from October 2014 to December 2016, and as Senior Vice President, Operations, and Vice President and Regional Vice President - Russia, between October 2009 and October 2014. Prior to joining Kinross, Mr. Morley-Jepson served as Chief Executive Officer of SUN Gold, a privately-held gold mining company with interests in Russia and Kazakhstan. Prior to that he was Managing Director of Barrick Africa, Barrick Platinum South Africa and three Russian-based companies in the Barrick group, and spent several years with Placer Dome leading their South African project and business development efforts. Mr. Morley-Jepson graduated in the faculty of Mechanical Engineering (HND) at the Technicon Witwatersrand now part of the University of Johannesburg. He has undertaken a number of technical, managerial and financial programs during his career, including the 'Management Development Program' at Graduate School of Business, Cape Town University and 'Management in the Mining Industry' at Witwatersrand School of Business, University of the Witwatersrand, and Finance for Senior Executives at Harvard Business School.

**Principal Occupation**

Mining Executive and Engineering Professional

**Other Public Directorships**

None

**Memberships and Awards**

Institute of Corporate Directors

<b>Securities Held</b>	<b>Board and Committee Membership</b>		<b>2016 Attendance</b>
Common Shares	Nil	N/A	N/A
Stock Options	Nil		

**CHARLES PAGE**



**Status:** Independent Director and Chairman  
**Age:** 65  
**Residence:** Burlington, Ontario, Canada  
**Joined Board:** July 2015

**Biography** Mr. Page is a Professional Geologist with over 40 years' experience in the mineral exploration and mining industry both domestic and abroad. Most recently, he was President and Chief Executive Officer of Queenston Mining Inc. until its acquisition by Osisko Mining Company in 2012. He is currently a director of Osisko Gold Royalties Ltd. and Unigold Inc. He is a member of the Association of Professional Geoscientists of Ontario, is a Fellow of the Geological Association of Canada and a member of the Canadian Institute of Mining, Metallurgy and Petroleum. Mr. Page holds a Master of Science degree from the University of Waterloo.

**Principal Occupation** Corporate Director and Professional Geologist

**Other Public Directorships** Osisko Gold Royalties Ltd.  
Unigold Inc.

**Memberships and Awards** Association of Professional Geoscientists of Ontario  
Geological Association of Canada  
Institute of Corporate Directors

<b>Securities Held</b>		<b>Board and Committee Membership</b>		<b>2016 Attendance</b>
Common Shares	600,000	Board		12/13
Stock Options	350,000	Audit		6/6
		Compensation & Human Resources Committee		4/4
		Governance & Nominating Committee		2/2
		Technical, Safety & Sustainability Committee		1/1



**ROWLAND ULOTH**



**Status:** Non-Independent Director  
**Age:** 70  
**Residence:** Burlington, Ontario, Canada  
**Joined Board:** August 2013

**Biography** Mr. Uloth is President of Rosedale Transport Limited, which he co-founded in 1969. Mr. Uloth was the Chairman of FR Insurance of Bridgetown, Barbados for two years until March 2013. He was President and CEO of the Company from May 2007 to December 2009, and from July 2013 until August 2016. He was also a Director of the Company from 1999 to 2009, serving as Chairman from 2006 to 2009, and re-joined the Board in August 2013.

**Principal Occupation** President of Rosedale Transport Limited  
 Former President and Chief Executive Officer of the Company

**Other Public Directorships** None

**Memberships and Awards** Institute of Corporate Directors

<b>Securities Held</b>		<b>Board and Committee Membership</b>	<b>2016 Attendance</b>
Common Shares	910,528	Board	12/13
Stock Options	135,000	Technical, Safety & Sustainability Committee	1/1

**BILL WASHINGTON**



**Status:** Independent Director  
**Age:** 53  
**Residence:** Toronto, Ontario, Canada  
**Joined Board:** June 2016

**Biography**

Mr. Washington is currently a Partner at Hydra Capital Partners Inc., and was previously the Head of Global Mining & Metals at National Bank Financial Markets from July 2011 until his retirement from the firm at the end of 2015. He joined National Bank as part of the acquisition of Wellington West Capital Markets where he had served as the Head of Investment Banking since August 2004. Prior to joining Wellington, and always focused exclusively on the mining sector, Bill worked as an investment banker at National Bank Financial/First Marathon, Gordon Capital and Lancaster Financial/TD Securities from 1994. Prior to entering investment banking, he worked as a civil engineer on major infrastructure projects in the U.K., Spain and Hong Kong for six years. Bill holds a Bachelor of Applied Science (Civil Engineering) from the University of British Columbia and has an MBA from the University of Western Ontario (Ivey).

**Principal Occupation**

Investment Banker

**Other Public Directorships**

Brio Gold Inc.

**Memberships and Awards**

Institute of Corporate Directors

<b>Securities Held</b>		<b>Board and Committee Membership</b>		<b>2016 Attendance</b>
Common Shares	150,000	Board		5/5
Stock Options	100,000	Audit Committee		3/3
		Compensation & Human Resources Committee		3/3
		Governance & Nominating Committee		1/1

### **Corporate Cease Trade Orders**

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

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

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

### **Bankruptcies, or Penalties or Sanctions**

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

To the knowledge of the Company, no proposed director is:

- (a) as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that 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;
- (b) has, within 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (c) 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
- (d) 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.

### **Approval of the Company's 2017 Omnibus Plan**

On May 3, 2017, the Board approved the 2017 omnibus equity incentive plan of Wesdome (the "**2017 Omnibus Plan**") pursuant to which it is able to issue share-based long term incentives. All directors, officers, employees and independent contractors of Wesdome and/or its affiliates (collectively, the "**Service Providers**") are eligible to receive awards under the 2017 Omnibus Plan. The purpose of the 2017 Omnibus Plan is to (i) develop the interest of Service Providers in the growth and development of Wesdome by providing such persons with the opportunity to acquire a proprietary interest in Wesdome; (ii) attract and retain valuable Service Providers to Wesdome with a competitive compensation mechanism; and (iii) align the interests of the participants with those of Shareholders by

devising a compensation mechanism which encourages the prudent maximization of distributions to Shareholders and long-term growth.

A copy of the 2017 Omnibus Plan, which has been conditionally approved by the TSX subject to the receipt of customary documentation, and which is drafted in accordance with the latest TSX policies, is attached to this Circular at Schedule "B". A summary of the 2017 Omnibus Plan is included below. See "*Statement of Director Compensation – 2017 Omnibus Plan*". The summary, however, is qualified in its entirety by the terms of the 2017 Omnibus Plan. Additional information in respect of the 2017 Omnibus Plan is set forth below.

The 2017 Omnibus Plan will replace the Company's existing Stock Option Plan and Old Stock Option Plan (each as defined below) and be supplemental to our cash-based incentive compensation arrangements. The existing Stock Option Plan and the Old Stock Option Plan will remain in effect but no further options will be issued thereunder and the unallocated options, rights and other entitlements thereunder will not be submitted to the Shareholders for approval at the Meeting.

The types of awards available under the 2017 Omnibus Plan include options, restricted share units, performance share units, deferred share units and dividend-equivalent rights (collectively, "**Awards**"). Under the 2017 Omnibus Plan, the maximum number of Common Shares issuable from treasury pursuant to Awards shall not exceed 10% of the total outstanding Common Shares from time to time less the number of Common Shares issuable pursuant to all other security-based compensation arrangements of Wesdome (being the existing Stock Option Plan and the Old Stock Option Plan). As of May 9, 2017, there were an aggregate of 5,101,888 Options outstanding and unexercised under the existing Option Plan and an aggregate of 255,000 Options outstanding and unexercised under the Old Stock Option Plan. If the 2017 Omnibus Plan is approved at the Meeting, an additional 7,905,340 Common Shares will be reserved for issuance under the 2017 Omnibus Plan which, together with the Common Shares underlying the outstanding and unexercised Options under the existing Stock Option Plan and the Old Stock Option Plan represents 10% of the total outstanding Common Shares. The 2017 Omnibus Plan is administered by the Board or a committee of the Board.

The resolution to approve the 2017 Omnibus Plan must be passed by a majority of not less than one half plus one of the votes cast by Shareholders present in person or by proxy at the Meeting.

The following is the text of the ordinary resolution to be considered by the Shareholders at the Meeting:

"BE IT RESOLVED that:

1. The adoption by Wesdome Gold Mines Ltd. ("**Wesdome**") of the 2017 Omnibus Plan, substantially as described in the Management Information Circular and Proxy Statement of Wesdome dated May 9, 2017, is hereby approved;
2. The Company has the ability to continue granting Awards under the 2017 Omnibus Plan until June 21, 2020, which is the date that is three (3) years from the date of the shareholder meeting at which shareholder approval is being sought;
3. The Board of Directors of Wesdome may revoke this resolution before it is acted upon, without further approval of the shareholders; and
4. Any one officer or director of Wesdome be and is hereby authorized and directed to do all such further acts and things and to execute and deliver or sign and file (as the case may be) all such further notices, instruments, certificates and other documents (for and on behalf of Wesdome and whether under corporate seal or otherwise) as such officer or director may consider necessary or advisable having regard to the foregoing paragraphs of this resolution, including but not limited to making such filings as may be required by the rules and policies of the Toronto Stock Exchange."

**The Board unanimously recommends that Shareholders vote FOR the Company's 2017 Omnibus Plan. Unless authority to do so is withheld, the persons designated as proxyholders in the accompanying Proxy or VIF intends to vote the Common Shares represented by such proxy FOR the ordinary resolution approving the 2017 Omnibus Plan.**

### **Other Business**

Management of the Company does not intend to present any other business and is not aware of any amendments to the proposed business that have been presented for action by the Shareholders other than those mentioned herein or in the notice of meeting.

## **STATEMENT OF CORPORATE GOVERNANCE PRACTICES**

### **Governance Overview**

The Board and Management consider good corporate governance to be central to the effective and efficient operation of the Company. The Board, through the Governance and Nominating Committee, continually reviews its practices and monitors regulatory developments in Canada, and aims to achieve higher standards of corporate governance through meaningful improvements to existing practices. Through the Company's growth, its governance practices and policies have continued to evolve.

### **Board of Directors**

The fundamental responsibility of the Board is to provide stewardship and governance over the management of the Company with the objective of enhancing the long-term value of the Company's assets and maximize share value. This is done in the context of the requirements under the Company's constating documents, applicable law and regulatory authorities' rules and regulations.

The Board facilitates the exercise of independent supervision over the Company's Management by ensuring representation on the Board by directors who are independent of Management. Directors are considered to be independent if they have no director or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment.

If a matter for the Board's consideration involves a non-independent director, that director is required to recuse him or herself from the meeting for the consideration of such matter so that the directors who are not so involved can have an open and candid discussion and vote.

The Board supervises the conduct and affairs of the Company directly and through its committees. The Board holds regularly scheduled meetings, with additional meetings to consider particular issues held as necessary. In 2015, the Board held seven meetings.

At the conclusion of most regularly scheduled meetings, the independent directors meet in the absence of Management in order to encourage and ensure that free and candid discussions can take place. In addition, the Board has established Audit, Compensation, Governance and Nominating, and Sustainability Committee, each of which is comprised of independent directors.

In the event that the independent directors wish to convene a meeting amongst themselves, they may do so by making arrangements through the Corporate Secretary. In addition, all members of the Board regularly and independently confer amongst themselves and keep apprised of all operational and strategic aspects of the Company's business.

## Board Chairman

Mr. Charles Page is the independent chair of the board (the “**Board Chair**”). The Board Chair is responsible for presiding over meetings of the directors and Shareholders of the Company, and for enhancing the overall effectiveness of the board.

## Independence of Directors

Based upon the tests for independence, the Company considers that four of the six current directors have no material relationship with the Company and therefore a majority of the Board is independent.

The following table describes the independence status of the six current directors:

Director	Independent	Reason why the Director is not Independent
Duncan Middlemiss	NO	President & CEO of the Company
Nadine Miller	YES	–
Charles Page	YES	–
Barry Smith	YES	–
Rowland Uloth	NO	Former President & CEO of the Company (until August 2016)
Bill Washington	YES	–

The following table describes the independence status of the seven proposed directors:

Director	Independent	Reason why the Director is not Independent
Charles Main	YES	–
Duncan Middlemiss	NO	President & CEO of the Company
Nadine Miller	YES	–
Warwick Morley-Jepson	YES	–
Charles Page	YES	–
Rowland Uloth	NO	Former President & CEO of the Company (until August 2016)
Bill Washington	YES	–

## Director Interlocks

None of the current or proposed directors currently sit together on other public company boards.

## Board Mandate

The Board has adopted a formal written mandate, the full text of which is attached as Schedule A to this Circular and can also be found on the Company’s website at [www.wesdome.com](http://www.wesdome.com). Among other things, in order to ensure that the Board fulfills its role and is in a position to be held to account by the Company’s Shareholders, the Board is responsible for:

1. Approval of strategic goals, performance objectives and operational policies based on the best interests of the Company
2. Monitoring business performance
3. Risk management (tolerance, identification and monitoring)
4. Human resources and compensation issues
5. Effective communications to ensure that effective communication is in place between the Board and the Company’s Shareholders and other stakeholders; however, primary responsibility for communications with Shareholders is shared between the CEO and the Board Chair.
6. Governance issues
7. Other matters, including:

- a. To the extent feasible, satisfying itself as to the integrity of the CEO and other senior officers, and that the CEO and other senior officers create a culture of integrity throughout the organization.
- b. Approval of disclosure documents required to be approved by the Board under securities laws, regulations or the rules of any applicable stock exchange, including annual and quarterly financial reports, the management information circular, the annual information form and all material press releases.
- c. Review and approval of all material transactions not in the ordinary course of business.
- d. Receipt of any reports on any departures from the Code of Business Conduct and Ethics or other related information.
- e. Retaining accounting, legal, consulting or other expert advice from a source independent of management, at the expense of the Company, as it may from time to time deem necessary or advisable for its purposes.

### Board Committees

The Board has established four committees, being the Audit Committee, Compensation and Human Resources Committee, Governance and Nominating Committee and the Technical, Safety and Sustainability Committee. The Board committees act pursuant to formal written charters, and the full text of these documents can be found on the Company's website at [www.wesdome.com](http://www.wesdome.com).

### Committee Composition

The following table summarizes the current composition of the Board committees. All directors, with the exception of Mr. Middlemiss, President and CEO of the Company, and Mr. Uloth, former President and CEO of the Company, are independent. Mr. Uloth is a member of the Technical, Safety and Sustainability Committee. Mr. Middlemiss is not a member of any Board committees but may attend committee meetings as an invited guest.

	Audit	Compensation & Human Resources	Governance & Nominating	Technical, Safety & Sustainability
Duncan Middlemiss				
Nadine Miller		•	•	Chair
Charles Page	•	Chair	•	•
Barry Smith	•			
Rowland Uloth				•
Bill Washington	Chair	•	Chair	

The following table summarizes the proposed composition of the Board Committees following the Meeting.

	Audit	Compensation & Human Resources	Governance & Nominating	Technical, Safety & Sustainability
Charles Main	Chair	•		
Duncan Middlemiss				
Nadine Miller			•	Chair
Charles Page	•	•		•
Warwick Morley-Jepson			Chair	•
Rowland Uloth				•
Bill Washington	•	Chair	•	

## Audit Committee

The Audit Committee consists of three directors, each of whom is independent and financially literate as required by applicable securities legislation. The Audit Committee acts pursuant to its charter, a copy of which is available on the Company's website at [www.wesdome.com](http://www.wesdome.com) and is attached as Schedule A to the Annual Information Form of the Company for the year ended December 31, 2016 and filed on SEDAR at [www.sedar.com](http://www.sedar.com). The Charter is reviewed by the Audit Committee and the Board on an annual basis, and amendments are made and approved as required. Between January 1, 2016 and December 31, 2016, the Audit Committee met six times.

The Audit Committee has direct access to the external auditor and is responsible for evaluating the performance, confirming the independence, and for the nomination of the external auditor.

Members of the Audit Committee	
<b>Current</b> Bill Washington (Chair) Charles Page Barry Smith	<b>Proposed</b> Charles Main (Chair) Bill Washington Charles Page

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- Serving as an independent and objective party to monitor the integrity of the Company's financial reporting process and systems of internal controls regarding finance, accounting, and legal compliance, and disclosure controls and procedures;
- Making recommendations to the Board as needed regarding the Company's internal control and management information systems;
- Monitoring the independence and performance of the Company's independent auditors;
- Facilitating communication among the independent auditors, Management and the Directors;
- On a regular basis, reviewing with Management and, if appropriate, making recommendations for approval of the Board in respect of risk management;
- Providing oversight to the enterprise risk management system, including risk management systems, policies and practices that establish an appropriate framework for identifying and understanding significant and emerging risks, and for making risk management decisions, and ensuring the enterprise risk management system is designed, understood, implemented and updated by Management;
- Providing guidance and assistance to the Board on matters relating to business planning, investment and capital raising opportunities;
- Encouraging continuous improvement of, and fostering adherence to, the Company's policies, procedures and practices at all levels;
- Reviewing and recommending for approval by the Directors, the quarterly and annual consolidated financial results of the Company, corresponding press releases and statutory filings, as well as all MD&A's and Annual Information Forms;
- Establishing and providing oversight to a procedure for the receipt, retention and treatment of complaints received by the Company including, but not limited to, accounting, internal accounting controls, or auditing matters;
- Establishing a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters and
- Utilizing its authority to conduct any investigation appropriate to fulfilling its responsibilities through direct access to the independent auditors as well as anyone in the organization.

## Compensation and Human Resources Committee

The Compensation and Human Resources Committee consists of three members, each of whom is considered to be an independent director. Between January 1, 2016 and December 31, 2016, the Compensation and Human Resources Committee met four times. The Compensation and Human Resources Committee acts pursuant to its charter, a copy of which is available on the Company's website at [www.wesdome.com](http://www.wesdome.com).



The Compensation and Human Resources Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- Establishing key compensation policies;
- Conducting a performance evaluation of the CEO and determining compensation for the CEO and other senior executives of the Company;
- Monitoring talent management, leadership and human capital development; and
- Creation of succession plans, including the appointment, training and evaluation of senior executives, with the assistance of the Governance and Nominating Committee.

Members of the Compensation and Human Resources Committee	
<b>Current</b> Charles Page (Chair) Nadine Miller Bill Washington	<b>Proposed</b> Bill Washington (Chair) Charles Page Charles Main

#### **Governance and Nominating Committee**

The Governance and Nominating Committee consists of three members, each of whom is considered to be independent. Between January 1, 2016 and December 31, 2016, the Governance and Nominating Committee met three times. The Governance and Nominating Committee acts pursuant to its written charter, a copy of which is available on the Company's website at [www.wesdome.com](http://www.wesdome.com).

The Governance and Nominating Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- Developing corporate governance guidelines and principles for the Company and providing governance leadership to the Company;
- Identifying individuals qualified to be nominated as members of the Board and as successors to the Board Chair;
- Evaluating the performance and effectiveness of the Board;
- Evaluating the structure, composition and effectiveness of Board committees and the Board itself; and
- Creation of succession plans, including the appointment, training and evaluation of senior executives, with the assistance of the Compensation Committee.

Members of the Governance and Nominating Committee	
<b>Current</b> Bill Washington (Chair) Nadine Miller Charles Page	<b>Proposed</b> Warwick Morley-Jepson (Chair) Bill Washington Nadine Miller

#### **Technical, Safety and Sustainability Committee**

The Technical and Sustainability Committee consists of three members, two of whom are considered to be independent directors. Between January 1, 2016 and December 31, 2016, the Technical, Safety and Sustainability Committee met one time. The Technical, Safety and Sustainability Committee acts pursuant to its written charter, a copy of which is available on the Company's website at [www.wesdome.com](http://www.wesdome.com).

The purpose of the Technical, Safety and Sustainability Committee is to assist the Board in fulfilling its oversight responsibilities in relation to, among other things:

- Developing, evaluating and assessing the Company's policies and its performance with respect to health, safety and environmental issues with a view to identifying areas of weakness and suggesting improvements where appropriate;
- Technical matters relating to the Company's mining activities;
- The Company's procedures for the preparation and disclosure of resource and reserve information for the Company's properties; and
- Policies and practices regarding health and safety, environmental issues, social responsibility and other sustainability matters.

#### Members of the Technical, Safety and Sustainability Committee

Current	Proposed
Nadine Miller (Chair) Charles Page Rowland Uloth	Nadine Miller (Chair) Charles Page Rowland Uloth Warwick Morley-Jepson

#### Position Descriptions

The Board has approved and adopted written position descriptions setting out the duties and responsibilities of the Board Chair, the Chairs of the Committees of the Board, and for an individual director. The Board has also approved and adopted a position description setting out the duties and responsibilities of the Company's Chief Executive Officer. Position descriptions are reviewed and re-approved annually by the Board. Copies of these position descriptions can be found on the Company's website at [www.wesdome.com](http://www.wesdome.com).

#### Director Orientation and Continuing Education

The Board considers director orientation and continuing education to be a priority for all directors and strives to provide opportunities to learn, develop and network. The Governance and Nominating Committee is responsible for establishing the orientation and continuing education of directors.

Components of the Board's continuing education program:

- At least one board meeting each year is held on location at one of the Company's project sites providing all directors with regular opportunities to tour the Company's operations and interact directly with local management
- Directors have unfettered access to the Company's senior management team and regular updates on the Company's business are provided to directors by senior managers at both board meetings and at meetings of the board's committees
- External advisors are available as requested and required, and regular presentations are provided to the Board on a variety of topics including capital market conditions, gold price environment and current trends
- All Wesdome directors are provided with an annual membership to The Institute of Corporate Directors

Components of the director orientation program include:

- Receipt of detailed orientation materials describing the business of the Company, its corporate governance structure and related policies and information
- Detailed briefing sessions with the Company's CEO, CFO and senior management on matters such as strategy, operations, financial, exploration, governance, legal, business development, human resources and other matters
- An extensive visit to the Eagle River Complex in Wawa, Ontario and/or the Kierna Complex in Val d'Or, Quebec, providing new directors with the opportunity to tour the mine site and meet with local management

## **Nomination of Directors**

The Governance and Nominating Committee of the Board, comprised entirely of independent directors, is responsible for identifying, interviewing and recommending eligible nominees for election as directors. New appointees or nominees to the Board must possess proven expertise in areas of strategic interest to the Company. As part of this process, the Governance and Nominating Committee maintains a skills matrix which assists in evaluating the skills and competencies that each current director possesses, as well as the overall diversity of the Board. Additionally, the Governance and Nominating Committee maintains an “evergreen” list of potential director candidates to assist in filling vacancies. In addition to possessing the characteristics and skills determined by the Governance and Nominating Committee to be lacking in the current Board composition, nominees must be able to devote the time and effort required to fulfil his or her duties as members of the Board.

## **Assessments**

The Governance and Nominating Committee is responsible for assessing, monitoring, and improving the performance of the Board, its committees and directors. Assessments are a continuous process designed to evaluate performance against the formal mandates of the Board, committees of the Board, the Chairman of the Board, the President and Chief Executive Officer and other criteria. A range of dimensions are considered, such as overall performance of the Board, Board and committee structure and composition, management development, strategic planning, risk management, operational performance, President and Chief Executive Officer performance evaluation, Board membership, director competencies, Board processes and director involvement. Historically the assessment protocols of the Governance and Nominating Committee have been informal and completed on an ad hoc basis. In 2017 and thereafter, the Governance and Nominating Committee has undertaken to implement a more rigorous, active and detailed assessment procedure which will include the distribution of formal questionnaires to each member of the Board and to report in a timely matter any changes they deem to be necessary or advisable to enhance performance based upon this assessment process.

## **Term Limits**

The Company does not currently impose term limits on its directors, and has determined that term limits and other retirement policies can result in valuable, experienced directors being forced to leave the Board solely because of length of service. The mandate of the Governance and Nominating Committee includes the assessment of the competencies and skills of each director, which includes the director's ability to continue to make a meaningful contribution to the Board. The Governance and Nominating Committee reviews the composition of the Board on a regular basis and recommends changes as appropriate, and continues to evaluate the need for specific policies in relation to term limits and retirement.

## **Diversity**

The Board has not adopted a written policy relating to the identification and nomination of women directors, and has not adopted a target regarding women on the Board and in executive officer positions. The Company does not believe that specific quotas or targets will result in the identification or selection of the best candidates for directors and executive officers, however the Board considers diversity, including gender, age, experience, education, race and national origin, to be essential to a highly functioning board and continues to evaluate the need for specific policies in relation to diversity.

In the selection process for new directors, the Governance and Nominating Committee considers the overall diversity of the board in conjunction with other considerations such as the candidate's general qualifications, skills, relevant experience, knowledge and independence, which the Board as a whole requires to be effective, and endeavours to select the most suitable individual having given equal consideration to all candidates.

In recruiting and promoting executive officers within the Company, the individual's experience, competence, qualification and performance are primarily considered. The Company also recognizes the benefits of diversity (including the level of representation of women in executive officer positions) and seeks to increase the number of potential candidates considered for executive officer appointments through mentoring, continuing education and succession planning processes.

The table below shows the number of women on the Board and in executive officer positions as of the date of this Circular.

	Total No. of Members	Female Members	% of Female Members
Board of Directors	6	1	17%
Officers	9	3	33%

### **Ethical Business Conduct**

The Board complies with the conflict of interest provisions of its governing corporate legislation and relevant securities legislation, regulatory instruments and stock exchange policies (which require that interested directors recuse themselves from the consideration of, and voting on, such matters), to ensure the directors exercise independent judgment when considering transactions and agreements in respect of which any director has an interest.

In order to further foster a governance culture within the Company, the Board has adopted and approved corporate policies as discussed below.

### **Code of Business Conduct and Ethics**

The Board seeks to foster a culture of ethical conduct by striving to ensure the Company carries out its business in line with high business and ethical standards and applicable legal and financial requirements. In that regard, the Board has adopted a Code of Business Conduct and Ethics (the “**Code**”) setting out the guidelines for the conduct expected from directors, officers, employees, consultants and contractors. Management reports to the Governance and Nominating Committee on departures from the Code, if any. The Board is not aware of any departures from the Code during 2016. A copy of the Code can be obtained by contacting the Corporate Secretary of the Company. See “Additional Information” in this Circular.

In late 2016 and early 2017, the Company completed a substantial review and revision of the Code and initiated a training program to provide directors, officers and employees with an understanding of the requirements of the Code and the Company’s other governance policies.

### **Issue Resolution Policy**

The Board has approved a written Issue Resolution Policy, which sets out procedures for the confidential and anonymous submission by employees of complaints and concerns regarding the Company’s accounting, auditing and financial reporting procedures and obligations. The Policy provides that if any employee has any information, complaints or concerns regarding such matters they are urged to present such information, complaints or concerns to the Audit Committee, without regard to the position of the persons responsible for the subject matter of the information, complaint or concern. Promptly following the receipt of any information, complaints or concerns submitted to it, the Audit Committee, with the assistance of the Governance and Nominating Committee, will investigate each matter and, if required, take appropriate corrective actions. The Audit Committee will retain, as part of its records, any information, complaints or concerns received.

### **Insider Trading, Confidentiality and Disclosure Policy and Disclosure Committee**

The Board has approved an Insider Trading, Confidentiality and Disclosure Policy which, among other things, is designed to ensure that all disclosure made by the Company is accurate, complete and fairly presents the Company’s financial position and results of operations in all material respects, and is made on a timely basis in accordance with the provisions of applicable TSX regulations and securities laws. In addition, the Board has established a Disclosure Committee which is comprised of the CEO, CFO, Chief Governance Officer and Vice President - Investor Relations. Along with the Company’s qualified persons as defined in National Instrument 43-101, the Disclosure Committee is responsible for reviewing and approving the public disclosure of the Company.

## Majority Voting Policy

The Board has adopted a majority voting policy, which requires that, in an uncontested election of directors, a director nominee who is elected with a greater number of votes “withheld” than votes “for” will be considered by the Board not to have received the support of the Shareholders. Any nominee who receives a greater number of votes “withheld” than votes “for” will tender their resignation to the Board Chair promptly following the relevant meeting. The Governance and Nominating Committee will consider the proposed resignation in light of all relevant circumstances and make a recommendation to the Board. The Board will make a decision whether to accept or reject any such resignation within 90 days following such meeting and press release its decision including the reasons for rejecting a resignation, if applicable.

## STATEMENT OF EXECUTIVE COMPENSATION

### Named Executive Officers

For the year ended December 31, 2016, the named executive officers (“NEOs”) of the Company were Duncan Middlemiss, President and Chief Executive Officer, Hemdat Sawh, Chief Financial Officer (“CFO”), Philip Ng, Chief Operating Officer (“COO”), George Mannard, Vice President, Exploration (“VP Exploration”) and Benoit Laplante, Vice President, Corporate Development (“VP Corporate Development”).

### Compensation Philosophy

Executive officers have important and long-term influence over the creation of value for the Company’s Shareholders, and the Company operates in a competitive market for key executives. Accordingly, the compensation philosophy of the Company looks to create an alignment of interest with corporate performance and ultimately with the interests of Shareholders, while also attracting and retaining experienced and talented executives.

As described further below, the Company’s executive compensation program consists of an annual base salary, short-term incentives, long-term incentives, as well as benefits and perquisites. The overall program is based on a pay for performance philosophy and is designed to retain, encourage, compensate and reward employees on the basis of individual and corporate performance, both in the short and the long-term. The Compensation and Human Resources Committee reviews and recommends to the Board of Directors base salaries based on a number of factors enabling the Company to compete for and retain executives critical to the Company’s long term success.

The Compensation and Human Resources Committee is supported by the executive officers of the Company, who provide the data and analyses to support decision-making. Based on input from Management, the Compensation Committee also considers the individual’s performance, tenure and experience, the overall performance of the Company, any retention concerns, the individual’s historical compensation and the compensation of the individual’s peers in the industry. While the Compensation Committee does have certain guidelines, goals, and tools that it uses to make its decisions, the determination of compensation is not driven by a formula and therefore relies on the judgment of the Compensation Committee, the Board Chair and the CEO.

The Compensation and Human Resources Committee meets both with and without the presence of Management. The Compensation Committee makes all decisions regarding the CEO’s compensation in camera, without the presence of Management. In considering remuneration for executives other than the CEO, the input and perspective of the CEO has a significant influence on the Compensation Committee’s decisions.

The Chair of the Compensation and Human Resources Committee sets the agenda for each meeting in consultation with Management representatives and other committee members, and provides regular reports to the Board regarding actions and discussion at Compensation and Human Resources Committee meetings.

In determining specific compensation amounts for the NEOs, the Compensation and Human Resources Committee considers factors such as experience, individual performance, length of service, role in achieving corporate objectives, positive production, exploration and development results, price performance of the Common Shares, and compensation compared to other employment opportunities for executives. As an executive officer’s level of

responsibility increases, a greater percentage of total compensation is based on performance (as opposed to base salary and standard employee benefits) and the mix of total compensation shifts towards annual bonuses and Options and/or other Awards, thereby increasing the mutuality of interest between executive officers and Shareholders. The Company does not have precise criteria or formulas to determine global remuneration of NEO's and uses its senior officers and Board of Director's experience and knowledge of the market to do so. The Company's compensation program is designed to reward NEO's for the success of the Company in achieving its technical and financial objectives.

The Company's executive compensation program is undergoing certain changes for fiscal 2017 and thereafter, following the advice and input received from an independent compensation consulting firm. See "*Executive Compensation Program Changes for 2017*" below for further details.

### **Benchmarking**

Each year, the Compensation and Human Resources Committee reviews the compensation programs for both executives and directors to ensure that the Company's compensation philosophy is applied and that its objectives continue to be met. As part of this process, the Company reviews the compensation practices of its peer group as it relates to salary as well short term and long term incentives for executives. In addition, the annual retainer and committee fees paid to directors are benchmarked against the Company's peers to ensure that Company's approach to director compensation is competitive and reasonable.

### **Objectives of Executive Compensation**

The Compensation and Human Resources Committee continues to work with Management to develop a more comprehensive compensation strategy, specifically designed to accomplish the following goals:

- to attract, retain and motivate key talent;
- to align the interests of Management with the interests of the Company's Shareholders; and
- to leverage performance by linking compensation to individual and overall business performance.

#### Attract, Retain and Inspire Key Talent

The compensation package meets the goal of attracting, retaining and motivating key talent in a highly competitive mineral exploration environment through the following elements:

- A competitive cash compensation program, consisting of base salary and bonus opportunity; and
- Providing an opportunity to participate in the Company's growth through Options.

#### Alignment of Interest of Management with Interest of the Company's Shareholders

The compensation package meets the goal of aligning the interest of Management with the interest of the Company's Shareholders through the grant of Options:

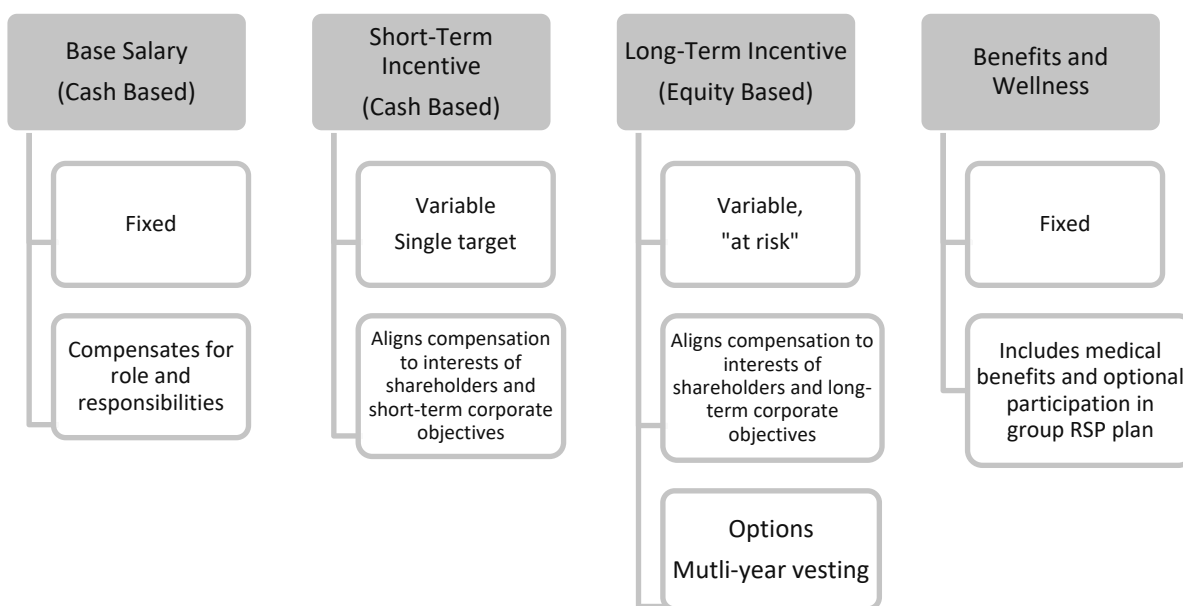
- If the price of the Common Shares increases, both executives and Shareholders will benefit; and
- By providing a vesting period on Option grants, the Company ensures Management has an interest in increasing the price of the Common Shares over time, rather than focusing on short-term increases.

#### Leveraging Performance by Linking Compensation to Individual and Business Performance

By linking Management's goals and objectives to the payment of annual incentive awards, the Company aims to motivate the executives to meet both their individual goals and objectives but also those of the Company in general.

## Elements of Executive Compensation

The executive compensation program for the fiscal year ended December 31, 2016 contained four basic elements, as depicted and described in more detail below:



## Compensation Consultant

In late 2016, the Company retained Global Governance Advisors Inc. (“GGA”), an independent compensation consulting firm, to assist the Compensation and Human Resources Committee in reviewing the Company’s compensation practices for directors, officers and employees, and to make recommendations to improve the Company’s approach to compensation in 2017. The Compensation and Human Resources Committee pre-approved the mandate of GGA, and both the Compensation and Human Resources Committee and the Board approved the fee associated with the execution of GGA’s mandate.

During 2016, GGA completed the following projects for the Human Resources Committee:

- Reviewed and recommended changes to the Compensation Philosophy for Executive and Director Compensation; and
- Reviewed and recommended adjustments to the Company’s benchmarking peer group.

During the first quarter of 2017, GGA completed the following projects for the Human Resources Committee:

- Reviewed and recommended 2017 compensation for executives and directors;
- Reviewed both the Short-Term and Long-Term Incentive plans; and
- Reviewed the Company’s benefits program and perquisite trends

Fee Paid	2016 (\$)	2015 (\$)
Executive Compensation – related fees	32,312.23	Nil
All other fees	Nil	Nil

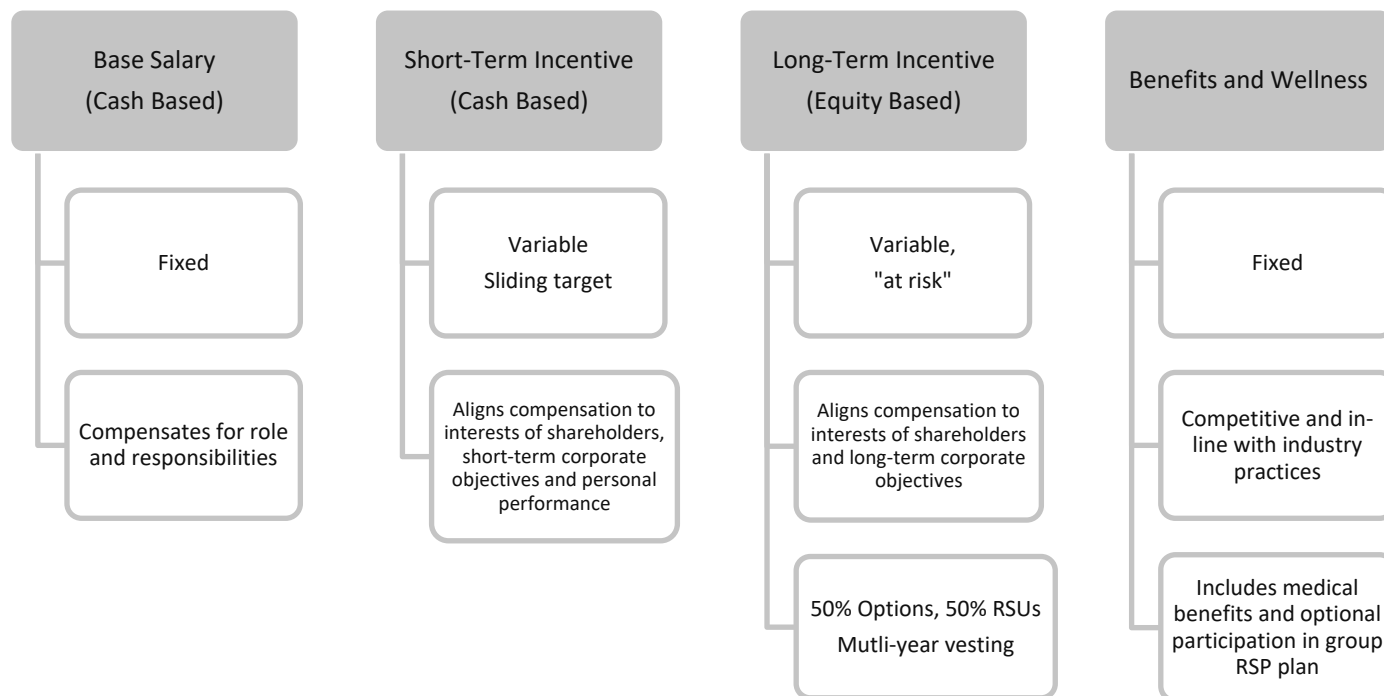
### Executive Compensation Program Changes for 2017

In 2017, the Compensation and Human Resources Committee, after receiving input from GGA, continues to work towards implementing changes to the Company's executive compensation program. Wesdome's compensation philosophy, programs and designs shall continuously evolve to reflect the stage of growth and development of the organization, however the following are the key pillars of the Company's philosophy to guide compensation decisions for all employees.

1. **Align with the interests of Shareholders** - Align employee and executive interests with the interests of Shareholders through effective compensation design.
2. **Align with Corporate Business Strategy** - Focus employee efforts on critical performance milestones and reward them for superior performance.
3. **Pay for Performance** - Promote a pay-for-performance culture in which there are clear relationships between pay and performance, ensuring differentiated pay to reward and retain top talent.
4. **Make Employees Feel Like Owners** – Strive to ensure ownership linkage is clear and employees are aligned with the company and its shareholders.
5. **Effective Risk Management** - Ensure compensation plan design does not incent excessive risk taking and review plans regularly to ensure they are operating as intended.
6. **Pay Competitively** - Reward employees in a manner consistent with competitive market practice to improve the organization's ability to attract, engage, and retain high-performing talent.
7. **Good Corporate Governance** – Continue to ensure a focus on strong corporate governance practices that are competitive within the industry and in line with shareholder expectations.

Coinciding with the evolution of the compensation philosophy, the Compensation and Human Resources Committee agreed to further evolve Wesdome's approach to Long-Term Incentive compensation. As a result, the Board has approved the inclusion of a Resolution in this Information Circular to amend the shareholder-approved equity plan to broaden its ability to grant a blend of stock options and full value units to executives and directors.

The 2017 executive compensation framework has been defined as set out below:





As an additional evolution to the executive compensation philosophy and framework is the updated Peer Group for benchmarking both executive and director compensation. The Peer Group that was approved was selected based on a number of important mining criteria, including:

- Companies of a fairly similar size to Wesdome, considering Total Assets, Market Capitalization (“Market Cap”) and Total revenue;
- Mining companies (primary focus is on gold producers);
- Companies that operate in similar geographical locations;
- Companies with a similar business strategy and scope of operations; and
- Companies in a similar stage of growth and development.

Wesdome aims to remunerate executives fairly and at a level that is consistent with the median of the marketplace. Pay levels are not solely based on the peer group and market data. The Board takes a holistic approach to evaluating and setting compensation annually (i.e. reviewing and considering both internal and external items). The Company’s peer benchmarking group for 2017 is identified below.

2017 Peer Benchmarking Group			
American Silver Corp.	Argonaut Gold	Avino Silver & Gold Mines	Copper Mountain Mining
GoGold Resources	Golden Star Resources	Great Panther Silver	North American Palladium
Osisko Mining	Premier Gold Mines	Primero Mining Corp.	Richmont Mines
Taseko Mines	Timmins Gold Corp.	Trevali Mining Corp.	

The following table explains how each component supports our compensation philosophy for fiscal year 2016, as well as changes we intend to adopt for fiscal year 2017, where applicable. We assess each component separately, and together these are considered total compensation. Base salary, Short-term and long-term compensation together make up each executive’s total direct compensation. We have specifically highlighted the amendments implemented for fiscal year 2017 in our executive compensation program.

Component	Objective/Rationale
<b>Short-term Compensation</b>	<ul style="list-style-type: none"> <li>• Awarded based on performance, the executive’s position in the company and relative to our peer group</li> </ul>
<b>Base Salary</b>	<ul style="list-style-type: none"> <li>• Fixed cash salary</li> <li>• Used to determine other elements of compensation and benefits</li> <li>• Established at the beginning of the year</li> </ul> <p><b>Changes for 2017</b></p> <ul style="list-style-type: none"> <li>• Base salaries have been reviewed against 2017 market survey results and will also be considered in the design of the Company’s new compensation program</li> </ul>
<b>Annual Short-Term Incentive</b>	<ul style="list-style-type: none"> <li>• Variable cash bonus</li> <li>• Target awards represent a percentage of base salary</li> <li>• Based on corporate performance objectives</li> </ul> <p><b>Changes for 2017</b></p> <ul style="list-style-type: none"> <li>• The Company is implementing a performance management program, including the implementation of balanced scorecards that contain metrics and weightings designed to closely align the NEO’s overall compensation with achievement of corporate objectives</li> </ul>

<p><b>Long-term Compensation</b></p>	<ul style="list-style-type: none"> <li>• Links pay to long-term share price performance</li> <li>• Awarded based on corporate performance and board discretion as well as the executive’s potential to contribute to our future success and the executive’s position in the company</li> <li>• Ultimate value is based on our share price over time</li> <li>• Paid in Options in 2016</li> </ul> <hr/> <p><b>Changes for 2017</b></p> <ul style="list-style-type: none"> <li>• Long-term awards will be granted as to one half in RSUs and one half in Options</li> <li>• Long term incentive grant values are targeted between 40% and 80% of base salary</li> </ul>
<p><b>Other Compensation</b></p>	<ul style="list-style-type: none"> <li>• Optional participation in Wesdome’s comprehensive group benefit plan</li> <li>• Optional participation in Wesdome’s group RRSP plan, which consists of a defined contribution plan whereby the employee may contribute up to a maximum of 5% of earnings and the Company will match the contribution, to the maximum allowed by Canada Revenue Agency</li> <li>• Designed to be competitive overall with equivalent positions, to promote greater executive satisfaction through choice, and to manage program and administrative costs</li> </ul>

**Compensation Risk Oversight and Assessment**

The Board believes the current structure of the Company’s executive compensation arrangements is focused on long-term value and is designed to correlate to the long-term performance of the Company. Although the Company does not have formal policies specifically targeting risk taking in a compensation context, the practice of the Compensation Committee and the Board of Directors is to consider all factors related in an executive’s performance, including any risk mitigation efforts, in determining compensation.

NEOs and directors are not authorized to purchase financial instruments (including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

**Executive Employment Agreements, Termination and Change in Control Provisions**

Each of the NEOs is party to an employment agreement with the Company (an “**Employment Agreement**”). The Employment Agreements establish base compensation, eligibility for the Company’s short-term annual performance-based cash incentives, and eligibility to participate in the Company’s equity-based long-term incentive program (at the discretion of the Board) and eligibility to participate in group benefit plans that the Company makes available to its NEOs from time to time. All NEO Employment Agreements are in effect until such time as they are terminated in accordance with the terms contained therein.

**Contract with President and CEO**

The Company entered into an employment agreement with Mr. Middlemiss on August 15, 2016, which provides that if his employment with the Company is terminated by the Company without cause, whether or not the termination occurs following a Change of Control, or if he resigns for Good Reason, the Company shall pay to Mr. Middlemiss:

- a) Twenty-four (24) months of the Executive’s then Base Salary, on a salary continuation basis, plus;
- b) a sum equal to two (2) times the average of the bonuses paid to the Executive with respect to the two complete calendar years immediately preceding the termination of the Executive’s employment, such sums to be paid in twenty-four (24) equal monthly instalments following the date of termination. In the event that the Executive’s employment is terminated without cause prior to the determination by the Board of a bonus with respect to the Executive’s second complete calendar year of service, the Executive’s entitlement to bonus hereunder shall be two (2) times the actual bonus amount paid to

the Executive with respect to the first complete calendar year of service, or two (2) times the target bonus amount, if the Executive has not completed one calendar year of service.

- c) At the option of the Executive, the payments referred to in subparagraphs (a) and (b) hereof may be paid in a lump sum. All amounts paid to the Executive, whether by way of periodic payments or lump sum, shall be subject to all applicable taxes and deductions.
- d) Subject to the terms of the benefit plans in which the Executive was enrolled immediately prior to the termination of his employment, the Company shall continue such benefits, save and except disability and life insurance, for a period of twenty-four (24) months following the termination of the Executive's employment, or until the Executive commences new employment, whichever is the lesser period.

#### **Executive Agreements with the CFO, COO, VP Exploration and VP Corporate Development**

Pursuant to the Employment Agreements for each of the CFO, COO, VP – Exploration and VP – Corporate Development, the terms “Change of Control”, “Date of Termination”, “Good Reason”, “Notice of Termination” and “Severance Period” have the definitions noted below:

“Change of Control” means:

1. any change in the direct or indirect ownership of, or control or direction over, voting securities of the Company as a result of which a person, or a group of persons acting jointly or in concert within the meaning of the *Securities Act* (Ontario), is in a position to exercise effective control over the Company; or
2. any change in the direct or indirect ownership of, or control or direction over, assets of the Company as a result of which a person, or group of persons acting jointly or in concert within the meaning of the *Securities Act* (Ontario), acquires or is in a position to exercise effective control or direction over more than 50% of the assets (measured by fair market value) of the Company.

“Date of Termination” means:

1. in the case of a Notice of Termination given by the Company to the Executive, the date on which the Notice of Termination is given to the Executive; and
2. in the case of a Notice of Termination given by the Executive to the Company, the date which is 60 days after the date on which the Notice of Termination is given by the Executive.

“Good Reason” means:

1. a Change of Control, or
2. any change in the Executive's place of employment, any material reduction in the Executive's offices, titles, reporting relationships, duties or functions, any reduction in the Executive's compensation and any other event or circumstance that, under the laws of the province of Ontario, constitutes constructive termination of the Executive's employment with the Company.

“Notice of Termination” means a notice of termination of the Executive's employment with the Company.

“Severance Period” means a period of 24 months from the Date of Termination.

In the event that the Company terminates the employment of the executive without Cause, or in the event that the executive resigns for Good Reason within 60 days of an event which would entitle the executive to resign for Good Reason, the Company shall:

- (a) pay to the executive all salary amounts owing to the Date of Termination;
- (b) pay to the executive, in lump sum or agreed to by the executive during the Severance Period, an amount equal to the base salary that would have been payable to him during the Severance period had his employment with the Company continued for the Severance period;

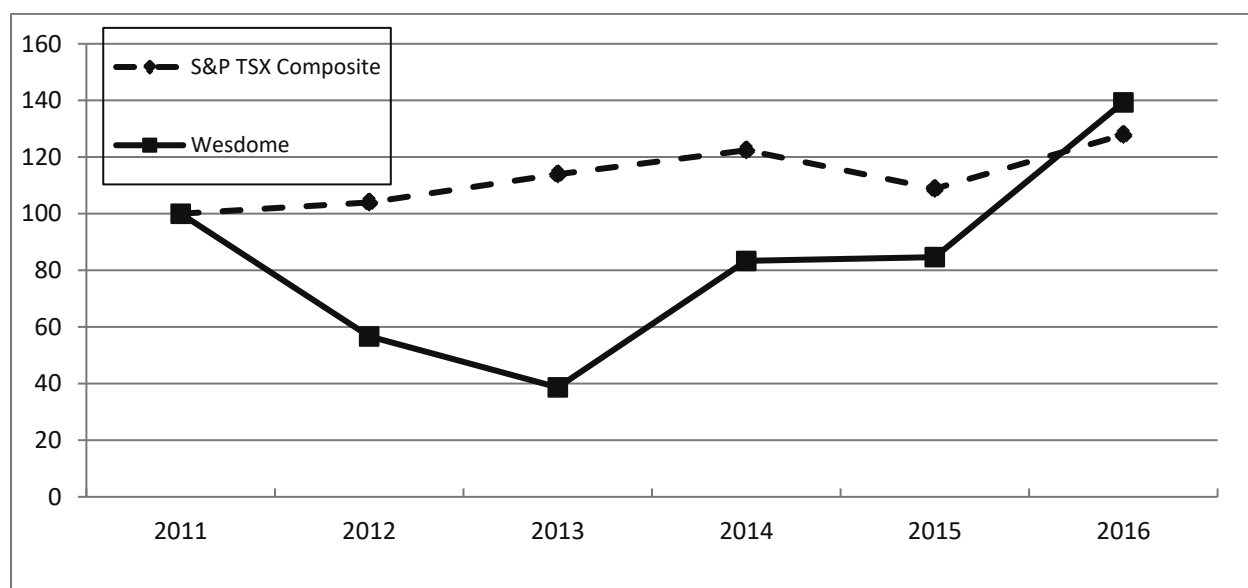
- (c) pay to the executive, an amount equal to the amount paid to the executive in respect of an annual bonus for the fiscal year immediately preceding the fiscal year in which their employment is terminated;
- (c) maintain those group insured health benefits to which the executive was entitled as at the Date of Termination for the Severance Period or until the executive commences new employment, whichever is the lesser period, but in any event, the benefits shall continue for no less than the period provided by the *Employment Standards Act, 2000* (Ontario); and
- (d) the amounts payable by the Company to the executive pursuant to this section 5 shall not be reduced by any amounts earned by the executive after the Date of Termination.

The estimated incremental payments from the Company to each NEO upon termination without cause or resignation for Good Reason, assuming an event occurred on December 31, 2016 which would entitle the NEO to resign for Good Reason, are as follows:

NEO	Base Salary Value	Estimated Bonus Value	Estimated Benefits Value	Total Estimated Incremental Payment
Duncan Middlemiss CEO	\$856,800	\$672,000	Nil	\$1,528,800
Hemdat Sawh CFO	\$469,200	\$117,300	\$14,680	\$586,500
Philip Ng COO	\$469,200	\$117,300	\$14,680	\$586,500
Benoit Laplante VP Corporate Development	\$336,600	\$84,150	\$13,552	\$420,750
George Mannard VP Exploration	\$350,000	\$87,500	\$13,690	\$437,500

### Performance Graph

The following graph shows the Company's cumulative total Shareholder return on its Common Shares compared with the cumulative total Shareholder return of the Standards & Poors – TSX Composite Index (assuming reinvestment of dividends) during the Company's last five financial years if \$100 were invested on December 31, 2011.



	As at December 31 <sup>(1)</sup>					
	2011	2012	2013	2014	2015	2016
<b>Company's Share Price</b>	\$100.00	\$57	\$39	\$83	\$85	\$139
<b>S&amp;P/TSX Composite Index</b>	\$100.00	\$104	\$114	\$122	\$109	\$128

### **Analysis of Executive Pay Trends and Company Performance**

The trend in overall compensation paid to the NEOs over the past five years has generally not tracked the performance of the market price of the Common Shares, nor has it tracked the S&P/TSX Composite index during the period. The Company has not included market price targets of the Common Shares as a component of the executive compensation program. Compensation levels in each year are within the range determined by the Compensation Committee, as appropriate. Overall compensation levels are in line with the Company's performance and its peers, and are sufficient for the Board to conclude that the compensation strategy is working effectively both for Shareholders and for the executives.

### **Summary Compensation Table**

The following table discloses the compensation paid or payable, directly or indirectly, by or on behalf of the Company during the last three financial years to its NEOs:

Name and Principal Position	Year	Salary (\$)	Option-Based Awards <sup>(1)</sup> (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$) <sup>(3)</sup>	All Other Compensation (\$) <sup>(8)</sup>	Total Compensation (\$)
				Annual Incentive Plans <sup>(2)</sup>	Long-Term Incentive Plans			
Duncan Middlemiss <sup>(4)</sup> President and CEO	2016	161,450	802,649	126,000	-	-	-	1,090,099
	2015	-	-	-	-	-	-	-
	2014	-	-	-	-	-	-	-
Rowland Uloth <sup>(5)</sup> Former President and CEO	2016	156,250	-	-	-	-	675,449	831,699
	2015	150,000	71,111	150,000	-	7,500	-	378,611
	2014	136,665	84,471	120,000	-	-	-	341,136
Hemdat Sawh <sup>(6)</sup> CFO	2016	234,600	179,867	117,300	-	11,730	-	543,497
	2015	67,083	199,049	33,542	-	-	-	303,028
	2014	-	-	-	-	-	-	-
Philip Ng COO	2016	234,600	179,867	117,300	-	8,993	6,440	547,200
	2015	230,000	53,333	92,000	-	11,500	-	386,833
	2014	224,400	66,183	70,000	-	11,220	-	371,803
Benoit Laplante <sup>(7)</sup> Vice President, Corporate Development	2016	168,300	179,867	84,150	-	8,415	-	440,732
	2015	165,000	35,555	41,250	-	8,250	-	250,055
	2014	140,000	110,591	25,000	-	7,000	-	282,591
George Mannard Vice President, Exploration	2016	175,000	179,867	87,500	-	8,750	-	451,117
	2015	165,000	38,405	66,000	-	8,250	-	277,655
	2014	151,965	53,287	25,000	-	7,598	-	237,850

- (1) The value of option-based awards was determined using the Black-Scholes option pricing model in accordance with International Financial Reporting Standards. This is a mathematical valuation model that ascribes a value to a stock option based on a number of variables including the exercise price of the options, the market price of the underlying shares on the date the option was granted, the term of the option and assumptions with respect to the volatility of the price of the underlying share and the risk-free rate of return. The value attributed to stock options using this methodology is different than the current "in-the-money" value. Whether, and to what extent, an NEO realizes value will depend on a number of factors including, but not limited to, the Company's actual operating performance, stock price fluctuations and the NEOs continued service. The value of "in-the-money" options currently held by each NEO (based on share market price less option exercise price) is set forth in the "Value of Unexercised in-the-money Options" column of the table in the section "Outstanding Option Based Awards" below.
- (2) Discretionary bonus.
- (3) Contributions made by the Company on the officers' behalf to the Company's group RRSP plan.
- (4) Duncan Middlemiss was appointed as President and CEO of the Company on August 15, 2016. Included in the total for Option-based awards for 2016 is a one-time onboarding award of 500,000 Options
- (5) Rowland Uloth resigned as President & CEO on August 15, 2016.
- (6) Hemdat Sawh was appointed as Chief Financial Officer of the Company on September 15, 2015.
- (7) Benoit Laplante was appointed as Vice President, Corporate Development on February 14, 2014.
- (8) Other compensation paid to Rowland Uloth includes \$650,000 retirement payment and \$25,449 vacation not taken; and to Philip Ng \$6,440 for vacation not taken.

### Outstanding Option-based Awards

The following table sets forth the Options granted under the Company's Stock Option Plan to each of the NEOs as of December 31, 2016. For details of the Company's stock option plan, see "Stock Option Plan".

Name	Securities Under Options Granted (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised in-the-money Options <sup>(1)</sup> (\$)
Duncan Middlemiss <sup>(2)</sup> President and CEO	500,000 300,000	1.57 2.46	Aug 15, 2021 Dec 19, 2021	33,000 260,000
Rowland Uloth <sup>(3)</sup> Former President and CEO	200,000 100,000 100,000	0.56 1.21 1.28	Oct 21, 2018 Dec 11, 2019 Dec 22, 2020	306,000 88,000 81,000
Hemdat Sawh <sup>(4)</sup> Chief Financial Officer	200,000 75,000 150,000	0.91 1.28 2.46	Sep 17, 2020 Dec 22, 2020 Dec 19, 2021	236,000 60,750 Nil
Philip Ng COO	200,000 15,000 25,000 75,000 75,000 150,000	0.56 0.66 0.84 1.21 1.28 2.46	Oct 21, 2018 Jan 17, 2019 May 8, 2019 Dec 11, 2019 Dec 22, 2020 Dec 19, 2021	306,000 21,450 31,250 66,000 60,750 Nil
Benoit Laplante Vice President Corporate Development	25,000 50,000 50,000 150,000	0.84 1.21 1.28 2.46	May 8, 2019 Dec 11, 2019 Dec 22, 2020 Dec 19, 2021	31,250 44,000 40,500 Nil
George Mannard Vice President Exploration	100,000 25,000 50,000 5,000 50,000 150,000	0.92 0.84 1.21 1.03 1.28 2.46	Jan 31, 2018 May 8, 2019 Dec 11, 2019 Jul 19, 2020 Dec 22, 2020 Dec 21, 2021	117,000 31,250 44,000 5,300 40,500 Nil

(1) The “value of unexercised in the money options” is calculated using the closing price of the Company’s Common Shares on the TSX on December 31, 2016 (\$2.09) less the respective exercise prices of the options multiplied by the number of options outstanding.

(2) Duncan Middlemiss was appointed President & CEO on August 15, 2016.

(3) Rowland Uloth resigned as President & CEO on August 15, 2016.

(4) Hemdat Sawh resigned as a director on February 4, 2016.

#### Options Exercised and Outstanding – Value Vested or Earned During the Year

The following table sets out, for each NEO, the value of option-based awards vested during the year ended December 31, 2016:

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Duncan Middlemiss <sup>(2)</sup>	Nil	N/A	N/A
Rowland Uloth <sup>(3)</sup>	84,500	N/A	N/A
Hemdat Sawh	148,375	N/A	N/A
Philip Ng	71,188	N/A	N/A
Benoit Laplante	97,688	N/A	N/A
George Mannard	82,400	N/A	N/A

(1) The “value of unexercised in-the-money options” is calculated using the closing price of the Common Shares of the Company on the TSX on December 31, 2016 (\$2.09) less the respective exercise prices of the options multiplied by the number of options outstanding.

(2) Duncan Middlemiss was appointed President and Chief Executive Officer on August 15, 2016.

(3) Rowland Uloth resigned as President and Chief Executive Officer on August 15, 2016.

## STATEMENT OF DIRECTOR COMPENSATION

The Board believes that compensation for directors should be competitive with the compensation paid to directors of comparable companies. The Compensation Committee reviews directors' compensation regularly and makes recommendations to the Board. Compensation paid to each director during fiscal 2016 is set out below under "Compensation of Directors".

### Director Compensation Program Changes for 2017

In February 2017, the Board, upon the recommendation of the Compensation and Human Resources Committee, and after receiving input from GGA, the Company's independent external compensation advisor, approved certain changes to the director compensation program for 2017, including the adoption of an updated Director Compensation Philosophy aimed to compensate the directors around the median of the Company's peer group. The peer group used was identical to the 2017 peer group used to evaluate the executive compensation, and a secondary mining data cut of organizations ranging in size between \$100 million and \$500 million in Assets.

The board approved the adoption of a flat fee retainer structure, with the weight distribution being equal to 25% in cash and 75% in equity annually. Committee retainers for Chairs and members are also granted to recognize the director's additional time and efforts, and are awarded solely in cash.

Under the Company's proposed new 2017 Omnibus Plan, the aggregate number of Common Shares reserved for issuance under the 2017 Omnibus Plan and all other security-based compensation arrangements of Wesdome to the non-employee directors (as a group), shall not exceed 1% of the total number of Common Shares provided that the value of all Awards and all other security based compensation arrangements of Wesdome issuable to any one non-employee director within any one year period shall not exceed a grant value of \$100,000 of Options and \$150,000 in total equity. Non-employee directors shall not be eligible to be granted restricted share units or performance share units pursuant to the 2017 Omnibus Plan. Pending approval of the Omnibus Equity Plan, the Board has approved a change to the equity granting practices as it relates to non-employee Directors, and commencing in 2018, non-employee Directors will no longer be awarded options, and instead will receive DSUs as compensation for the equity component of the annual retainer.

The Board also considered the adoption of a policy to allow a director in any given fiscal year to elect to receive 100% of the director fees in equity grants, which the Board intends to adopt upon successful shareholder approval of the Omnibus Equity Plan. In addition, a policy regarding Director share ownership requirements was also considered and will be revisited in advance of 2018.

### Compensation of Directors

An annual retainer and fees for Board and Committee service are paid on a quarterly basis to independent directors only. Directors are also reimbursed for reasonable expenses incurred to attend meetings. During the financial year ended December 31, 2016, the fees paid to the Company's independent directors are described in the table below:

	2016 ANNUAL RETAINERS AND FEES	2015 ANNUAL RETAINERS AND FEES
<b>RETAINERS – BOARD</b>		
Board Chair	\$25,000	\$25,000
Member of the Board	\$15,000	\$15,000
Per Meeting Attendance Fee	\$1,200	\$1,200
	2016 ANNUAL RETAINERS AND FEES	2015 ANNUAL RETAINERS AND FEES
<b>RETAINERS – BOARD COMMITTEES/CHAIRS</b>		
Chair of the Audit Committee	\$7,500	\$7,500
Chair of the Compensation & Human Resources, Governance & Nominating and Technical, Safety & Sustainability Committees	\$3,500	\$3,500



## Director Compensation Table

The following table discloses the compensation paid, directly or indirectly, by or on behalf of the Company during the previous financial year to its directors:

Name	Fees Earned (\$)	Option Based Awards <sup>(1)</sup> (\$)	Non-equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Duncan Middlemiss <sup>(2)</sup>	7,267	98,953	-	-	-	
Nadine Miller <sup>(3)</sup>	35,463	139,038	-	-	-	
Charles Page	69,546	98,953	-	-	-	
Rostislav Raykov <sup>(4)</sup>	25,691	-	-	-	-	
Hemdat Sawh <sup>(5)</sup>	1,250	-	-	-	-	
Barry Smith	45,396	98,953	-	-	-	
Rowland Uloth	15,050	88,583	-	-	-	
Bill Washington	27,282	98,953				

(1) The value of option-based awards was determined using the Black-Scholes option pricing model in accordance with International Financial Reporting Standards. This is a mathematical valuation model that ascribes a value to a stock option based on a number of variables including the exercise price of the options, the market price of the underlying shares on the date the option was granted, the term of the option and assumptions with respect to the volatility of the price of the underlying share and the risk-free rate of return. The value attributed to stock options using this methodology is different than the current "in-the-money" value. Whether, and to what extent, a director realizes value will depend on a number of factors including, but not limited to, the Company's actual operating performance, stock price fluctuations and the director's continued service. The value of the 'in-the-money' options currently held by each director (based on share market price less option exercise price) is set forth in the 'Value of Unexercised in-the-money Options' column of the table in the section "Outstanding Option Based Awards" below.

(2) Duncan Middlemiss was elected as a director on June 14, 2016.

(3) Nadine Miller was appointed as a director on February 4, 2016.

(4) Rostislav Raykov ceased to be a director on June 14, 2016.

(5) Hemdat Sawh resigned as a director on February 4, 2016.

## Outstanding Option Based Awards

The following table discloses the particulars of the option-based awards outstanding as at December 31, 2016:

Name	Securities Under Options Granted (#)	Option Based Awards		Value of Unexercised In-the-Money Options (\$) <sup>(1)</sup>
		Option Exercise Price (\$)	Option Expiration Date	
Duncan Middlemiss <sup>(2)</sup>	100,000	1.76	Jun 14, 2021	33,000
Nadine Miller <sup>(3)</sup>	50,000	1.45	Feb 10, 2021	32,000
	100,000	1.76	Jun 14, 2021	33,000
Charles Page	50,000	1.03	Jul 06, 2020	53,000
	200,000	1.13	Nov 12, 2020	192,000
	100,000	1.76	Jun 14, 2021	33,000
Rostislav Raykov <sup>(4)</sup>	50,000	0.70	Aug 27, 2018	69,500
	25,000	0.84	May 08, 2019	31,250
	75,000	1.11	May 25, 2020	73,500
Hemdat Sawh <sup>(5)</sup>	10,000	0.85	Aug. 07, 2017	12,400
	10,000	0.70	Aug 27, 2018	13,900
	15,000	0.56	Oct 21, 2018	22,950
	25,000	0.84	May 08, 2019	31,250
	75,000	1.11	May 25, 2020	73,500
Barry Smith	50,000	0.70	Aug 27, 2018	69,500
	25,000	0.84	May 08, 2019	31,250
	75,000	1.11	May 25, 2020	73,500
	100,000	1.76	Jun 14, 2021	33,000
Rowland Uloth <sup>(6)</sup>	50,000	0.70	Aug 27, 2018	69,500
	20,000	0.66	Jan 17, 2019	28,600
	25,000	0.84	May 08, 2019	31,250
	100,000	1.57	Aug. 15, 2021	52,000
Bill Washington	100,000	1.76	Jun 14, 2021	33,000

- (1) Options are 'in-the-money' if the market price of the Company's shares is greater than the exercise price of the options. The value of such options is the product of the number of shares multiplied by the difference between the exercise price and the closing market price as at the financial year end. Options that were not vested at the financial year end are not included in this value.
- (2) Duncan Middlemiss was elected as a director at the annual meeting of shareholders on June 14, 2016. Certain of Mr. Middlemiss' Options were granted in connection with his role as President and CEO of the Company.
- (3) Nadine Miller was appointed as a director on February 4, 2016.
- (4) Rostislav Raykov was not re-elected as a director at the annual meeting of shareholders on June 14, 2016.
- (5) Hemdat Sawh resigned as a director on February 4, 2016.
- (6) Rowland Uloth has been granted Options in his capacity as a director of the Company.

As at the date of this Circular, the directors and senior officers of the Company, as a group, beneficially owned, directly or indirectly, or exercised control or direction over, approximately 2,710,540 Common Shares or 2.05% of the outstanding Common Shares. The information as to shares beneficially owned or over which control or direction is exercised, not being within the knowledge of the Company has been furnished by the directors directly.

As at the date of this Circular, the directors, including those who are executive officers of the Company, held outstanding Options under the existing Option Plan to purchase a total of 1,825,000 Common Shares and Options under the Old Stock Option Plan to purchase a total of 60,000 Common Shares. These Options were issued to directors for services performed as directors.

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

The following table sets out, for each director, the value of option-based awards vested during the year ended December 31, 2016:

Name	Option-based awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Duncan Middlemiss <sup>(2)</sup>	8,250	N/A	N/A
Nadine Miller <sup>(3)</sup>	16,250	N/A	N/A
Charles Page	130,750	N/A	N/A
Rostislav Raykov <sup>(4)</sup>	58,463	N/A	N/A
Barry Smith	66,713	N/A	N/A
Rowland Uloth	21,713	N/A	N/A
Bill Washington <sup>(5)</sup>	8,250	N/A	N/A

- (1) The “value of unexercised in-the-money options” is calculated using the closing price of the Common Shares of the Company on the TSX on December 31, 2016 (\$2.09) less the respective exercise prices of the options multiplied by the number of options outstanding.
- (2) Duncan Middlemiss was elected as a director at the annual meeting of shareholders on June 14, 2016.
- (3) Nadine Miller was appointed to the Board on February 4, 2016.
- (4) Rostislav Raykov was not re-elected as a director at the annual meeting of shareholders on June 14, 2016.
- (5) Bill Washington was elected as a director at the annual meeting of shareholders on June 14, 2016.

### Old Stock Option Plan and Stock Option Plan

The Company has historically used the Stock Option Plan and the Old Stock Option Plan in order to provide effective incentives to directors, officers, Management and employees of the Company and to enable the Company to attract and retain experienced and qualified individuals in those positions by permitting such individuals to directly participate in an increase in per share value created for Shareholders. Under the Stock Option Plan and the Old Stock Option Plan, Options are granted at market price and typically in such numbers as to reflect the level of responsibility of the particular optionee and his or her contribution to the business and activities of the Company, typically vest over two years and have a five-year term. Except in specified circumstances, Options are not assignable and terminate upon the optionee ceasing to be employed by or associated with the Company.

The Stock Option Plan replaced the Company’s legacy fixed incentive stock option plan, dated March 1996, as amended and restated in June 2003, (collectively, the “**Old Stock Option Plan**”). The 2017 Omnibus Plan, if approved by the Shareholders, will replace the Stock Option Plan and the Old Stock Option Plan. The Stock Option Plan and the Old Stock Option Plan will remain in effect but no further Options will be granted thereunder.

#### *Old Stock Option Plan:*

Under the Old Stock Option Plan, the maximum number of Common Shares which may be reserved for issuance to any one person is 5% of the Common Shares outstanding at the time of the grant (on a non-diluted basis). The maximum number of Common Shares which may be reserved for issuance to insiders (as defined in the *Securities Act* (Ontario)), is 10% of the Common Shares outstanding at the time of the grant (on a non-diluted basis) less the aggregate number of Common Shares reserved for issuance to insiders under any other share compensation arrangement. The 255,000 Options that are currently outstanding under the Old Stock Option Plan are scheduled to expire in August, 2018.

Persons eligible to receive Options under the Old Stock Option Plan may receive Options on more than one occasion and may receive separate Options on any one occasion. In the event that no contrary specific determination is made by the Board with respect to each Option granted under the Old Stock Option Plan, a participant may take up not more than 20% of the Shares covered by the Option during each 12 month period from the date of the grant of the

Option; provided, however, that if the number of Common Shares taken up under the Option during any such 12 month period is less than 20% of the Common Shares covered by the Option, the participant shall have the right, at any time or from time to time during the remainder of the term of the Option, to purchase such number of Common Shares subject to the Option which were purchasable, but not purchased by him, during such 12 month period. Any Options granted under the Old Stock Option Plan may not be granted for a period longer than 10 years.

Options granted pursuant to the Old Stock Option Plan are not transferable or assignable by the participants other than by will or pursuant to the laws of descent and distribution and shall be exercisable during the lifetime of a participant only by the participant and after death only by the participant's legal representative. If a participant dies, the legal representative of the participant may exercise the participant's options within six months after the date of the participant's death. If a participant is terminated from their employment with the Company or otherwise ceases to be an eligible person for any reason whatsoever other than death, each option held by the participant will cease to be exercisable 30 days from the date such participant ceases to be an eligible person under the Old Stock Option Plan.

*Stock Option Plan:*

Pursuant to the Stock Option Plan, the Board of Directors may from time to time authorize the issuance 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 ("**Eligible Persons**"). The number of Common Shares which may be issued pursuant to Options granted under the Stock Option Plan is a maximum of 10% of the issued and outstanding Common Shares at the time of the grant. No Eligible Person may be granted Options that would cause the total number of Common Shares issuable under such Options, together with any Common Shares issuable to such Eligible Person under Options for services or any other share compensation arrangement, to exceed 5% of the issued and outstanding Common Shares of the Company at the date of grant. No Options shall be granted to any Optionee that is a non-employee director if such grant could result, at any time, in (i) the aggregate number of Common Shares issuable to non-employee directors under the Stock Option Plan, or any other security based compensation arrangement of the Company, exceeding 1% of the issued and outstanding Common Shares; or (ii) an annual grant per non-employee director exceeding a grant value of \$100,000, which value shall be reasonably determined by the Board. Notwithstanding the foregoing, an initial grant of Options to a newly elected or appointed non-employee director is not subject to the foregoing limits if the Board, acting reasonably, determines that exceptional circumstances warrant such grant and adequate disclosure is made regarding thereof.

Options granted under the Stock Option Plan are subject to such vesting schedule as the Board may determine. The number of Common Shares issued to "insiders", as defined by the applicable rules of the TSX ("**Insiders**"), at any time shall not exceed 10% of the issued and outstanding Common Shares.

The terms and conditions of each Option granted under the Stock Option Plan are set forth in an option agreement entered into between the Company and each optionee (an "**Option Agreement**"), such agreement in the form appended to the Stock Option Plan. Each Option Agreement, among other things, sets out the number of Options granted, their exercise price, vesting schedule and term. No Option under the Stock Option Plan shall provide for an exercise price less than the market price of the Common Shares at the date of grant. In the event that no specific determination is made, each Option shall be exercisable for 5 years from the grant date and shall vest over a 2 year period from the grant date.

In the event of termination for cause or resignation of an Eligible Person, Options issued pursuant to the Stock Option Plan to such Eligible Person expire 6 months following such termination or resignation. In the event of death of an Eligible Person, Options issued pursuant to the Stock Option Plan to such Eligible Person expire 12 months following the death of the Eligible Person.

Options are non-assignable and non-transferable, although they are assignable to and may be exercisable by "permitted assigns", as such term is defined in National Instrument 45-106 – *Prospectus and Registration Exemptions*.

The Board may make certain amendments to the Stock Option Plan without obtaining Shareholder approval, including amendments: (i) to comply with regulatory requirements; (ii) respecting administration and eligibility for participation; (ii) respecting terms and conditions of Options granted; and (iv) generally of a "housekeeping" nature.

Shareholder approval is required to amend the Stock Option Plan with respect to amendments: (i) increasing the maximum number of Common Shares issuable under the Stock Option Plan; (ii) granting additional powers to the Board of Directors to amend the Stock Option Plan; (iii) to the exercise price of an issued Option; (iv) reducing exercise price of an Option or cancellation and reissue of Options or other entitlements; (v) extending the term of Options; (vi) amendments to eligible persons that may permit the introduction or re-introduction of non-employee directors on a discretionary basis or amendments that increase limits previously imposed on non-employee director participation; (vii) any amendment which would permit Options granted under the Stock Option Plan to be transferable or assignable other than and as set forth in the Stock Option Plan and for normal estate settlement purposes; (viii) changing Insider participation limits; and (ix) amendments to the Stock Option Plan amendment provisions.

The exercise price for Options under the Stock Option Plan is determined by the Board from time to time, provided that under no circumstances can the exercise price for Options be below the closing sale price of such Common Shares on the TSX on the trading day immediately preceding such date.

The following insider participation limits apply: (i) the number of Common Shares issuable to Insiders, at any time, pursuant to the Stock Option Plan and other share compensation arrangements (including the Old Stock Option Plan) shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis); and (ii) the number of Common Shares issued to Insiders, within a one-year period, pursuant to the Stock Option Plan and other share compensation arrangements (including the Old Stock Option Plan) shall not exceed 10% of the issued and outstanding Common Shares (on a non-diluted basis).

#### **2017 Omnibus Plan**

The following summary of the 2017 Omnibus Plan is qualified in its entirety by the full terms of the 2017 Omnibus Plan, a copy of which is attached to this Circular at Schedule "B".

Under the 2017 Omnibus Plan, the maximum number of Common Shares issuable from treasury pursuant to Awards shall not exceed 10% of the total outstanding Common Shares from time to time less the number of Common Shares issuable pursuant to all other security-based compensation arrangements of Wesdome (being the existing Stock Option Plan and the Old Stock Option Plan). The maximum number of Common Shares of Wesdome issuable to insiders at any time under the 2017 Omnibus Plan, and all other security-based compensation arrangements of Wesdome, shall not exceed 10% of Wesdome's total issued and outstanding Common Shares. The maximum number of Common Shares of Wesdome issuable to insiders within any one year period and at any time under the 2017 Omnibus Plan and all other security-based compensation arrangements, shall not exceed 10% of Wesdome's total issued and outstanding Common Shares. The maximum number of Common Shares available for issuance pursuant to the exercise or redemption, as applicable, of Awards granted under the 2017 Omnibus Plan and awards granted under all of Wesdome's other security based compensation arrangements in any calendar year to any one participant shall not exceed, in aggregate, 2.5% of the total issued and outstanding Common Shares. In addition, the aggregate number of Common Shares reserved for issuance under the 2017 Omnibus Plan and all other security-based compensation arrangements of Wesdome to the non-employee directors (as a group), shall not exceed 1% of the total number of Common Shares provided that the value of all Awards and all other security based compensation arrangements of Wesdome issuable to any one non-employee director within any one year period shall not exceed a grant value of \$100,000 of options and \$150,000 in total equity. Non-employee directors shall not be eligible to be granted restricted share units or performance share units pursuant to the 2017 Omnibus Plan.

When granting Awards under the 2017 Omnibus Plan, the Board will determine the parameters of the Award and, in the case of options, the Board will determine the vesting conditions, the exercise price and the expiry date, provided that the exercise price of an option shall be no less than the weighted average trading price of the Common Shares on the TSX for the five days immediately preceding the date of the grant of the option and the term of an option shall not exceed a period of five years.

Unless otherwise determined by the Board in its sole discretion or as may otherwise be set out in the applicable Award agreement, on the payment date for cash dividends paid on Common Shares, each participant's restricted share unit account, performance share unit account and/or deferred share unit account, as applicable, shall be credited with additional restricted share units, performance share units or deferred share units, as applicable.

The 2017 Omnibus Plan provides for a blackout restriction period during which no options are permitted to be exercised and no restricted share units, performance share units and deferred share units are permitted to be redeemed due to trading restrictions imposed by Wesdome in accordance with its trading policies affecting trades by Service Providers in Wesdome's securities. If the expiry date for an option or, in the case of restricted share units, performance share units and deferred share units, the redemption date, occurs during a blackout restriction period, or within 10 business days after the expiry of a blackout restriction period, the expiry date for that option or, in the case of restricted share units, performance share units and deferred share units, the redemption date, shall be the date that is the 10th business day after the expiry date of the blackout restriction period.

The 2017 Omnibus Plan also provides that, at the option of the Board, vesting of Awards may be accelerated upon the occurrence of any one of a number of specified events that constitute a change of control. If a change of control occurs, the Board may provide that: (1) the successor corporation will assume each award or replace it with a substitute award on terms substantially similar to the existing award; (2) the awards will be surrendered for a cash payment equal to the fair market value thereof; or (3) any combination of the foregoing will occur.

If within 12 months following a change of control, and unless otherwise provided in an underlying Award Agreement or a written employment contract between the Company and a participant, a participant's service, consulting relationship, or employment with the Company or the continuing entity is terminated without cause, or the participant resigns from his or her employment as a result of either (i) a substantial diminution in the participant's authorities, duties, responsibilities, status (including officers, titles, and reporting requirements) from those in effect immediately prior to the change of control; (ii) the Company requiring the participant to be based at a location in excess of one hundred (100) kilometers from the location of the participant's principal job location or office immediately prior to a change of control; or (iii) a reduction in the participant's base salary, or a substantial reduction in the participant's target compensation under any incentive compensation plan, as in effect as of the date of a change of control, then the vesting of all Awards then held by such participant (and, if applicable, the time during which such Awards may be exercised) will, at the discretion of the Board, be accelerated in full.

In the event that the Board determines that any dividend or other distribution, recapitalization, share split, share dividend, reorganization or other similar corporate transactions affects the Common Shares such that an adjustment is determined by the Board to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the 2017 Omnibus Plan and any Awards granted under the 2017 Omnibus Plan, then the Board will, in any manner as it may deem equitable, subject to, if applicable, approval of the principal stock exchange on which the Common Shares are listed, adjust any or all of: (1) the number and kind of Common Shares or other securities which thereafter may be made the subject of Awards; (2) the number and kind of Common Shares or other securities subject to outstanding Awards; and (3) the fair market value or the grant or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award.

The 2017 Omnibus Plan provides that if, prior to the expiry of any options, a participant ceases to be a Service Provider by reason of the death or long term disability of the participant, then: (a) all outstanding unvested options of the participant will terminate except that any options, which would have vested within the one year period following the date of termination if the termination had not occurred, will immediately vest on termination; and (b) the outstanding and vested options may be exercised at any time up to and including (but not after) the earlier of the date which is one year following the date of death or long term disability and the expiry date(s) of such options. In the event that a participant ceases to be a Service Provider for any other reason, then: (a) all outstanding unvested options of the participant shall, unless otherwise provided, immediately and automatically terminate; and (b) the outstanding vested options may be exercised at any time up to and including (but not after) the earlier of the date which is thirty (30) days following the date of such termination, resignation or cessation of employment and the expiry date(s) of the vested options.

If, prior to the redemption date of any performance share units or any restricted share units, a participant ceases to be a Service Provider: (a) for any reason whatsoever including, without limitation, termination of his employment by his employer for cause or voluntary resignation, but excluding the circumstances described in (b) and (c) below, all performance share units and restricted share units of the participant will be immediately forfeited; (b) by reason of death, long term disability, retirement from active employment or for any other reason as may be specifically approved by the Board, other than for the reasons set forth in (a) and (c), the participant (or the participant's

beneficiary) will be entitled to redeem and receive payment for the performance share units and restricted share units of the participant that the participant is entitled to on each applicable redemption date in accordance with the terms of the 2017 Omnibus Plan; or (c) by reason of termination of his employment without cause then the participant shall be entitled to redeem and receive payment for each performance share unit and restricted share unit that the participant would be entitled to on the applicable redemption date in accordance with the terms of the 2017 Omnibus Plan provided that the redemption date falls within the notice period provided to the participant upon termination of his or her employment and, if the redemption date falls after completion of the notice period provided in connection with such termination of employment, then such performance share unit or restricted share unit, as applicable, will be immediately forfeited.

No Award, and no right under any such Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a participant otherwise than by will, by the laws of descent or by the designation of a beneficiary by a participant and any such purported assignment, alienation, pledge, attachment, sale or other transfer or encumbrance will be void and unenforceable against Wesdome or any affiliate.

The 2017 Omnibus Plan specifies certain types of amendments which may, subject to applicable laws and regulatory approval, be made without Shareholder approval, including amendments to the 2017 Omnibus Plan and to an Award granted thereunder that are of a "housekeeping" nature or are a change to the termination provisions of options which does not entail an extension beyond the original expiry date. However, notwithstanding any other provision of the 2017 Omnibus Plan or any Award agreement, without the approval of the Shareholders, no amendment can be made that would, among other things: (i) increase the total number of Common Shares available for Awards under the 2017 Omnibus Plan, subject to certain permitted adjustments; (ii) reduce the exercise price or extend the term of any Award; (iii) have the effect of cancelling any Awards and concurrently reissuing such Awards on different terms; (iv) remove or exceed the insider participation limits in the 2017 Omnibus Plan; (v) increase limits imposed on the participation of directors that are not officers or employees of Wesdome; (vi) otherwise cause the 2017 Omnibus Plan to cease to comply with any tax or regulatory requirement; (vii) have the effect of amending the amendment provision in the 2017 Omnibus Plan; (viii) modify or amend the provisions of the 2017 Omnibus Plan in any manner which would permit Awards, including those previously granted, to be transferable or assignable in a manner otherwise than as provided for by the 2017 Omnibus Plan; or (ix) change the eligible Service Providers under the 2017 Omnibus Plan which would have the potential of broadening or increasing insider participation.

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

The following table sets out, as at the end of the Company's last completed financial year, information regarding outstanding Options granted by the Company under the Stock Option Plan and the Old Stock Option Plan.

Plan Category	Number of shares issuable upon exercise of outstanding Options	Weighted average exercise price of outstanding Options	Number of shares remaining available for issuance under equity compensation plans
Equity compensation plans <b>approved</b> by Shareholders – Old Stock Option Plan	255,000	\$1.25	Nil
Equity compensation plans <b>approved</b> by Shareholders – Stock Option Plan <sup>(1)</sup>	6,306,688	\$1.53	6,724,320
Equity compensation plans <b>not approved</b> by Shareholders	0	–	0
<b>Totals</b>	<b>6,561,688</b>	<b>\$1.52</b>	<b>6,724,320</b>

(1) Approved by the Board of Directors on January 13, 2014, and by Shareholders at the 2014 Annual General Meeting on May 6, 2014.

### Indebtedness of Directors and Executive Officers

No individual who is, or at any time during the most recently completed financial year of the Company was, a director, executive officer, employee or former director, executive officer or employee of the Company or any of its subsidiaries, nor any proposed nominee for election as a director of the Company, nor any associate of any one of them:

- a) is, or at any time since the beginning of the most recently completed financial year of the Company has been, indebted to the Company or any of its subsidiaries; or
- b) was indebted to another entity, where such indebtedness is, or was at any time during the most recently completed financial year of the Company, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any of its subsidiaries.

### Interest of Management and Insiders in Material Transactions

No person who is, or at any time during the most recently completed financial year of the Company was, a director or executive officer of the Company nor any proposed nominee for election as a director of the Company or any of their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

No informed person of the Company, any proposed director of the Company, or any associate or affiliate of any informed person or proposed director had any material interest in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

### CONTACTING THE BOARD

Interested parties may contact the Board directly in writing, as follows:

Chair of the Board  
Wesdome Gold Mines Ltd.  
8 King Street East, Suite 811  
Toronto, Ontario Canada M5C 1B5



## **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the Company's comparative consolidated financial statements and MD&A for its most recently completed financial year, which have been filed on SEDAR. Shareholders may also contact the Company by telephone at 416-360-3743, by mail to the Company's administrative office at 8 King Street East, Suite 811, Toronto, Ontario, M5C 1B5 or by e-mail at [info@wesdome.com](mailto:info@wesdome.com) to request copies of these documents.

## **APPROVAL**

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

**DATED** at Toronto, Ontario on May 9, 2017.

**WESDOME GOLD MINES LTD.**

A handwritten signature in black ink, appearing to read "H. Laxton", written in a cursive style.

Heather Laxton  
Chief Governance Officer & Corporate Secretary

## SCHEDULE A - MANDATE OF THE BOARD OF DIRECTORS

### WESDOME GOLD MINES LTD. MANDATE OF THE BOARD OF DIRECTORS

#### PURPOSE

The fundamental responsibility of the Board of Directors (the “**Board**”) of Wesdome Gold Mines Ltd. (the “**Company**”) is to provide stewardship and governance over the management of the Company with the objective of enhancing the long-term value of the Company’s assets and maximizing share value. This is done in context of the requirements under the Company’s incorporating documents, applicable law and regulatory authorities’ rules and regulations. For the purposes of this Mandate of the Board of Directors, the definition of Company shall also include any Subsidiaries, as such term is defined in the *Business Corporations Act* (Ontario).

#### ROLE AND ACCOUNTABILITY

The Board’s role is to set direction, assign responsibility to management for achievement of that direction, define executive limitations, and monitor performance against those objectives and executive limitations. In fulfilling this role, the Board will regularly review objectives to ensure that they continue to be responsive to the changing business environment in which the Company operates.

The Board is accountable to the Company’s shareholders and has a duty to act honestly and in good faith with a view to the best interests of the Company.

#### COMPOSITION AND MEMBERSHIP

The Board is elected by the shareholders of the Company at the Company’s annual meeting of shareholders.

The Board shall be comprised of that number of directors as shall be determined from time to time by the Board, in accordance with the Company’s articles of incorporation, bylaws and applicable laws.

At least a majority of Board members shall be independent directors as defined from time to time under applicable legislation and the rules of any stock exchange on which the Company’s securities are listed for trading.

#### MEETINGS AND PROCESS

The Board shall meet at least four times annually, or more frequently as circumstances require. Meetings of the Board may be held in person and/or by telephone or video conference. Directors shall be provided with a minimum of 48 hours’ notice of meetings. The notice period may be waived by each individual Director.

A majority of the Directors of the Board shall constitute a quorum. No business may be transacted by the Board except at a meeting of Directors at which a quorum of the Board is present, or by unanimous written consent.

The Board Chair, if present, will act as the chair of meetings of the Board and shall establish the agenda of the meeting and, where possible, ensure that materials are circulated sufficiently in advance to provide adequate time for review prior to the meeting.

The Board may ask members of management or others to attend meetings or to provide information as necessary.

In order to properly carry out its responsibilities, the Board may retain outside consultants.

At each meeting of the Board, there shall be an *in camera* session of only the independent Directors.

#### RELATIONSHIP WITH THE CHIEF FINANCIAL OFFICER (THE "CFO")

The CFO is indirectly accountable to the Audit Committee and is responsible for the timeliness and integrity of the financial reporting and information presented to the Board. Board-related responsibilities of the CFO will also include acting as the chief advisor to the Audit Committee of the Board.

#### DUTIES AND RESPONSIBILITIES

##### STRATEGIC GOALS, PERFORMANCE OBJECTIVES AND OPERATIONAL POLICIES BASED ON THE BEST INTERESTS OF THE COMPANY

The Board will:

- i. Approve the appointment of the Chief Executive Officer ("CEO") and executive management, and will delegate to the CEO the authority to manage and supervise the business of the Company and to do so in a way that promotes an environment of integrity.
- ii. Approve both long-term and short-term vision and strategic plans.
- iii. Review and approve, at least annually, management's operational plans to ensure they are consistent with long-term and short-term vision and strategic plans.
- iv. Approve strategic and operational policies within which management will operate in relation to: acquisitions, risk management, relationships with significant shareholders, and reporting information and determine what, if any, executive limitations may be required in the exercise of the authority delegated to management.

- v. Conduct a regular review of the human, operational and capital resources required to implement the Company's business strategy, as well as the regulatory, environmental, social, cultural or governmental constraints on the business.
- vi. Ensure that executive compensation is linked appropriately to business performance.
- vii. Review and approve CEO expenditures or other actions or transactions falling outside of approved authorizations limits.

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#### BUSINESS PERFORMANCE MONITORING

The Board will:

- i. Monitor business performance against both short-term and long-term strategic plans, annual performance targets, compliance with Board policies and the effective management of risk.
- ii. Consider the recommendation of the Audit Committee, approve major changes to the Company's accounting principles, policies and practices as suggested by the independent auditors.
- iii. Consider the recommendation of the Audit Committee, approve the retention of or any discharge of auditors should circumstance warrant.

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#### RISK MANAGEMENT (TOLERANCE, IDENTIFICATION AND MONITORING)

The Board will:

- i. Receive presentations and other information to understand the significant and emerging risks to which the Company is exposed. This includes identifying reputation and legal risks associated with operations, material risks and emerging risk issues and trends.
- ii. Monitor, at least annually, the Company's risk management performance and obtain reasonable assurance that the Company's risk management policies for significant risks are being adhered to.
- iii. Review and approve significant risk management policies and procedures recommended by the Company's management, and review periodically, but at least once a year, the management programs related thereto to oversee compliance with such policies and procedures.

- iv. Incidental to the Board's overall responsibility for risk policies and procedures, review and approve internal control policies and the effectiveness of internal control procedures, with consideration to the recommendations of the Audit Committee.
- v. Review and approve any other matters required by regulators from time to time.

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## HUMAN RESOURCES AND COMPENSATION ISSUES

The Board will:

- i. Review and approve annual performance expectations and corporate goals and objectives for the CEO and senior executives, ensuring they are linked appropriately to business performance as well as market conditions.
- ii. Approve the CEO's annual compensation on the recommendation of the Compensation Committee.
- iii. Approve policies and practices to enable the Company to attract, develop and retain the human resources required to meet business objectives.
- iv. Approve the position description for the CEO that includes the roles and responsibilities of the CEO, including corporate goals and objectives that the CEO has responsibility for meeting, and the basis upon which the CEO is to interact with and report to the Board. At least annually, with the assistance of the Compensation Committee, review this position description and such goals and objectives.
- v. At least annually, review, with the assistance of the Governance and Nominating Committee and the Compensation Committee, succession plans for the Chair of the Board, the CEO and senior management of the Company.
- vi. Review leadership development and talent management activities.
- vii. Review with the Compensation Committee and the CEO, the performance of and compensation for senior executives.
- viii. Consider the recommendation of the Compensation Committee, approve the Company's compensation model, policies and incentive plans for the CEO and senior executives.
- ix. Review and approve share ownership guidelines for the CEO and senior executives, if applicable.
- x. Review and approve grants of stock options in accordance with the provisions of the

respective plans.

- xi. Review and approve significant outside Board appointments and public service commitments by the CEO.

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## EFFECTIVE COMMUNICATIONS

The Board will

- i. Ensure that effective communication is in place between the Board and the Company's shareholders and other stakeholders; however, primary responsibility for communications with shareholders is shared between the CEO and the Board Chair.
- ii. Ensure that the financial performance of the Company is reported to shareholders on a timely, regular and non-selective basis.
- iii. Ensure that there are measures in place for receiving feedback from stakeholders.

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## CORPORATE GOVERNANCE

The Board will:

- i. Approve procedures relating to the conduct of its business and the fulfilment of the responsibilities of the Board. These processes may include those related to the conduct of directors, Board meeting procedures, meeting agenda formulation, management reporting, and evaluation of Board, Board Chair, Board committee, committee chair and individual Director performance.
- ii. Confirm that management processes are in place to address and comply with applicable regulatory, corporate and securities requirements.
- iii. With consideration to the composition guidelines set out in each of their mandates and the recommendation of the Board Chair, the independent members of the Board shall appoint the members and Chairs of the Board's committees annually or as needed to fill vacancies.
- iv. With consideration to recommendations made by the Governance and Nominating Committee, establish or disband Board committees and if appropriate, approve changes to committee charters. The Board may delegate certain functions to these committees and notwithstanding such delegation, the Board retains its oversight function and ultimate responsibility for these delegated functions.

- v. Approve the necessary and desirable competencies of directors, including the development of a skills matrix identifying the key attributes of director nominees.
- vi. Approve candidates for appointment or nomination to the Board.
- vii. Ensure that all new directors receive a comprehensive orientation and that there are ongoing educational opportunities for directors.
- viii. Clarify and communicate the expectations and responsibilities of individual directors (Mandate for an Individual Director).
- ix. Establish an appropriate system of corporate governance including practices to facilitate the Board's independence.
- x. Review and approve changes to corporate governance policies such as the Disclosure Policy, Code of Business Conduct and Ethics, Conflict of Interest, Insider Trading and other relevant policies associated with ensuring an effective system of corporate governance.
- xi. Review and approve shareholder proposals to be presented at the shareholder meetings, if any.
- xii. Review and approve any changes to director compensation.
- xiii. Approve any recommendations regarding a change in the size of the Board.
- xiv. Annually, with the assistance of the Board Chair and the Governance and Nominating Committee, review and assess the adequacy of this Mandate and, as necessary, revise the Mandate.
- xv. Annually, with the assistance of the Board Chair and the Governance and Nominating Committee, conduct an evaluation of the Board, Board Chair, Board committee, committee chair and individual director performance.

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#### OTHER

##### The Board will:

- i. To the extent feasible, satisfy itself as to the integrity of the CEO and other senior officers, and that the CEO and other senior officers create a culture of integrity throughout the organization.
- ii. Approve disclosure documents required to be approved by the Board under securities

laws, regulations or the rules of any applicable stock exchange, including annual and quarterly financial reports, the management information circular, the annual information form and all material press releases.

- iii. Review and approve all material transactions not in the ordinary course of business.
- iv. Receive any reports on any departures from the Code of Business Conduct and Ethics or other related information.
- v. Retain accounting, legal, consulting or other expert advice from a source independent of management, at the expense of the Company, as it may from time to time deem necessary or advisable for its purposes.

## APPROVAL

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OWNER

Board of Directors

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ADOPTED

March 28, 2006

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POLICY TYPE

Board Governance

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LAST REVIEWED AND APPROVED

February 22, 2017



## SCHEDULE B - 2017 OMNIBUS PLAN

### WESDOME GOLD MINES LTD. EQUITY INCENTIVE PLAN

#### 1. Purpose

The purpose of the Plan (as defined below) is to: (i) develop the interest of Service Providers (as defined below) in the growth and development of the Corporation (as defined below) by providing such persons with the opportunity to acquire a proprietary interest in the Corporation; (ii) attract and retain valuable Service Providers to the Corporation with a competitive compensation mechanism; and (iii) align the interests of the Service Providers with those of Shareholders (as defined below) by devising a compensation mechanism which encourages the prudent maximization of distributions to Shareholders and long-term growth. The Plan seeks to achieve these purposes by providing for awards in the form of Options, Restricted Share Units, Performance Share Units, Deferred Share Units and Dividend-Equivalent Rights (each as defined below).

#### 2. Definitions

As used in the Plan, the following terms, when capitalized, will have the meanings set out below:

"**Account**" means a Deferred Share Unit Account, Restricted Share Unit Account or Performance Share Unit Account, as applicable.

"**Affiliate**" means any corporation that, directly or through one or more intermediaries, is controlled by the Corporation, including any corporation in which the Corporation owns a significant equity interest, as determined by the Board, provided that an "Affiliate" shall include only those corporations which are "related" to the Corporation, within the meaning of the Tax Act.

"**Applicable Withholding Taxes**" has the meaning ascribed thereto in Section 9(l)(ii) of the Plan.

"**Award**" means any Option, Restricted Share Unit, Performance Share Unit, Deferred Share Unit or Dividend-Equivalent Right granted under or pursuant to the Plan.

"**Award Agreement**" means any written agreement, contract or other instrument or document evidencing any Award granted under the Plan.

"**Beneficiary**" means any person designated by a Participant by written instrument filed with the Corporation to receive any amount, securities or property payable under the Plan in the event of a Participant's death or, failing any such effective designation, the Participant's estate, provided that a "**Beneficiary**" in respect of Deferred Share Units granted to a Participant under the Plan shall be limited to an individual who is a dependent or relation of the Participant or the legal representative of the Participant.

"**Blackout Expiry Date**" has the meaning ascribed thereto in Section 6(a)(iv) of the Plan.

"**Blackout Restriction Period**" means the period during which no Options are permitted to be exercised and no Restricted Share Units, Performance Share Units and a Deferred Share Units are permitted to be redeemed due to trading restrictions imposed by the Corporation in accordance with its trading policies affecting trades by Service Providers in the Corporation's securities.

"**Board**" means the board of directors of the Corporation and, for the purposes of matters relating to the administration of the Plan, shall be deemed to include any committee of the Board to which such administration has been delegated by the Board.

**"Change of Control"** means:

- (a) the acceptance by the Shareholders, representing in the aggregate more than fifty percent (50%) of all issued and outstanding Shares, of any offer, whether by way of a takeover bid or otherwise, for any or all of the Shares;
- (b) the acquisition hereafter, by whatever means (including, without limitation, by way of an arrangement, merger or amalgamation), by a Person (or two or more acting jointly or in concert), directly or indirectly, of the beneficial ownership of Shares or rights to acquire Shares, together with such Person's then owned Shares and rights to acquire Shares, if any, representing more than fifty percent (50%) in aggregate of all issued and outstanding Shares (except where such acquisition is part of a *bona fide* reorganization of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);
- (c) the passing of a resolution by the Corporation or the Shareholders to substantially liquidate the assets or wind-up or significantly rearrange the affairs of the Corporation in one or more transactions or series of transactions (including by way of an arrangement, merger or amalgamation) or the commencement of proceedings for such a liquidation, winding-up or re-arrangement (except where such resolution relates to a liquidation, winding-up or re-arrangement as part of a *bona fide* reorganization of the Corporation in circumstances where the affairs of the Corporation are continued, directly or indirectly, and where the shareholdings remain substantially the same following the reorganization as existed prior to the reorganization);
- (d) the sale by the Corporation of all or substantially all of its assets (other than to an affiliate of the Corporation in circumstances where the affairs of the Corporation is continued, directly or indirectly, and where the shareholdings of the Corporation remain substantially the same following the sale as existed prior to the sale);
- (e) Persons who were proposed as nominees (but not including nominees under a shareholder proposal) to become directors of the Corporation immediately prior to a meeting of the Shareholders involving a contest for, or an item of business relating to, the election of directors of the Corporation, do not constitute a majority of the directors of the Corporation following such election; or
- (f) any other event which in the opinion of the Board reasonably constitutes a change of control of the Corporation.

**"Corporation"** means Wesdome Gold Mines Ltd., and includes any corporate successor thereto.

**"Deferred Share Unit"** means a unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant's Deferred Share Unit Account pursuant to Section 6(d) of the Plan or as a Dividend-Equivalent Right pursuant to Section 6(e) of the Plan, representing the right to receive one fully paid Share on the date of redemption, in the manner, and subject to the terms contained herein.

**"Deferred Share Unit Account"** has the meaning set out in Section 6(d)(ii) of the Plan.

**"Deferred Share Unit Redemption Date"** has the meaning set out in Section 6(d)(iv) of the Plan.

**"Dividend-Equivalent Right"** means a dividend-equivalent right granted pursuant to Section 6(e) of the Plan.

**"Dividend Payment Date"** has the meaning set out in Section 6(e)(i) of the Plan.

**"Dividend Record Date"** has the meaning set out in Section 6(e)(i) of the Plan.

"**Employee**" means an employee, within the meaning of the Tax Act, of the Corporation or an Affiliate.

"**Employer**" means: (1) with respect to a Participant that is an employee or officer, the entity that employs the Participant or that employed the Participant immediately prior to the termination of his employment; (2) with respect to a Participant who is a director, the entity on whose board the Participant serves or served at the time an Award was granted to the Participant; and (3) with respect to a Participant who is not an Employee, the entity to whom the Participant provides or provided services as an independent contractor; which entity may be in any case, the Corporation or any of its Affiliates.

"**Exercise Period**" has the meaning set out in Section 6(a)(iii) of the Plan.

"**Exercise Price**" has the meaning set out in Section 6(a)(ii) of the Plan.

"**Expiry Date**" has the meaning set out in Section 6(a)(iii) of the Plan.

"**Fair Market Value**" means: (1) with respect to any property other than the Shares, Restricted Share Units, Performance Share Units or Deferred Share Units, the fair market value of that property determined by those methods or procedures as may be established from time to time by the Corporation, acting reasonably; and (2) with respect to any Shares, Restricted Share Units, Performance Share Units or Deferred Share Units, the volume weighted average trading price for such Shares or the number of Shares underlying such Restricted Share Units, Performance Share Units or Deferred Share Units, as applicable, on the Principal Market for the five days preceding the date of reference on which the Shares traded. If the Shares did not trade, then the Fair Market Value with respect to the Shares, Restricted Share Units, Performance Share Units or Deferred Share Units will be determined by the Board, acting reasonably, using any other appropriate method selected by the Board.

"**insider**" has the same meaning as found in the *Securities Act* (Ontario), as amended, and also includes associates and affiliates of the insider; and "issuances to insiders" includes direct and indirect issuances to insiders.

"**Option**" means an option to acquire a Share granted pursuant to Section 6(a) of the Plan.

"**Participant**" means any individual Service Provider granted an Award under the Plan or whose Award is stated to be governed by the Plan.

"**Participant Compensation**" has the meaning set out in Section 6(d)(vi) of the Plan.

"**Performance Criteria**" means, in respect of a Performance Option or Performance Share Unit, as applicable, that performance criteria determined by the Board as set forth in an Award Agreement provided that such performance criteria shall relate to the performance of the Corporation and/or any of its Affiliates.

"**Performance Option**" means any Option that is granted to a Participant and is designated as a Performance Option pursuant to Section 6(a)(v);

"**Performance Share Unit**" means a unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant pursuant to Section 6(c) of the Plan or as a Dividend-Equivalent Right pursuant to Section 6(e) of the Plan, representing the right to receive one fully paid Share on the date of redemption, in the manner and subject to the terms contained herein.

"**Performance Share Unit Account**" has the meaning set out in Section 6(c)(ii) of the Plan. "**Performance**

**Share Unit Redemption Date**" has the meaning set out in Section 6(c)(iv) of the Plan. "**PSU Service**

**Year**" has the meaning set out in Section 6(c)(iii) of the Plan.

"**Person**" means any individual or entity, including a corporation, partnership, association, joint-share corporation, trust, unincorporated organization, or government or political subdivision of a government.

"**Plan**" means this Wesdome Gold Mines Ltd. Equity Incentive Plan, as may be amended from time to time.

"**Principal Market**" means the principal stock exchange, quotation system or other market on which the Shares are listed upon which has occurred the greatest trading volume of the Shares for the six months (or, to the extent the Shares have not been listed for at least six months, the next longest period since the Shares were initially listed) prior to the date of reference provided, however, that to the extent deemed necessary or appropriate, the Principal Market shall be as determined by the Board in accordance with applicable law, rules and regulations.

"**Redemption Date**" means, in respect of a Deferred Share Unit, the Deferred Share Unit Redemption Date, in respect of a Performance Share Unit, the Performance Share Unit Redemption Date and in respect of a Restricted Share Unit, the Restricted Share Unit Redemption Date.

"**Restricted Share Unit**" means a unit credited by means of a bookkeeping entry on the books of the Corporation to a Participant pursuant to Section 6(b) of the Plan or as a Dividend-Equivalent Right pursuant to Section 6(e) of the Plan, representing the right to receive one fully paid Share on the date of redemption, in the manner and subject to the terms contained herein.

"**Restricted Share Unit Account**" has the meaning set out in Section 6(b)(ii) of the Plan.

"**Restricted Share Unit Redemption Date**" has the meaning set out in Section 6(b)(iv) of the Plan.

"**RSU Service Year**" has the meaning set out in Section 6(b)(iii) of the Plan.

"**Service Providers**" means the directors, officers, employees and independent contractors (directly or indirectly through a corporation) of the Corporation and/or any Affiliate.

"**Shareholders**" means the holders of the Shares from time to time.

"**Shares**" means any or all, as applicable, of the common shares in the capital of the Corporation and any other shares of the Corporation as may become the subject of Awards, or become subject to Awards, pursuant to an adjustment made pursuant to Section 4(c) of the Plan, and any other shares of the Corporation or any Affiliate or any successor that may be so designated by the Board.

"**Share Units**" means Deferred Share Units, Performance Share Units and Restricted Share Units, including any Dividend-Equivalent Rights granted with respect to a Deferred Share Unit, Performance Share Unit and/or Restricted Share Unit.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereto, as amended from time to time.

"**Termination Date**" means, in respect of a Participant, the date that the Participant ceases to be actively employed by, or ceases to provide services as an independent contractor to, the Corporation or any Affiliate for any reason, without regard to any statutory, contractual or common law notice period that may be required by law following the termination of the Participant's employment or independent contractor relationship with the Corporation or any Affiliate, and regardless of whether termination of the employment or independent contractor relationship is with or without cause or the provision of any notice, pay in lieu of notice, severance or termination pay that may be required by applicable law. The Board will have sole discretion to determine whether a Participant has ceased active employment or ceased status as an independent contractor and the effective date on which the Participant ceased active employment or status of an independent contractor. A Participant will be deemed not to have ceased to be an employee of the Corporation or any of its Affiliate in the case of a transfer of his employment or independent contractor relationship between the Corporation and any Affiliate or a transfer of employment or independent contractor relationship between Affiliates.

"**Triggering Event**" has the meaning set out in Section 6(d)(iii) of the Plan.

"**Vested Award**" means an Award which has become vested in accordance with the provisions of the Plan and applicable Award Agreement or in respect of which the vesting date has been accelerated pursuant to Sections 4(e), 7, or 9(a) of the Plan.

"**Vested Deferred Share Unit**" means a Deferred Share Unit which has vested.

"**Vested Option**" means an Option which has vested.

"**Vested Performance Share Unit**" means a Performance Share Unit which has vested.

"**Vested Restricted Share Unit**" means a Restricted Share Unit which has vested.

### 3. Administration

- (a) The Plan will be administered by the Board, or a committee of the Board which shall, from time to time, at its sole and absolute discretion: (i) interpret and administer the Plan and Award Agreements; (ii) establish, amend and rescind any rules and regulations relating to the Plan and Award Agreements; and (iii) make any other determinations that the Board deems necessary or desirable for the administration of the Plan and Award Agreements. The Board may correct any defect or supply any omission or reconcile any inconsistency in the Plan and any Award Agreement in the manner and to the extent the Board deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Board with respect to the administration and interpretation of the Plan and any Award Agreement shall be final, conclusive and binding on all parties concerned.
- (b) Notwithstanding any other provision of the Plan, Awards granted to Participants resident for tax purposes in the United States will also be governed by the terms and conditions set forth in Schedule "A" hereto.
- (c) Subject to the terms of the Plan and applicable law, the Board may delegate to one or more officers or managers of the Corporation or any Affiliate, or to a committee of such officers or managers, the authority, subject to such terms and limitations as the Board will determine to grant, cancel, modify, waive rights with respect to, alter, discontinue, suspend, or terminate Awards.

### 4. Shares Available for Awards

#### (a) **Shares Available.**

- (i) **Maximum Number of Shares Available.** The maximum number of Shares available for issuance pursuant to the exercise or redemption, as applicable, of Awards granted under the Plan, together with Shares issuable pursuant to all other security-based compensation arrangements of the Corporation shall not exceed 10% of the total outstanding Shares from time to time, calculated on a non-diluted basis (the "**Reserve**"). For greater certainty, the Plan is considered an "evergreen plan" and as a result any and all increases in the number of issued and outstanding Shares shall result in an increase to the Reserve. For the purposes of calculating the number of Shares under the Reserve (and in addition to the provisions set forth in Section 4(a)(ii)), each Share subject to an Award that is not an Option shall be counted as reserving two Shares under the Plan, and each Share subject to an Option shall be counted as reserving one Share under the Plan. For greater clarity, if only non-Option Awards are issued, the maximum number of Shares that would be available for issuance under this Plan would be 5%, and if half of the Shares reserved for issuance under the Plan are used for Options and the other half used for other Awards, then the maximum number of Shares available for issuance would be 7.5%.
- (ii) **Calculating the Number of Shares in the Reserve.** Subject to the maximum number of Shares in the Reserve described in Section 4(a)(i), the number of Shares in the Reserve will be calculated as follows:

- (A) each time any Awards are granted, the number of Shares in the Reserve will be reduced by the number of Awards so granted on the date of the grant;
- (B) each time any Awards are exercised or redeemed the number of Shares in the Reserve will be increased by the number of Awards so exercised or redeemed on the date of such exercise or redemption;
- (C) each time any Awards expire or are cancelled, terminated, surrendered or forfeited for any reason, the number of Shares in the Reserve will be increased by the number of Awards so expired, cancelled, terminated, surrendered or forfeited on the date thereof; and
- (D) each time any outstanding awards previously granted by an acquired corporation are assumed by the Corporation under the Plan, the number of Shares in the Reserve will be reduced by the number of awards so assumed;

provided, however, that Awards that operate in tandem with (whether granted simultaneously with or at a different time from), or that are substituted for, other Awards may be counted or not counted under procedures adopted by the Board in order to avoid double counting.

- (iii) ***Maximum Number of Shares Available for Awards of Share Units.*** The maximum number of Shares available for issuance pursuant to the redemption of Share Units granted under the Plan will be, in aggregate, 2.0% of the total outstanding Shares from time to time. For greater certainty, the number of Shares available for issuance pursuant to this Section 4(a)(iii) will be calculated in the manner set out in Section 4(a)(ii).

**(b) Maximum Shares Available for Specific Individuals and Groups.**

- (i) The maximum number of Shares available for issuance pursuant to the exercise or redemption, as applicable, of Awards granted under the Plan and awards granted under all of the Corporation's other security based compensation arrangements in any calendar year to any one Participant shall not exceed, in aggregate, 2.5% of the total issued and outstanding Shares, subject to Section 4(a)(iii) and the adjustments provided in Section 4(c).
- (ii) The maximum number of securities of the Corporation issuable to insiders at any time under the Plan and under all of the Corporation's other security based compensation arrangements, shall not exceed 10% of the Corporation's total issued and outstanding securities, subject to Section 4(a)(iii) and the adjustments provided in Section 4(c).
- (iii) The maximum number of securities of the Corporation issued to insiders within any one year period under the Plan and all of the Corporation's other security based compensation arrangements, shall not exceed 10% of the Corporation's total issued and outstanding securities, subject to Section 4(a)(iii) and the adjustments provided in Section 4(c).
- (iv) The aggregate number of Shares issuable to directors of the Corporation who are not officers or employees of the Corporation under the Plan and all of the Corporation's other security based compensation arrangements shall be limited to 1% of the issued and outstanding Shares (calculated on non-diluted basis) provided that the value of all Awards and all other security based compensation arrangements of the Corporation issuable to any one director who is not an officer or employee of the Corporation within any one year period shall not exceed a grant value of \$100,000 of Options and \$150,000 in total equity. Directors of the Corporation who are not officers or employees of the Corporation shall not be eligible to be granted Restricted Share Units or Performance Share Units pursuant to the Plan.

- (c) **Adjustments** In the event that the Board determines that any dividend or other distribution (whether in the form of cash, Shares, other securities or other property), recapitalization, share split, share dividend, reverse share split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of Shares or other securities of the Corporation, issuance of warrants or other rights to purchase Shares or other securities of the Corporation, or other similar corporate transactions or events affect the Shares (which affect is not adequately dealt with under Section 6(e)) such that an adjustment is determined by the Board to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan and any Awards granted under the Plan, then the Board will, in any manner as it may deem equitable, subject to, if applicable, approval of the Principal Market, adjust any or all of: (1) the number and kind of Shares or other securities which thereafter may be made the subject of Awards; (2) the number and kind of Shares or other securities subject to outstanding Awards; and (3) the Fair Market Value or the grant or exercise price with respect to any Award or, if deemed appropriate, make provision for a cash payment to the holder of an outstanding Award; provided, however, that the number of Shares subject to any Award denominated in Shares will always be a whole number. Notwithstanding the foregoing, any adjustments made pursuant to this Section 4(c) shall be such that the "in-the-money" value of any Option granted hereunder shall not be increased and that all Options, Deferred Share Units, Restricted Share Units and Performance Share Units are continuously governed by section 7 of the Tax Act.
- (d) **Change of Control.** If a Change of Control occurs, and unless otherwise provided in an Award Agreement or a written employment contract between the Corporation and a Participant and except as otherwise set out in this Section 4(d), the Board, in its sole discretion, may provide that: (1) the successor corporation will assume each Award or replace it with a substitute Award on terms substantially similar to the existing Award; (2) the Awards will be surrendered for a cash payment equal to the Fair Market Value thereof; or (3) any combination of the foregoing will occur, provided that the replacement of any Option with a substitute Option shall, at all times, comply with the provisions of subsection 7(1.4) of the Tax Act, and the replacement of any Award with a substitute Option, substitute Deferred Share Unit, substitute Restricted Share Unit or substitute Performance Share Unit shall be such that the substitute Award shall continuously be governed by Section 7 of the Tax Act.
- (e) **Acceleration on Change of Control.** If within 12 months following a Change of Control, and unless otherwise provided in an Award Agreement or a written employment contract between the Corporation and a Participant, a Participant's service, consulting relationship, or employment with the Corporation, an Affiliate or the continuing entity is terminated without cause, or the Participant resigns from his or her employment as a result of either (i) a substantial diminution in the Participant's authorities, duties, responsibilities, status (including officers, titles, and reporting requirements) from those in effect immediately prior to the Change of Control; (ii) the Corporation requiring the Participant to be based at a location in excess of one hundred (100) kilometers from the location of the Participant's principal job location or office immediately prior to a Change of Control; or (iii) a reduction in the Participant's base salary, or a substantial reduction in the Participant's target compensation under any incentive compensation plan, as in effect as of the date of a Change of Control, then the vesting of all Awards then held by such Participant (and, if applicable, the time during which such Awards may be exercised) will, at the discretion of the Board, be accelerated in full.

## 5. **Eligibility**

Any Service Provider shall be eligible to be designated a Participant, provided that only an Employee shall be eligible to be granted Deferred Share Units.

## 6. **Awards**

- (a) **Options.** The Board may grant to a Participant an option to purchase a Share (each, an "**Option**") which will contain the following terms and conditions and any additional terms and conditions, not inconsistent with the provisions of the Plan, as the Board determines at the time of the grant:

- (i) **Award Agreement.** Each Option shall be evidenced by an Award Agreement containing the applicable terms and conditions required in the Plan and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may deem appropriate.
  - (ii) **Exercise Price.** The purchase price per Share purchasable under an Option (the "**Exercise Price**") will be determined by the Board and set out in the Award Agreement; provided, that the Exercise Price shall not be less than the Fair Market Value of a Share on the date of grant of that Option.
  - (iii) **Time and Method of Exercise.** Subject to the terms of Section 7 of the Plan, the Board will determine the vesting conditions, the time or times at which an Option may be exercised (the "**Exercise Period**") in whole or in part, the date of expiry of the Exercise Period (the "**Expiry Date**") and the method or methods by which, and the form or forms in which payment of the Exercise Price with respect thereto may be made.
  - (iv) **Blackout Restriction Periods.** If the Expiry Date for an Option occurs during a Blackout Restriction Period applicable to the relevant Participant, or within 10 business days after the expiry of a Blackout Restriction Period applicable to the relevant Participant, then the Expiry Date for that Option shall be the date that is the 10<sup>th</sup> business day after the expiry date of the Blackout Restriction Period (the "**Blackout Expiry Date**"). This Section 6(a)(iv) applies to all Options outstanding under the Plan.
  - (v) **Performance Options.** The Board may, at the time an Option is granted to a Participant under the Plan, designate such Option as a Performance Option and in the event that Options are designated as Performance Options, such Performance Options shall vest based in whole or in part on the Performance Criteria set forth in the applicable Award Agreement.
- (b) **Restricted Share Units.** The Board may grant to a Participant Restricted Share Units each of which will consist of the right to receive one Share as at the date of redemption, subject to the terms of any applicable Award Agreement, and which are subject to such restrictions as the Board may impose, which restrictions may lapse separately or in combination at any time or times, in such installments or otherwise, as the Board may deem appropriate. The Board may impose any conditions or restrictions on the vesting or redemption of Restricted Share Units as it may deem appropriate.
- (i) **Award Agreement.** Each Restricted Share Unit shall be evidenced by an Award Agreement containing the applicable terms and conditions required in the Plan and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may deem appropriate.
  - (ii) **Restricted Share Unit Account.** An Account, to be known as a "**Restricted Share Unit Account**", shall be maintained by the Corporation for each Participant. On the date of grant, the Account will be credited with the Restricted Share Units granted to a Participant on that date.
  - (iii) **RSU Service Year.** At the time of grant of a Restricted Share Unit, the Board shall specify the year of service of the Participant in respect of which the Restricted Share Unit is granted (the "**RSU Service Year**").
  - (iv) **Redemption of Restricted Share Units.** Subject to the terms of Section 7 of the Plan, after any Restricted Share Units become Vested Restricted Share Units, on the date that is three years following the end of the relevant RSU Service Year, or such other date determined by the Board, in its sole discretion (the "**Restricted Share Unit Redemption Date**"), such Vested Restricted Share Units shall be redeemed and, subject to Section 9(l), one Share shall be issued from the treasury of the Corporation to the Participant or the Participant's



Beneficiary, as applicable, for each of such Vested Restricted Share Units.

- (v) **Blackout Restriction Periods.** If the Restricted Share Unit Redemption Date for a Restricted Share Unit occurs during a Blackout Restriction Period applicable to the relevant Participant, or within 10 business days after the expiry of a Blackout Restriction Period applicable to the relevant Participant, then the Restricted Share Unit Redemption Date for that Restricted Share Unit shall be the date that is the 10<sup>th</sup> business day after the expiry date of the Blackout Restriction Period. This Section 6(b)(v) applies to all Restricted Share Units outstanding under the Plan.
  
- (c) **Performance Share Units.** The Board may grant to a Participant Performance Share Units each of which will consist of the right to receive one Share as at the date of redemption, subject to the terms of any applicable Award Agreement, and which are subject to such restrictions as the Board may impose, which restrictions may lapse separately or in combination at any time or times, in such installments or otherwise, as the Board may deem appropriate. The Board may impose any conditions or restrictions on the vesting or redemption of Performance Share Units as it may deem appropriate.
  - (i) **Award Agreement.** Each Performance Share Unit shall be evidenced by an Award Agreement containing the applicable terms and conditions required in the Plan and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may deem appropriate.
  - (ii) **Performance Share Unit Account.** An Account, to be known as a "**Performance Share Unit Account**", shall be maintained by the Corporation for each Participant. On the date of grant, the Account will be credited with the Performance Share Units granted to a Participant on that date.
  - (iii) **PSU Service Year.** At the time of grant of a Performance Share Unit, the Board shall specify the year of service of the Participant in respect of which the Performance Share Unit is granted (the "**PSU Service Year**").
  - (iv) **Redemption of Performance Share Units.** Subject to the terms of Section 7 of the Plan, after any Performance Share Units become Vested Performance Share Units, on the date which is three years following the end of the relevant PSU Service Year, or such other date determined by the Board, in its sole discretion (the "**Performance Share Unit Redemption Date**"), such Vested Performance Share Units shall be redeemed and, subject to Section 9(1), one Share shall be issued from the treasury of the Corporation to the Participant or the Participant's Beneficiary, as applicable, for each such Vested Performance Share Units.
  - (v) **Blackout Restriction Periods.** If the Performance Share Unit Redemption Date for a Performance Share Unit occurs during a Blackout Restriction Period applicable to the relevant Participant, or within 10 business days after the expiry of a Blackout Restriction Period applicable to the relevant Participant, then the Performance Share Unit Redemption Date for that Performance Share Unit shall be the date that is the 10<sup>th</sup> business day after the expiry date of the Blackout Restriction Period. This Section 6(c)(v) applies to all Performance Share Units outstanding under the Plan.
  - (vi) **Performance Criteria.** The Performance Share Units shall vest based in whole or in part on the Performance Criteria set forth in the applicable Award Agreement. Notwithstanding any other provision of the Plan, but subject to the limits described in Section 3 and 4 hereof and any other applicable requirements of the Principal Market or other regulatory authority, the Board reserves the right to make, in the applicable Award Agreement or otherwise, any additional adjustments to the number of Shares to be issued pursuant to any Performance Share Units if, in the sole discretion of the Board, such adjustments are appropriate in the

circumstances having regard to the principal purposes of the Plan.

- (d) **Deferred Share Units.** The Board may grant to eligible Participants Deferred Share Units, which may have all of the rights and restrictions that may be applicable to Restricted Share Units or Performance Share Units, except that the Deferred Share Units may not be redeemed until the Participant has ceased to hold all offices, employment and directorships with the Corporation and all affiliates (within the meaning of that term in para. 8 of Interpretation Bulletin IT-337R4, *Retiring Allowances [Consolidated]*, or any successor publication thereto) of the Corporation.
- (i) **Award Agreement.** Each Deferred Share Unit shall be evidenced by an Award Agreement containing the applicable terms and conditions required in the Plan and such other terms and conditions not inconsistent with the Plan as the Corporation, in its sole discretion, may deem appropriate.
- (ii) **Deferred Share Unit Account.** An Account, to be known as a "**Deferred Share Unit Account**" shall be maintained by the Corporation for each Participant. On the date of grant, the Account will be credited with the Deferred Share Units granted to a Participant on that date and all such Deferred Share Units shall immediately be Vested Deferred Share Units.
- (iii) **No Payment until Cessation of Employment.** Notwithstanding any other provision of the Plan, no payment shall be made in respect of a Deferred Share Unit until after the earliest time of: (i) the Participant's death; or (ii) the latest time that the Participant ceases to be an employee, officer or director of the Corporation or any affiliate (within the meaning of that term in para. 8 of Interpretation Bulletin IT-337R4, *Retiring Allowances [Consolidated]*, or any successor publication thereto) of the Corporation (such time is referred to as the "**Triggering Event**").
- (iv) **Redemption of Deferred Share Units.** After the occurrence of a Triggering Event in respect of a Participant, on December 15 of the calendar year commencing immediately after the date of the Triggering Event, or such other date determined by the Board, in its sole discretion (the "**Deferred Share Unit Redemption Date**"), the Vested Deferred Share Units credited to the Participant's Deferred Share Unit Account shall be redeemed and, subject to Section 9(1), one Share shall be issued from treasury of the Corporation to the Participant or the Participant's Beneficiary, as applicable, for each of such Vested Deferred Share Units. All payments in respect of a Deferred Share Unit shall, subject to Section 6(d)(v), be made no later than December 31<sup>st</sup> of the year commencing immediately after the occurrence of the Triggering Event.
- (v) **Blackout Restriction Periods.** If the Deferred Share Unit Redemption Date for a Deferred Share Unit occurs during a Blackout Restriction Period applicable to the relevant Participant, or within 10 business days after the expiry of a Blackout Restriction Period applicable to the relevant Participant, then the Deferred Share Unit Redemption Date for that Deferred Share Unit shall be the date that is the 10<sup>th</sup> business day after the expiry date of the Blackout Restriction Period. This Section 6(d)(v) applies to all Deferred Share Units outstanding under the Plan.
- (vi) **Conversion of Compensation into Deferred Share Units.** Subject to such rules, regulations and conditions as the Board, in its sole discretion, may impose, a Participant may elect, irrevocably, no later than December 15<sup>th</sup> of the calendar year preceding the year in which the election is to be effective, to have all or a portion of his ordinary cash compensation (the "**Participant Compensation**") to be paid by his Employer to such Participant for services to be performed in the calendar year following the date of the election, satisfied by way of Deferred Share Units credited to his Deferred Share Unit Account (with the remainder to be received in cash), by completing and delivering to the Corporation an initial written election, in such form as may be approved by the Board. Such election shall set out the percentage of

such Participant's compensation that the Participant wishes to be satisfied in the form of Deferred Share Units (with the remaining percentage to be paid in cash), within the limitations of this Section 6(d)(vi), for the calendar year for which the election is made and for subsequent years unless the Participant amends his election pursuant to this Section 6(d)(vi). All Deferred Share Units granted pursuant to an election under this Section 6(d)(vi) shall be immediately Vested Deferred Share Units.

- (A) A Participant may initiate or change the percentage of his Participant Compensation to be satisfied in the form of Deferred Share Units for any subsequent calendar year by completing and delivering to the Corporation a new written election no later than December 15 of the calendar year immediately preceding the calendar year to which the Participant Compensation relates.
  - (B) Notwithstanding anything in this Section 6(d)(vi), an election can only be made during the time periods prescribed by the Board or otherwise in accordance with Corporation policy; provided that no election will be permitted to be made or altered after December 31<sup>th</sup> of the calendar year immediately preceding the year in which the election is to be effective.
  - (C) Any election made by a Participant under this Section 6(d)(vi) shall designate the percentage, if any, of the Participant Compensation that is to be satisfied in the form of Deferred Share Units, all such designations to be in increments of five percent (5%).
  - (D) A Participant's election received by the Corporation under this Section 6(d)(vi) shall be irrevocable and shall continue to apply with respect to his Participant Compensation for any subsequent calendar year unless the Participant amends his election under this Section 6(d)(vi).
  - (E) Where there is no election that complies with this Section 6(d)(vi) in effect for a Participant for a particular calendar year, such Participant shall be deemed to have elected to receive his Participant Compensation for the applicable calendar year in cash.
- (e) **Dividend-Equivalent Rights.** The Board may grant to eligible Participants the rights described below as Dividend-Equivalent Rights.
- (i) Unless otherwise determined by the Board in its sole discretion or as may otherwise be set out in the applicable Award Agreement, on the payment date for cash dividends paid on Shares (the "**Dividend Payment Date**"), each Participant's Restricted Share Unit Account, Performance Share Unit Account and/or Deferred Share Unit Account, as applicable, shall be credited with additional Restricted Share Units, Performance Share Units or Deferred Share Units, as applicable, in respect of Restricted Share Units, Performance Share Units or Deferred Share Units, as applicable, credited to and outstanding in the Participant's Account(s) as of the record date for payment of such dividends (the "**Dividend Record Date**"). The number of such additional Restricted Share Units, Performance Share Units or Deferred Share Units, as applicable, to be credited to the Participant's Account(s) will be calculated (to two decimal places) by dividing the total amount of the dividends that would have been paid to such Participant if the Restricted Share Units, Performance Share Units or Deferred Share Units, as applicable, in the Participant's Account (including fractions thereof), as of the Dividend Record Date, were Shares, by the Fair Market Value of a Share on the Dividend Payment Date. The terms and conditions of any such additional Restricted Share Units, Performance Share Units or Deferred Share Units shall be identical to the underlying Restricted Share Units, Performance Share Units or Deferred Share Units held by such Participant.

- (ii) Notwithstanding anything else in this Section 6(e), no additional Restricted Share Units, Performance Share Units or Deferred Share Units will be credited or granted pursuant to this Section 6(e) where the Dividend Record Date relating to dividends falls after the Participant ceases to be a Service Provider.

**7. Cessation of Employment and Forfeitures**

Except as otherwise provided in the applicable Award Agreement or a written employment contract between the Corporation and a Participant, and subject to any express resolution passed by the Board or exercise of discretion by the Board, and further subject to the conditions that no Option may be exercised in whole or in part after the expiration of the period specified in the applicable Award Agreement and that no redemption can be made in respect of a Restricted Share Unit, Performance Share Unit or Deferred Share Unit other than during the time periods specified in Sections 6(b), 6(c) and 6(d) of the Plan:

- (a) if, prior to the expiry of any Options, a Participant ceases to be a Service Provider:
  - (i) by reason of the death or long term disability (as reasonably determined by the Corporation) of such Participant, then:
    - (A) all outstanding unvested Options granted to such Participant shall immediately and automatically terminate other than those Options which would have vested within the one year period following the date of such termination if such termination had not occurred, which Options shall for this purpose be deemed to be vested upon such termination; and
    - (B) only such Participant or the person or persons to whom such Participant's rights under the Options pass by such Participant's will or applicable law shall have the right to exercise part or all of such Participant's outstanding and vested Options (including, for greater certainty, any Options which are deemed to vest in accordance with Section 7(a)(i)(A) at any time up to and including (but not after) the earlier of: (i) the date which is one (1) year following the date of death or long term disability (as reasonably determined by the Corporation) of such Participant; or (ii) the Expiry Date(s) of such Options; or
  - (ii) for any reason, other than as provided in Section 7(a)(i), then:
    - (A) all outstanding unvested Options granted to such Participant shall, unless otherwise provided, immediately and automatically terminate; and
    - (B) such Participant shall have the right to exercise part or all of his or her outstanding vested Options at any time up to and including (but not after) the earlier of: (i) the date which is thirty (30) days following the date of such termination, resignation or cessation of employment; and (ii) the Expiry Date(s) of the vested Options; and
- (b) if, prior to the Redemption Date of any Performance Share Units or any Restricted Share Units, a Participant ceases to be a Service Provider:
  - (i) for any reason whatsoever including, without limitation, termination of his employment by his employer for cause or voluntary resignation, but excluding the circumstances described in Sections 7(b)(ii) and 7(b)(iii), all Performance Share Units and all Restricted Share Units of such Participant shall be immediately forfeited upon such event, all rights of the Participant under the Plan shall terminate and no cash shall be payable at any time in lieu of such forfeited Performance Share Units and Restricted Share Units;

- (ii) by reason of death, long term disability, retirement from active employment (as reasonably determined by the Corporation) or for any other reason as may be specifically approved by the Board, other than for the reasons set forth in Sections 7(b)(i) and 7(b)(iii), the Plan in all respects shall continue with respect to such Participant's Performance Share Units and Restricted Share Units and the Participant, or the person or persons to whom the Performance Share Units and Restricted Share Units pass by the Participant's will or applicable law shall be entitled to redeem and receive payment for such Performance Share Units and Restricted Share Units that such Participant is entitled to on each applicable Redemption Date in accordance with the terms of the Plan; or
- (iii) by reason of termination of his employment without cause then the Participant shall be entitled to redeem and receive payment for each Performance Share Unit and each Restricted Share Unit that such Participant would be entitled to on each applicable Redemption Date in accordance with the terms of the Plan provided that:
  - (A) in respect of each such Performance Share Unit, the Performance Share Unit Redemption Date falls within the notice period provided to such Participant, as set forth by the Corporation, upon termination of his employment and, if the Performance Share Unit Redemption Date falls after completion of the notice period provided in connection with such termination of employment, then such Performance Share Unit of such Participant shall be immediately forfeited upon such event and all rights of the Participant under the Plan relating thereto shall terminate; and
  - (B) in respect of each such Restricted Share Unit, the Restricted Share Unit Redemption Date falls within the notice period provided to such Participant, as set forth by the Corporation, upon termination of his employment and, if the Restricted Share Unit Redemption Date falls after completion of the notice period provided in connection with such termination of employment, then such Restricted Share Unit of such Participant shall be immediately forfeited upon such event and all rights of the Participant under the Plan relating thereto shall terminate;
- (c) subject to the other paragraphs in this Section 7, if the relationship of the Participant is terminated for any reason prior to the expiry of an Option or prior to the Redemption Date of any Performance Share Unit or Restricted Share Unit, whether or not such termination is with or without notice, adequate notice or legal notice or is with or without legal or just cause, the Participant's rights shall be strictly limited to those provided for in this Section 7, or as otherwise provided in the applicable Award Agreement or written employment contract between the Participant and the Corporation, and, without limiting the generality of the foregoing, in the event that an Option is not vested and exercised prior to the applicable deadline in Section 7(a) or a Performance Share Unit or Restricted Share Unit is not vested and redeemed prior to the applicable deadline in Section 7(b), such Award shall be forfeited and all rights of the Participant under the Plan to such Award shall terminate immediately after the deadline has passed and no cash shall be payable at any time in lieu of such forfeited Award. Unless otherwise specifically provided in writing, the Participant shall have no claim to or in respect of any Award which may have or would have vested had due notice of termination of employment been given nor shall the Participant have any entitlement to damages or other compensation in respect of any Award or loss of profit or opportunity which may have or would have vested or accrued to the Participant if such wrongful termination or dismissal had not occurred or if due notice of termination had been given. This provision shall be without prejudice to the Participant's rights to seek compensation for lost employment income or lost employment benefits (other than those accruing under or in respect of the Plan) in the event of any alleged wrongful termination or dismissal;
- (d) the transfer of a Service Provider from the Corporation to a subsidiary, from a subsidiary to the Corporation or from one subsidiary to another subsidiary, shall not be considered a cessation of employment or services, nor shall it be considered a cessation of employment if an Employee is placed on such other leave of absence or transition arrangement which is considered by the

Corporation as continuing intact the employment relationship for the same period. In the case of a leave of absence or transition arrangement, the employment relationship shall be continued until the date when an Employee's right to employment with the Corporation or a subsidiary is terminated by operation of law or by contract, except that in the event the Employee chooses not to renew active employment at the end of any leave of absence or transition arrangement, the employment relationship shall be deemed to have ceased at the beginning of the leave of absence or transition arrangement.

## 8. Amendments and Adjustments

Except to the extent prohibited by applicable law and unless otherwise expressly provided in an Award Agreement or in the Plan:

- (a) **Amendments to the Plan.** Subject to the requirements of applicable law, rules and regulations, the Board may amend, alter, suspend, discontinue, or terminate the Plan without the consent of any Shareholder, Participant, other holder or Beneficiary of an Award, or other Person; provided, however, that, subject to the Corporation's rights to adjust Awards under Sections 8(c) and (d), any amendment, alteration, suspension, discontinuation, or termination that would impair the rights of any Participant or holder or Beneficiary of any Award previously granted, will not to that extent be effective without the consent of the Participant or holder or Beneficiary of an Award, as the case may be, such consent not to be unreasonably withheld; and provided further, however, that notwithstanding any other provision of the Plan or any Award Agreement, without the approval of the Shareholders, no amendment, alteration, suspension, discontinuation, or termination will be made that would:
- (i) increase the total number of Shares available for Awards under the Plan, except as provided in Section 4;
  - (ii) reduce the exercise price or extend the term of any Award;
  - (iii) have the effect of cancelling any Awards and concurrently reissuing such Awards on different terms;
  - (iv) remove or exceed the insider participation limits in Sections 4(b)(ii) and 4(b)(iii);
  - (v) increase limits imposed on the participation of directors that are not officers or employees of the Corporation;
  - (vi) otherwise cause the Plan to cease to comply with any tax or regulatory requirement, including for these purposes any approval or other requirement;
  - (vii) have the effect of amending this Section 8(a);
  - (viii) modify or amend the provisions of the Plan in any manner which would permit Awards, including those previously granted, to be transferable or assignable in a manner otherwise than as provided for by Section 9(e); or
  - (ix) change the eligible Service Providers under the Plan which would have the potential of broadening or increasing insider participation.

Without limitation to the generality of the foregoing, Shareholder approval will not be required for any of the following types of amendments:

- (x) amendments of a "housekeeping" nature; or
  - (xi) a change to the termination provisions of Options which does not entail an extension beyond the original Expiry Date.
- (b) **Amendments to Awards.** The Board may waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any Award previously granted, prospectively or retroactively; provided, however, that, subject to the Corporation's rights to adjust Awards under Sections 8(c) and (d), any amendment, alteration, suspension, discontinuation, cancellation or termination that would impair the rights of any Participant or holder or Beneficiary of any Award previously granted, will not to that extent be effective without the consent of the Participant or holder or Beneficiary of an Award, as the case may be.
- (c) **Adjustment of Awards upon Certain Acquisitions.** In the event the Corporation or any Affiliate assumes outstanding employee awards or the right or obligation to make future awards in connection with the acquisition of another business or another corporation or business entity, the Board may, subject to, if applicable, approval of the Principal Market, make any adjustments, not inconsistent with the terms of the Plan, in the terms of Awards as it deems appropriate in order to achieve reasonable comparability or other equitable relationship between the assumed awards and the Awards granted under the Plan as so adjusted.
- (d) **Adjustments of Awards upon the Occurrence of Certain Unusual or Nonrecurring Events.** Subject to, if applicable, approval of the Principal Market, the Board is hereby authorized to make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or non-recurring events (including, without limitation, the events described in Sections 4(c) and 4(d)) affecting the Corporation, any affiliate, or the financial statements of the Corporation or any affiliate, or of changes in applicable laws, regulations, or accounting principles, whenever the Board determines that those adjustments are appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under the Plan.

9. **General Provisions**

- (a) **Acceleration.** Subject to Section 4(e), the Board may, in its sole discretion, at any time permit the acceleration of vesting of any or all Awards.
- (b) **No Cash Consideration for Awards.** Awards may be granted for no cash consideration or for such minimal cash consideration as may be required by applicable law.
- (c) **Awards May Be Granted Separately or Together.** Awards may, in the discretion of the Board, be granted either alone or in addition to, in tandem with, or in substitution for any other Award. Awards granted in addition to or in tandem with other Awards may be granted either at the same time as or at a different time from the grant of such other Awards.
- (d) **Forms of Payment under Awards.** Subject to the terms of the Plan and of any applicable Award Agreement, payments or transfers to be made by the Corporation or an Affiliate upon the grant, exercise, surrender, redemption, payment or settlement of an Award may be made in such form or forms as the Board will determine, including, without limitation, cash, Shares, other securities, other Awards, or other property, or any combination thereof and may be made in a single payment or transfer, in installments, or on a deferred basis, in each case in accordance with rules and procedures established by the Board. Such rules and procedures may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payments.

The Board may provide for financing broker dealers (including payment by the Corporation of commissions) and may establish procedures (including broker dealer assisted cashless exercise) for payment of Applicable Withholding Taxes.

For greater certainty: (i) Awards that are specified in the applicable Award Agreement to be settled solely in cash shall not be an Award for the purposes of the calculations in Section 4(a)(ii); (ii) in the case of an Award Agreement that is amended by the Corporation (and, if applicable, the Participant) in accordance with the Plan and the Award Agreement to provide for settlement of some or all of the applicable Award in cash, the Award subject to such amendment shall cease to be an Award for the purposes of the calculations in Section 4(a)(ii) and the Reserve will be increased by the number of Awards that are the subject of such amendment; and (iii) in the case of an Award Agreement that is amended by the Corporation (and, if applicable, the Participant) in accordance with the Plan and the Award Agreement to provide for settlement of some or all of the applicable Award in Shares, the Reserve will be decreased by the number of Awards that are the subject of such amendment. Unless otherwise determined in the applicable Award Agreement, in the circumstances set out in (i) and (ii) above, all other terms of the Plan and the Award Agreement shall be interpreted to refer to the settlement of the applicable Award in cash in lieu of Shares.

- (e) **Recoupment.** In situations where: (i) the Award received by a Participant or former Participant was calculated based or contingent upon the achievement of certain financial results that were subsequently the subject of or affected by a material restatement of all or a portion of the Corporation's financial statements for any reason other than a change in accounting policy with retroactive effect; and (ii) the Participant or former Participant failed to comply with the Corporation's internal policies or engaged in intentional misconduct, gross negligence or fraud that in the Board's opinion caused, or potentially caused, the need for the restatement; and (iii) the Award received would have been lower had the financial results been properly reported, then the Board may, to the extent permitted by applicable laws and to the extent it determines it is in the Corporation's best interest to do so, require reimbursement of all or any portion, as may be determined by the Board after a review of all relevant facts and circumstances, of an Award(s) received, Shares issued upon exercise of an Option or payment made pursuant to a redemption of a Share Unit by a Participant or former Participant within 36 months of the date of the restatement.
- (f) **Limits on Transfer of Awards.**
- (i) No Award, and no right under any such Award, may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant otherwise than by will, by the laws of descent or by the designation of a Beneficiary by a Participant and any such purported assignment, alienation, pledge, attachment, sale or other transfer or encumbrance will be void and unenforceable against the Corporation or any Affiliate.
- (ii) Each Award, and each right under any Award, will be exercisable during the Participant's lifetime only by the Participant or, if permissible under applicable law, by the Participant's guardian or legal representative.
- (g) **Terms of Awards.** Subject to the terms of the Plan, the term of each Award will be for such period as may be determined by the Board; provided, however, that the term of any Award of Options shall not exceed a period of five years from the date of its grant.
- (h) **Share Certificates.** All certificates for Shares delivered under the Plan pursuant to any Award or the grant, exercise, surrender, redemption, payment or settlement thereof will be subject to any stop transfer orders and other restrictions as the Board may deem advisable under the Plan or the rules, regulations, and other requirements of Canadian securities regulators, the securities and exchange commission, any stock exchange upon which such Shares are then listed, and any applicable federal, state, provincial or territorial securities laws, and the Board may cause a legend or legends to be put on any such certificates to make appropriate reference to such restrictions.
- (i) **Delivery of Shares or Other Securities and Payment by Participant of Consideration.** No Shares or other securities will be delivered pursuant to any Award until payment in full of any amount required to be paid pursuant to the Plan or the applicable Award Agreement is received by the



Corporation. Such payment may be made by such method or methods and in such form or forms as the Board will determine, including, without limitation, cash, Shares, other securities, other Awards or other property, or any combination thereof; provided that the combined value, as determined by the Board, of all cash and cash equivalents and the Fair Market Value of any such Shares or other property so tendered to the Corporation, as of the date of such tender, is at least equal to the full amount required to be paid pursuant to the Plan or the applicable Award Agreement to the Corporation.

- (j) **No Shareholder Rights.** Under no circumstances shall Options, Restricted Share Units, Performance Share Units, Deferred Share Units, Dividend-Equivalent Rights or any other Award made under the Plan be considered Shares or other securities of the Corporation, nor shall they entitle any Participant to exercise voting rights or any other rights attaching to the ownership of Shares or other securities of the Corporation, including, without limitation, voting rights, entitlement to receive dividends or other distributions or rights on liquidation, nor shall any Participant be considered the owner of Shares by virtue of any Award.
- (k) **No Right to Awards.** No Participant or other Person will have any claim to be granted any Award under the Plan, and there is no obligation for uniformity of treatment of Participants, or holders or Beneficiaries of Awards under the Plan. The terms and conditions of Awards need not be the same with respect to each recipient.
- (l) **Taxes and other Withholdings.**
  - (i) Neither the Corporation nor any Affiliate is liable for any tax or other liabilities or consequences imposed on any Participant (or any Beneficiary) as a result of the granting or crediting, holding, exercise, surrender or redemption of any Awards under this Plan, whether or not such costs are the primary responsibility of the Corporation or Affiliate. It is the responsibility of the Participant (or Beneficiary) to complete and file any tax returns which may be required under any applicable tax laws within the period prescribed by such laws.
  - (ii) The Corporation or any Affiliate is authorized to deduct or withhold from any Award granted, from any payment due or transfer made under any Award or under the Plan or from any compensation or other amount owing to a Participant such amount as may be necessary so as to ensure the Corporation and any Affiliate will be able to comply with the applicable provisions of any federal, provincial, state or local law relating to the withholding of tax or other required deductions (the "**Applicable Withholding Taxes**"), and to take any other action as may be necessary in the opinion of the Corporation or Affiliate, acting reasonably, to satisfy all obligations for the payment of those Applicable Withholding Taxes, including, for greater certainty, requiring a Participant, as a condition to the exercise or redemption of an Award, to pay or reimburse the Corporation or Affiliate, as applicable, for any Applicable Withholding Taxes. The Corporation or Affiliate may sell any Shares withheld, in such manner and on such terms as it deems appropriate, and shall apply the proceeds of such sale to the payment of Applicable Withholding Taxes or other amounts, and shall not be liable for any inadequacy or deficiency in the proceeds received or any amounts that would have been received, had such Shares been sold in a different manner or on different terms.
- (m) **No Limit on Other Compensation Arrangements.** Nothing contained in the Plan will prevent the Corporation or any Affiliate from adopting or continuing in effect other or additional compensation arrangements, and those arrangements may be either generally applicable or applicable only in specific cases.
- (n) **Collection of Personal Information.** Each Participant shall provide the Corporation and the Board with all information they require in order to administer the Plan. The Corporation and the Board may from time to time transfer or provide access to such information to a third party service provider for purposes of the administration of the Plan provided that such service providers will be provided with such information for the sole purpose of providing such services to the Corporation. By participating

in the Plan, each Participant acknowledges that information may be so provided and agrees to its provision on the terms set forth herein. Except as specifically contemplated in this Section 9(n), the Corporation and the Board shall not disclose the personal information of a Participant except: (i) in response to regulatory filings or other requirements for the information by a governmental authority with jurisdiction over the Corporation; (ii) for the purpose of complying with a subpoena, warrant or other order by a court, person or body having jurisdiction to compel production of the information; or (iii) as otherwise required by law. In addition, personal information of Participants may be disclosed or transferred to another party during the course of, or completion of, a change in ownership of, or the grant of a security interest in, all or a part of the Corporation or its Affiliates including through an asset or share sale, or some other form of business combination, merger or joint venture, provided that such party is bound by appropriate agreements or obligations.

- (o) **No Right to Employment.** The grant of an Award will not be construed as giving a Participant the right to be retained in the employ, as an officer or director of the Corporation or any Affiliate. Further, the Corporation or an Affiliate may at any time dismiss a Participant from employment, as an officer or director, free from any liability, or any claim under the Plan, unless otherwise expressly provided in the Plan or in any Award Agreement.
- (p) **No Right to Consultancy.** The grant of an Award will not be construed as giving a Participant the right to be retained as an independent contractor of the Corporation or any Affiliate.
- (q) **Neutral Gender.** In this Plan, words importing the masculine gender include feminine and vice versa and words importing the singular include the plural and vice versa.
- (r) **Governing Law.** The validity, construction, and effect of the Plan and any rules and regulations relating to the Plan will be determined in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in Ontario.
- (s) **Severability.** If any provision of the Plan or any Award is or becomes or is deemed to be invalid, illegal or unenforceable in any jurisdiction or as to any Person or Award under any law deemed applicable by the Board, that provision will be construed or deemed amended to conform to applicable laws, or if it cannot be construed or deemed amended without, in the determination of the Board, materially altering the intent of the Plan or the Award, that provision will be stricken as to that jurisdiction, Person or Award and the remainder of the Plan and any such Award will remain in full force and effect.
- (t) **No Trust or Fund Created.** The Plan shall be unfunded in all respects. Neither the Plan nor any Award will create or be construed to create a trust or separate fund of any kind or a fiduciary relationship between the Corporation or any Affiliate and a Participant or any other Person. To the extent that any Person acquires a right to receive payments from the Corporation or any Affiliate pursuant to an Award, that right will be no greater than the right of any unsecured general creditor of the Corporation or any Affiliate.
- (u) **No Fractional Shares.** No fractional Shares will be issued or delivered pursuant to the Plan or any Award, and, except as otherwise provided, the Board will determine whether cash, other securities, or other property will be paid or transferred in lieu of any fractional Shares or whether those fractional Shares or any rights thereto will be canceled, terminated, or otherwise eliminated.
- (v) **Headings.** Headings are given to the Sections and subsections of the Plan solely as a convenience to facilitate reference. Those headings will not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision of the Plan.

#### 10. **Effective Date of the Plan**

The Plan is effective May ●, 2017. If applicable, the Plan shall be subject to ratification by the shareholders of the Corporation to be effected by a resolution passed at a meeting of the shareholders of the Corporation, and to acceptance

by the TSX and any other relevant regulatory authority. Any Awards granted prior to such ratification and acceptance shall be conditional upon such ratification and acceptance being given and no such Awards may be exercised unless and until such ratification and acceptance are given.

## SCHEDULE "A"

### Wesdome Gold Mines Ltd. Supplement to Equity Incentive Plan for United States Participants

1. **General.** This supplement (the "**Supplement**") to the Wesdome Gold Mines Ltd. Equity Incentive Plan, as such plan may be amended from time to time (the "**Plan**") shall apply to Participants who are resident for tax purposes in the United States (the "**U.S. Participants**"). In the event of any inconsistency between the Plan and this Supplement, the terms and conditions of this Supplement shall control and govern Awards granted to U.S. Participants, except to the extent necessary to ensure that a U.S. Participant who is also subject to taxation under the Tax Act in respect of Awards granted under the Plan is not subject to material adverse tax consequences under the Tax Act. Capitalized terms not defined in this Supplement shall have the meaning given to such terms in the Plan, the terms and conditions of which are herein incorporated by reference.
2. **Governing Tax Law.** References in the Plan to Section 7 of the Tax Act shall not apply to any Award granted to a U.S. Participant. Awards granted to U.S. Participants generally shall be subject to the requirements of the Internal Revenue Code of 1986, as amended (the "**Code**").
3. **Award Agreement.** Unless otherwise determined by the Board, the Award Agreement evidencing an Award granted to a U.S. Participant shall set forth the terms, conditions and limitations for such Award, which may include the term of the Award, the provisions applicable in the event of the U.S. Participant's termination of service, and the Corporation's authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind an Award.
4. **Options.** At the time of grant, the Board shall specify in the Award Agreement evidencing an Option the vesting schedule and period during which such U.S. Participant has right to exercise the Option, in whole or in part, and the Board may determine that an Option may not be exercised in whole or in part for a specified period after it is granted. Such vesting may be based upon the U.S. Participant's duration of service to the Corporation or any Affiliate, Performance Criteria, individual performance or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Board. Subject to the terms of the Plan, at any time after grant of an Option, the Board may, in its sole discretion, and subject to whatever terms and conditions it selects, accelerate the period during which an Option vests.
5. **Restricted Share Units.** At the time of grant, the Board shall specify in the Award Agreement evidencing a Restricted Share Unit Award the date or dates on which the Restricted Share Units shall become fully vested and non-forfeitable, and may specify such conditions to vesting as it deems appropriate, including, without limitation, vesting based upon the U.S. Participant's duration of service to the Corporation or any Affiliate, or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Board. Subject to the terms of the Plan, at any time after grant of a Restricted Share Unit Award, the Board may, in its sole discretion, and subject to whatever terms and conditions it selects, accelerate the period during which a Restricted Share Unit Award vests.
6. **Performance Share Units.** At the time of grant, the Board shall specify in the Award Agreement evidencing a Performance Share Unit Award the date or dates on which the Performance Share Units shall become fully vested and non-forfeitable, and may specify such conditions to vesting as it deems appropriate, including, without limitation, vesting based upon the U.S. Participant's duration of service to the Corporation or any Affiliate, Performance Criteria, individual performance or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Board. Subject to the terms of the Plan, at any time after grant of a Performance Share Unit Award, the Board may, in its sole discretion, and subject to whatever terms and conditions it selects, accelerate the period during which a Performance Share Unit Award vests.
7. **Deferred Share Units.** At the time of grant, the Board shall specify in the Award Agreement evidencing a Deferred Share Unit Award the date or dates on which the Deferred Share Units shall become fully vested and nonforfeitable, and may specify such conditions to vesting as it deems appropriate, including, without limitation, vesting based upon the U.S. Participant's duration of service to the Corporation or any Affiliate, Performance Criteria, individual performance or other specific criteria, in each case on a specified date or dates or over any period or periods, as determined by the Board. The Board shall also specify the terms and conditions relating to the deferral

and distribution (redemption) of the Deferred Share Units, including, without limitation, the date(s) on which the Deferred Share Units shall be distributed (including whether such distribution dates shall be elected by the U.S. Participant), subject to the requirements of Section 409A of the Code.

8. **Dividend-Equivalent Rights.** To the extent that the Board determines to grant Dividend-Equivalent Rights, such dividend equivalents shall be converted to cash or additional Shares or Share units by such formula and at such time and subject to such restrictions and limitations as may be determined by the Board. Such Dividend-Equivalent Rights shall satisfy the requirements of Section 409A of the Code.

9. **Section 409A of the Code.** To the extent that the Board determines that any Award granted under the Plan is subject to Section 409A of the Code, the Award Agreement evidencing such Award shall incorporate the terms and conditions required by Section 409A of the Code. To the extent applicable, the Plan and Award Agreements shall be interpreted in accordance with Section 409A of the Code and United States Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the effective date of the Plan. Notwithstanding any provision of the Plan or any Award Agreement to the contrary, in the event that following the effective date the Board determines that any Award may be subject to Section 409A of the Code and related United States Department of Treasury guidance (including such United States Department of Treasury guidance as may be issued after the effective date of the Plan), the Board may adopt such amendments to the Plan and the applicable Award Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Board determines are necessary or appropriate to (a) exempt the Award from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the Award, or (b) comply with the requirements of Section 409A of the Code and related United States Department of Treasury guidance and thereby avoid the application of any penalty taxes under Section 409A of the Code.

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