



# **SKEENA**

RESOURCES LTD.

## **NOTICE OF AN ANNUAL GENERAL MEETING OF SHAREHOLDERS**

**NOTICE IS HEREBY GIVEN** that an Annual General Meeting of the shareholders of Skeena Resources Limited (the “**Company**”) will be held at Suite # 650 - 1021 West Hastings Street, Vancouver, BC, Canada V6E 0C3 on Friday, January 10, 2020 at 10:00 a.m. (the “**Meeting**”) for the following purposes:

1. receive the Company’s audited financial statements for the financial years ended December 31, 2018 and December 31, 2017 together with the interim financial statements for the period ended September 30, 2019;
2. to appoint Grant Thornton LLP as the auditor of the Company for the ensuing year and authorize the directors to fix the auditor’s remuneration;
3. to set the number of directors of the Company at five (5);
4. to elect the directors of the Company for the ensuing year;
5. to consider and re-approve the Company’s rolling 10% incentive stock option plan; and
6. to transact such other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Meeting are: (1) an Information Circular, which provides additional information relating to the matters to be dealt with at the Meeting; and (2) a Form of Proxy or Voting Instruction Form (“**VIF**”).

The record date for the determination of the Shareholders entitled to receive this Notice and to vote at the Meeting has been established as December 9, 2019.

Shareholders who cannot attend the Meeting in person may vote by proxy if a registered shareholder or provide voting instructions if a non-registered shareholder. Instructions for voting by registered shareholders or providing voting instructions by non-registered shareholders by mail, by phone and over the internet are included in the Information Circular. To be valid, proxies must be received by Computershare Investor Services Inc., the Company’s transfer agent, (“**Computershare**”) at 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 by 10:00 a.m., Pacific time, on January 8, 2020 or be provided to the Chairman of the Meeting.

If you are a non-registered Shareholder and a non-objecting beneficial owner, and receive a VIF from Computershare, please complete and return the form in accordance with the instructions. If you do not complete and return the form in accordance with such instructions, you may lose your right to vote at the Meeting, either in person or by proxy.

If you are a non-registered Shareholder and an objecting beneficial owner and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or such other intermediary. If you do not complete and return the materials in accordance with such instructions, you may lose your right to vote at the Meeting, either in person or by proxy.

Please advise the Company of any change in your address.

**DATED** at the City of Vancouver, in the Province of British Columbia, as of the 11<sup>th</sup> day of December, 2019.

**BY ORDER OF THE BOARD OF DIRECTORS**

(Signed) “Walter Coles, Jr.”  
Walter Coles, Jr.,  
President and Chief Executive Officer



**SKEENA**  
RESOURCES LTD.

**INFORMATION CIRCULAR**

In respect of the  
Annual General Meeting of Shareholders  
to be held on January 10, 2020

Dated as of December 11, 2019

## GLOSSARY

In this Circular, unless otherwise stated, the following capitalized terms have the meaning set out below:

“**Board**” means the board of directors of Skeena.

“**Circular**” means this information circular of the Company.

“**Dollars**” or “**\$**” means Canadian dollars, unless otherwise specified.

“**Exchange**” means the TSX Venture Exchange.

“**Meeting**” means the annual general meeting of holders of Shares that is being held on January 10, 2020 or any adjournment or postponement thereof.

“**NI 54-101**” means National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators.

“**Person**” means an individual or a company and includes any corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

“**Record Date**” means December 9, 2019.

“**Shareholder**” or “**Shareholders**” means a holder or holders of Shares, as applicable.

“**Shares**” means common shares in the capital of the Company.

“**Skeena**” or the “**Company**” means Skeena Resources Limited.

## GENERAL PROXY INFORMATION

**This Information Circular (“Circular”), together with the Notice of Meeting and the Proxy (collectively, the “Meeting Materials”) is being furnished in connection with the solicitation of proxies (“Proxies”) and voting instruction forms (“VIFs”) by the management of Skeena for use at the annual general meeting of the Shareholders of the Company (the “Meeting”) to be held at the time and place and for the purposes set forth in the Notice of Meeting and at any adjournment thereof. It is expected the solicitation will be primarily by mail. Proxies and VIFs may also be solicited personally or by telephone by directors, officers or regular employees of the Company at nominal cost. The cost of solicitation will be borne by the Company.**

Skeena is not using the ‘Notice and Access’ procedures available under NI 54-101 in respect of the Meeting.

## COMPLETION AND VOTING OF PROXIES AND VIF’S

### Voting

Voting at the Meeting will be by a show of hands, each registered Shareholder and each person representing a registered or unregistered Shareholder through a Proxy or VIF (a “**Proxyholder**”) having one vote, unless a poll is required (if the number of Shares represented by Proxies and VIFs that are to be voted against a motion are greater than 5% of the votes that could be cast at the Meeting) or requested, whereupon each such Shareholder and Proxyholder is entitled to one vote for each Share held or represented, respectively.

To approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an ‘ordinary resolution’) unless the motion requires a ‘special resolution’ in which case a majority of 66 $\frac{2}{3}$ % of the votes cast will be required.

### Appointment of Proxyholders

The persons named in the enclosed form of Proxy or VIF as Proxyholders are directors or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) other than the persons named in the Proxy or VIF as Proxyholders to attend and vote on the Shareholder’s behalf at the Meeting. To exercise this right, the Shareholder must strike out the names of the persons named in the Proxy or VIF as Proxyholders and insert the name of the Shareholder’s nominee in the space provided or, if the Shareholder is a registered Shareholder, complete another form of Proxy.**

If the instructions in a Proxy are certain, the shares represented thereby will be voted or withheld from voting in accordance with such instructions on any poll that may be called for, and, where a choice with respect to any matter to be acted upon has been specified in the Proxy, the shares represented thereby will, on a poll, be voted accordingly.

Where no choice has been specified by the shareholder and the management proxyholders named in the form of Proxy have been appointed, such shares will be voted in accordance with the recommendations of management as set out on the form of Proxy.

**The enclosed form of Proxy, when properly completed and delivered and not revoked, confers discretionary authority upon the persons appointed proxyholders thereunder to vote with respect to any amendments or variations of matters identified in the Notice of Meeting and with respect to**

**other matters which may properly come before the Meeting.** At the time of the printing of this Circular, the management of the Company knows of no such amendment, variation or other matter which may be presented to the Meeting.

The Proxy or VIF must be dated and signed by the Shareholder or the Shareholder's attorney authorized in writing in order to be valid. In the case of a corporation, the Proxy or VIF must be dated and executed under its corporate seal or signed by a duly authorized officer of, or attorney for, the corporation.

**Shareholders must return their completed Proxies and VIFs, together with the power of attorney or other authority, if any, under which it was signed or a notarial certified copy thereof, in accordance with the instructions thereon.** Proxies (but not VIFs, unless the VIF has Computershare's name and address on the top right corner of the first page) may also be returned to the Company's transfer agent, Computershare Investor Services Inc. (Attn: Proxy Department), by mail to 8<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by hand delivery to 3<sup>rd</sup> Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9. **Proxies received after the time set out in the Proxy or VIF for delivery thereof may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion.**

### **Registered Shareholders**

Only persons registered as Shareholders in the Company's central securities register as of the close of business on the Record Date or duly appointed Proxyholders will be recognized to make motions at the Meeting.

### **Unregistered Shareholders**

Shareholders holding their Shares through intermediaries (such as stockbrokers, securities dealers, banks, trust companies, trustees and their agents and nominees; "**Intermediaries**") will not be recognized nor may they make motions or vote at the Meeting except as described below.

If Shares are listed in an account statement provided to a Shareholder by an Intermediary, those Shares are probably not registered in the Shareholder's name. Such Shares will probably be registered in the name of the Intermediary or its nominee and can only be voted through a duly completed Proxy given by the Intermediary. Without specific instructions, Intermediaries are prohibited from voting Shares for their clients. **Therefore, each unregistered Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

NI 54-101 requires Intermediaries to seek voting instructions from those beneficial Shareholders that have refused to allow their address to be provided to the Company ("**OBOs**") in advance of Shareholder meetings. Intermediaries may have their own mailing procedures and provide their own form of VIF to clients, which should be carefully followed by unregistered Shareholders to ensure their Shares are voted at the Meeting. The VIF supplied to OBOs by Intermediaries is substantially similar to the Proxy provided by the Company directly to the registered Shareholders, however, it is limited to instructing the Intermediary (as the registered Shareholder) how to vote on behalf of the OBO.

Most Intermediaries in Canada and the United States of America ("**USA**") delegate responsibility for obtaining instructions from OBOs to a third party corporation such as Broadridge Investor Services (if the Shareholder is an unregistered (beneficial) Shareholder that has consented to allow its address to be provided to the Company (a "**NOBO**"), the Company or its transfer agent may do so directly). This third party corporation sends a machine-readable VIF to OBOs and asks the OBOs to return the VIFs to them or provide instructions to them through the Internet or by telephone. The third party corporation (or the Company or its agent, if it has sent the VIF to the NOBO directly) then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Shares to be represented at the Meeting.

Skeena is taking advantage of certain provisions under NI 54-101 that allow it to send Meeting Materials to NOBOs directly. In accordance with the requirements of NI 54-101, Skeena has distributed copies of the Meeting Materials to the clearing agencies and Intermediaries for onward distribution to OBOs. The Company will pay for intermediaries to forward the Meeting Materials to OBOs.

*These securityholder materials are being sent to both registered and Non-Registered Holders. If you are a Non-Registered Holder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.*

**If a NOBO wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the NOBO), the NOBO should insert the name of the NOBO (or the name of the person that the NOBO wants to attend and vote on the NOBO's behalf) in the space provided on the VIF and return it to Computershare in accordance with the instructions provided on the VIF.** If Computershare or the Company receives a written request that the NOBO or its nominee be appointed as Proxyholder, if management is holding a proxy with respect to common shares beneficially owned by such NOBO, the Company must arrange, without expense to the NOBO, to appoint the NOBO or its nominee as Proxyholder in respect of those common shares. Under NI 54-101, unless corporate law does not allow it, if the NOBO or its nominee is appointed as Proxyholder by the Company in this manner, the NOBO or its nominee, as applicable, must be given the authority to attend, vote and otherwise act for and on behalf of management in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. If the Company receives such instructions at least one business day before the deadline for submission of proxies, it is required to deposit the proxy within that deadline, in order to appoint the NOBO or its nominee as Proxyholder. **If a NOBO requests that the NOBO or its nominee be appointed as Proxyholder, the NOBO or its appointed nominee, as applicable, will need to attend the meeting in person in order for the NOBOs vote to be counted.**

**If an OBO wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the OBO), the OBO should insert the OBO's name (or the name of the person the OBO wants to attend and vote on the OBO's behalf) in the space provided for that purpose on the request for voting instructions form and return it to the OBO's intermediary or send the intermediary another written request that the OBO or its nominee be appointed as Proxyholder.** The Intermediary is required under NI 54-101 to arrange, without expense to the OBO, to appoint the OBO or its nominee as Proxyholder in respect of the OBO's common shares. Under NI 54-101, unless corporate law does not allow it, if the Intermediary makes an appointment in this manner, the OBO or its nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of the Intermediary (who is the registered shareholder) in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. An Intermediary who receives such instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint the OBO or its nominee as Proxyholder. **If an OBO requests that the Intermediary appoint the OBO or its nominee as Proxyholder, the OBO or its appointed nominee, as applicable, will need to attend the meeting in person in order for the OBOs vote to be counted.**

**If an unregistered Shareholder receives a VIF and does not wish to attend the Meeting as a Proxyholder, the VIF must be returned, or instructions respecting the voting of Shares must be communicated, to the third party corporation (or the Company or its transfer agent) in advance of the Meeting to have the Shares voted in accordance with the instructions on that VIF.**

Shareholders with questions respecting the voting of Shares held through an Intermediary should contact that Intermediary for assistance.

### REVOCATION OF PROXIES AND VIF'S

Shareholders have the power to revoke Proxies and VIFs previously given by them. Revocation can be effected by an instrument in writing (which includes a Proxy or VIF, as applicable, bearing a later date) signed by a Shareholder or the Shareholder's attorney authorized in writing and, for a corporation, executed under its corporate seal or signed by a duly authorized officer or attorney for the corporation. Such instrument must be delivered to Computershare as set out under 'Completion and Voting of Proxies and VIFs – Appointment of Proxyholders' above, to the Company as set out under 'Additional Information' below or to the Company's registered office (at Suite # 650 - 1021 West Hastings Street, Vancouver, BC, Canada V6E 0C3 or by fax to (+1) 604-558-7695 any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or deposited with the Chairman of the Meeting prior to the commencement of the Meeting.

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

Other than as disclosed in this Circular, none of the directors or executive officers of the Company, any person who has held such a position during the financial years ended December 31, 2018 or December 31, 2017, 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.

### VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Shares are the only class of shares of the Company entitled to be voted at the Meeting. All issued Shares are entitled to be voted at the Meeting and each has one non-cumulative vote. Only Shareholders of record as at the close of business on December 9, 2019 (the "**Record Date**") will be entitled to vote at the Meeting or any adjournment thereof.

The common share figures set out herein are post-consolidation common shares due to the completion of share consolidation by the Company on October 20, 2017. There were 128,801,872 common shares of the Company issued and outstanding as of the Record Date.

To the knowledge of the directors and senior officers of the Company, as at the Record Date, the following are the only persons beneficially owning, directly or indirectly, or exercising control or direction over voting securities carrying more than 10% of the voting rights attached to any class of voting securities of the Company:

Name	Number of Voting Securities as at Record Date	Percentage of Issued Voting Securities
Deutsche Balaton Aktiengesellschaft ("DB") <sup>(1)</sup>	19,996,806 Common Shares	15.5%

Note:

- (1) DB, whose principal business is to invest in its own funds, together with DELPHI Unternehmensberatung AG ("DU"), whose principal business is to invest in its own funds, and Sparta AG ("SP"), whose principal business is to invest in its own funds (are together hereinafter referred to as "Joint Actors"). DB owns a majority interest in SP. DU indirectly owns a majority interest in DB. Wilhelm Konrad Thomas Zours, an individual and the sole member of the board of management of DU, owns a majority interest in DU. DB and the Joint actors directly or indirectly, have control and direction over the number and percentage of common shares indicated above.



## **ADVANCE NOTICE POLICY**

The Company has an advance notice policy in place which requires that Shareholders who wish to nominate persons for election as directors of the Company must do so in accordance with certain deadlines. This policy is in place to facilitate an orderly and efficient process respecting Shareholder meetings, to ensure that all Shareholders receive adequate notice of, and sufficient information regarding the persons nominated for election to the Board, enabling Shareholders to register a well-informed vote. The Company received no notice of Shareholder nominees under the advance notice policy in respect of the Meeting.

## **FINANCIAL STATEMENTS**

The audited consolidated financial statements of the Company for the fiscal years ended December 31, 2018 and December 31, 2017 together with the reports of the auditors thereon, as well as the interim financial statements of the Company for the nine-month period ended September 30, 2019 are being presented at the Meeting.

These documents were previously sent to shareholders in accordance with applicable corporate and securities laws and are also available on SEDAR at [www.sedar.com](http://www.sedar.com) under the Company's name.

## **APPOINTMENT AND REMUNERATION OF AUDITOR**

The management of the Company will recommend to the Meeting to appoint Grant Thornton LLP, of Suite 1600, 333 Seymour Street, Vancouver, B.C. V6B 0A4, as auditor of the Company to hold office until the close of the next Annual General Meeting of shareholders. It is proposed that the remuneration to be paid to the auditor be fixed by the directors.

A copy of a Notice of Change of Auditor and Confirmation re Review by the Audit Committee or Board of Directors and letters, dated December 10, 2019 from Ernst & Young LLP, Chartered Professional Accountants, the "Former Auditor", and dated December 10, 2019, from Grant Thornton LLP, the "Successor Auditor", respectively, addressed to the British Columbia Securities Commission, the Alberta Securities Commission and the Financial and Consumer Affairs Authority of Saskatchewan are attached hereto and form a part of this Information Circular.

There are no reservations in the Former Auditor's reports in connection with:

- (a) the audits of the two most recently completed fiscal years; and
- (b) any period subsequent to the most recently completed period for which an audit report was issued and preceding the date of expiry of the Former Auditor's term of office.

There are no reportable events including disagreements, unresolved issues and consultations between the Company and the Former Auditor or the Successor Auditor in connection with the periods set forth in paragraphs (a) and (b) above.

Unless otherwise instructed, proxies given pursuant to this solicitation will be voted for the appointment of the Successor Auditor as the auditor of the Company to hold office until the close of the next Annual General Meeting.

## **ELECTION OF DIRECTORS**

The number of directors for the Company is set by ordinary resolution of the shareholders of the Company. Management of the Company is seeking shareholder approval of an ordinary resolution to set the number of directors of the Company at five (5) for the ensuing year.

The persons below are management's nominees to the Board, each of whom was elected by the Shareholders at the last annual general meeting of Shareholders. Each director will hold office until the next annual general meeting 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 Articles or the director becomes disqualified to act as a director.

The following information concerning the directors has been furnished by each of them.

<b>Name, Province or State and Country of Residence and Present Position in Company</b>	<b>Present Principal Occupation <sup>(1)</sup></b>	<b>Director Since <sup>(2)</sup></b>	<b>Number of Shares <sup>(3)</sup></b>
<p><b>COLES, Walter Jr.</b> New York, United States of America Director, President and CEO</p>	<p>President and CEO (since December 18, 2013) of the Company</p> <p>President and CEO (since October 15, 2010) of Anthem Resources Inc. (publicly traded (TSX-V:AYN) uranium exploration company) until July 2015 when it merged with Eros Resources Corp.</p> <p>Executive Vice-President (since September 27, 2012) of Virginia Energy Resources Inc. (publicly traded (TSX-V:VUI) uranium exploration and development company)</p> <p>Formerly Executive Vice-President (January 2007 to September 2012) for VA Uranium Holdings, Inc. (private uranium company)</p> <p>Formerly Equity and High Yield Bond Analyst (March 2005 to January 2007) for Cadence Investment Partners, LLC (New York based investment company) and Research Analyst (December 1999 to March 2005) for UBS Investment Bank (international securities and investments advisor)</p>	<p>Dec. 18, 2013</p>	<p>486,916 &lt;1%</p>

Name, Province or State and Country of Residence and Present Position in Company	Present Principal Occupation <sup>(1)</sup>	Director Since <sup>(2)</sup>	Number of Shares <sup>(3)</sup>
<b>PARRY, Craig</b> <sup>(4)</sup> British Columbia, Canada Director	President and CEO of IsoEnergy Ltd., and Director of NexGen Energy Ltd.  Senior Advisor and Co-Founder of EMR Capital (2012-2016)  CEO and Managing Director of Tigers Realm Coal Ltd. (2012-2015)  Executive Director and General Manager Business Development Tigers Realm Group (2008-2015)	Dec. 15, 2016	62,500 <1%
<b>PUTNAM, III, Borden Roger</b> <sup>(4)</sup> California, United States of America Director	Professional Geologist with 43 years experience. Presently, Principal Analyst, Mione Capital, an independent mining industry consultancy providing technical due diligence evaluations in support of project finance (2009 to present).  Previously, Managing Director/Principal Natural Resources Analyst at Eastbourne Capital and Robertson Stephens Investment Management (1996-2009). Chief Geologist and Vice President Geology with Mineral Resources Development (MRDI) an international mining consultancy (1991-1996). District Manager, Newmont Exploration, Elko Nevada (1984-1991); Senior Geologist and Geologist with AMAX Exploration, Lakewood Colorado (1976- 1984).  Non-executive independent Director Heron Resources, Australia (2015- Present).  Professional Geologist, CA and WY, USA; F AusIMM, F SEG	Jan. 29, 2018	104,708 <1%

Name, Province or State and Country of Residence and Present Position in Company	Present Principal Occupation <sup>(1)</sup>	Director Since <sup>(2)</sup>	Number of Shares <sup>(3)</sup>
<b>BURSTEIN, Isac</b> <sup>(5)</sup> Lima, Peru Director	Professional Geologist  VP Exploration and Business Development with Hochschild Mining PLC (2014 to present)  Previously, Manager for Project Evaluation, Exploration Manager for Mexico, and Exploration Geologist 1995 – 2014)	March 1, 2019	0 0%
<b>(GILL) Kaur Hayre, Sukhjit (Suki)</b>  British Columbia, Canada Director Nominee	Partner at Smythe LLP since 2012  Director, BC Provincial Health Services Authority and Director, BC Ambulance Service – BC Emergency Health Services since March 2016; Chair of the Audit Committee; Member of the Finance and Research Committee	N/A Director Nominee	0 0%

<sup>(1)</sup> Includes occupations for preceding five years.

<sup>(2)</sup> Apart from Mr. Burstein (see footnote <sup>(5)</sup> below), none of the proposed directors is to be elected under any arrangement or understanding between the proposed director and a third party (other than the directors and executive officers of the Company acting as in that capacity).

<sup>(3)</sup> The approximate number of common shares of the Company carrying the right to vote in all circumstances beneficially owned, directly or indirectly, or over which control or direction that is expected to be exercised by each director as of the date of this Circular, on a non-diluted basis. No director, together with the director’s associates and affiliates beneficially is expected to own, directly or indirectly, or exercise control or direction over more than 10% of the shares of the Company. Percentages are on an undiluted basis.

<sup>(4)</sup> Member of the Audit Committee.

<sup>(5)</sup> As disclosed by the Company in News Releases dated September 19, 2018 and October 16, 2018, on October 16, 2018 the Company closed a strategic financing and option of 60% of Skeena’s Snip Gold Project (“Snip”) with Hochschild Mining Holdings Limited (a wholly owned subsidiary of Hochschild Mining plc) (“Hochschild”). After giving effect to the Financing, Hochschild now owns approximately 8% of Skeena’s total issued and outstanding shares.

The terms of the strategic financing provided that Hochschild may nominate a representative to serve on Skeena’s board of directors for so long as it holds 5% or more of the issued and outstanding shares of Skeena. In addition, Hochschild will have the right to participate in future offerings in order to maintain its percentage interest in Skeena. Mr. Burstein was the representative nominated by Hochschild to serve on Skeena’s board of directors.

### **Cease Trade Orders, Bankruptcies, Penalties and Sanctions**

During the ten years preceding the date of this Circular, other than as disclosed below, no proposed director of the Company has, to the knowledge of the Company, been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer; 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.

During the ten years preceding the date of this Circular, other than as disclosed below, no proposed director of the Company has, to the knowledge of the Company, been a director, chief executive officer or chief financial officer of any company that:

- (a) 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 the assets of that company; or
- (b) has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Company 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 been subject to any other penalties or sanctions imposed by a court, or regulatory body that would likely be considered important to a reasonable security holder in deciding to vote for a proposed director.

## **PARTICULARS OF OTHER MATTERS TO BE ACTED ON AT THE MEETING**

### **Approval of the Company Stock Option Plan**

The Company Stock Option Plan is subject to annual approval of the Shareholders pursuant to the policies of the TSXV. At the shareholder meeting held January 16, 2018, pursuant to the policies of the TSXV, management of the Company proposed, and the Shareholders approved, the Company's Stock Option Plan, a rolling stock option plan which reserves a maximum of 10% of the issued Shares on the applicable grant date for grant of Options under the plan. The policies require that such a rolling plan be re-approved each year by the Shareholders and the TSXV. At the Company's Annual General Meeting held on March 1, 2019, shareholder approval was sought and obtained to amend the Company's Stock Option Plan to include the Exchange Hold Period (as defined under TSX Venture Exchange Policy 1.1: Interpretation).

Management of the Company believes that Options serve an important function in furnishing directors, officers, employees and consultants (collectively the "**Eligible Parties**") of the Company an opportunity to invest in the Company in a simple and effective manner and to better align the interests of the Eligible Parties with those of the Company and its shareholders through ownership of Shares. Accordingly, at the Meeting the Shareholders will be asked to consider re-approving the Company Stock Option Plan and the allotment and reservation of sufficient Shares from treasury to provide the Shares necessary for issuance upon the exercise from time to time of Options granted pursuant to the Company Stock Option Plan.

The Company Stock Option Plan has been prepared by the Company in accordance with the policies of the TSXV and is in the form of a rolling stock option plan reserving for issuance upon the exercise of

Options granted pursuant to the Company's Stock Option Plan, a maximum of 10% of the issued and outstanding Shares at any time, less any Shares required to be reserved with respect to Options granted by the Company prior to the implementation of the Company Stock Option Plan. The Company's Stock Option Plan is administered at the Board level. Subject to the provisions of the Company's Stock Option Plan, the Board in its sole discretion will determine all Options to be granted pursuant to the Company's Stock Option Plan, the exercise price therefor and any special terms or vesting provisions applicable thereto. The Board will comply with all TSXV and other regulatory requirements in granting Options and otherwise administering the Company's Stock Option Plan.

For a description of the current Option Plan please see 'Executive Compensation - Stock Option Plan' below.

A full copy of the Company Stock Option Plan will be available at the Meeting. Shareholders may also obtain a copy of the Company Stock Option Plan in advance of the Meeting upon request to the Company, at Suite 650, 1021 West Hastings Street, Vancouver, British Columbia V6E 0C3, or on SEDAR at [www.sedar.com](http://www.sedar.com) under the Company's profile.

The Board believes that passing of the following resolution is in the best interest of the Company. Accordingly, Shareholders will be asked to approve the following ordinary resolution at the Meeting:

**“BE IT RESOLVED, as an Ordinary Resolution of the Shareholders of the Company, THAT:**

1. The continued use of the Company Stock Option Plan by the Company be and is hereby ratified and approved.
2. The Board, or any committee of the Board created pursuant to the Company's Stock Option Plan, is authorized to make such amendments to the Company's Stock Option Plan from time to time as the Board may, in its discretion, consider to be appropriate or as may be required by the Exchange, in accordance with the Company's Stock Option Plan and the policies of the TSXV and other regulatory authorities, as applicable.
3. Any one director or officer of the Company be and is hereby authorized and directed to do all such acts and things and to execute and deliver, under the corporate seal of the Company or otherwise, all such deeds, documents, instruments and assurances as in his or her opinion may be necessary or desirable to give effect to the foregoing resolutions.”

The foregoing resolution must be approved by a majority (more than 50%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting in order for it to be adopted.

## **EXECUTIVE COMPENSATION**

In the following information, a “**Named Executive Officer**” or “**NEO**” means each of the CEO and CFO of the Company (or any person carrying out the functions of a CEO or CFO) and the three highest paid executive officers, if any, of the Company and any subsidiary serving at the end of the financial year ended December 31, 2018 whose total individual compensation (excluding the value of any pension) was more than \$150,000 in the last financial year (including any CEO, CFO and executive officer that held such position for only a part of the last financial year).

### **Compensation Discussion and Analysis**

#### *Philosophy*

The philosophy used by the Compensation Committee in determining the compensation of the Named Executive Officers is that the compensation should:

- assist the Company in attracting and retaining key individuals as NEOs,
- align the interests of NEOs with those of the Shareholders,
- reflect each NEO's performance, expertise, responsibilities and length of service to the Company,
- reflect the Company's past performance and current state of development, and
- be commensurate with the Company's financial ability to remunerate its NEOs.

### *Compensation Components*

The Company's process for determining executive compensation is comparable to that used by most employers in the mineral exploration industry. The compensation of the Named Executive Officers is comprised of three components: (i) base salary; (ii) incentive bonus; and (iii) stock options.

There are no formal policies or procedures for determining the remuneration of the NEOs and Board. Instead, the Compensation Committee generally considers the appropriate level of remuneration without any formal objectives, criteria or analysis. Levels of remuneration are usually first informally discussed among the members of the Compensation Committee before being formally considered and approved. No specific formulas have been developed to assign a specific weighting to each of these components. Instead, the Compensation Committee considers the Company's performance and recommends compensation based on this assessment. Accordingly, each case is determined on its own merits and circumstances after being considered in light of prevailing economic conditions – both on a corporate level and on a national and international level – and industry norms for such remuneration.

Neither the Board nor any committee of the Board considered the implications of the risks associated with the Company's compensation policies and practices.

No NEO or director is permitted to purchase financial instruments, including prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, 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.

Stock options already held by NEOs are considered in granting new options to them.

Finally, in assessing compensation levels, the Compensation Committee relies on the experience of their members as officers and directors of other publicly traded mineral exploration companies. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;
- identify and understand any gaps that may exist between the Company's compensation rates and compensation paid by other companies; and
- establish as a basis for developing salary adjustments and short-term and long-term incentive awards.

Each of these compensation components is described below.

#### Base Salary:

The base salary for each Named Executive Officer is based on assessment of factors such as:

- current competitive market and economic conditions;

- compensation levels within the peer group; and
- particular skills of the NEOs, such as leadership ability and management effectiveness, experience, responsibility and proven or expected performance of the particular individual.

Using this information, budgetary guidelines and other internally generated planning and forecasting tools, the Compensation Committee performs an assessment of the compensation of all NEOs, when requested by the Company's management. The Compensation Committee then sets the base salaries of the CEO, CFO and other NEOs.

#### Incentive Bonus:

The Compensation Committee annually reviews and, if the committee determines them to be appropriate, approves the payment of incentive bonuses. The bonuses are generally paid by way of cash payments. The amount of the bonuses paid is based partly on the Company's success in reaching its objectives and partly on each Named Executive Officer's performance.

As part of determining bonuses to be paid, the Board reviews corporate performance objectives during the year. In the last financial year, the principal objectives included:

- discoveries of significant mineralization on one or more of the Company's properties;
- maintaining compliance with the regulatory and disclosure framework;
- increasing investors' interest in the Company;
- increasing the Company's market capitalization and working capital; and
- maximizing Shareholder value from the development and sale, option, joint venture or other disposition of mineral properties.

The success of the NEOs' contributions to the Company in reaching its overall goals is a factor in the determination of their annual bonus. The Compensation Committee assesses each NEO's performance on the basis of the NEO's contribution to the achievement of corporate goals and the needs of the Company that arise on a day-to-day basis. This assessment is used by the Compensation Committee with respect to the determination of annual bonuses for the NEOs.

#### Stock Options:

The Option Plan is designed to encourage Share ownership and entrepreneurship in Named Executive Officers and other senior management and employees. The Compensation Committee believes that the Option Plan aligns the interests of the NEOs' with the interests of Shareholders by linking a component of executive compensation to the longer term performance of the Shares.

#### **Option Based Awards to Named Executive Officers**

Stock options granted to NEOs are granted, from time to time, as the Compensation Committee feels is appropriate in the circumstances and in such amounts as are determined by the Compensation Committee.

In determining stock option grants, the Compensation Committee takes into account the options previously granted by the Company. In addition, the committee considers each individual's performance and their assessment of each individual's contribution to Shareholder value.

In addition to determining the number of Shares to be subject to options granted pursuant to the methodology outlined above, the Compensation Committee also determines, subject to and in accordance with the provision of the Option Plan, the following terms of the options:



- the exercise price;
- the terms on which the options vest; and
- any other material terms and conditions.

### **Contracts with Named Executive Officers**

The Company's employment and consulting contracts with its Named Executive Officers are written agreements. These agreements provide for the remuneration of such officers as summarized in the Summary Compensation Table below. The agreements may be terminated at the election of such officers on reasonable notice.

In addition to the remuneration payable under the contracts, bonuses and stock options may be paid or granted to such officers in the discretion of the Compensation Committee.

### **Pension Plans for Named Executive Officers**

The Company does not have any pension plans including 'defined benefits' plans, 'defined contribution' plans or 'deferred compensation' plans.

### **Other Remuneration of Named Executive Officers**

During the financial years ended December 31, 2018 and December 31, 2017 there was not any other remuneration paid or payable, directly or indirectly, by the Company pursuant to any existing plan or arrangement to its directors and Named Executive Officers, apart from a health benefits plan.

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

The Company has no plan or arrangement whereby any NEOs may be compensated in the event of their resignation, retirement or other termination of employment that is initiated by the NEO. In the event of termination without cause, constructive dismissal, reduction of compensation, title, or role, a change of control of the Company, a change of control of a material asset of the Company, or a change in the NEO's responsibilities, the Company may be obligated to incur severance payments as shown below.

#### Walter Coles Jr, CEO

On termination without cause, constructive dismissal, reduction of compensation, title, or role, Walter Coles Jr. shall be paid severance of:

- a lump-sum payment calculated as three months of his then current salary, plus one quarter of his highest annual bonus amount in the three preceding years,
- continuation of the current benefits provided to him by the Company for a period of three months,
- the highest bonus amount received in the three preceding years, prorated for months worked during the year up to the termination date.

On a change of control, Walter Coles Jr. may be paid severance of:

- a lump-sum payment calculated as two years of his then current salary, plus two times his highest annual bonus amount in the three preceding years,
- continuation of the current benefits provided to him by the Company for a period of two years,
- the highest bonus amount received in the three preceding years, prorated for months worked during the year up to the termination date.

Andrew MacRitchie, CFO

On termination without cause, constructive dismissal, reduction of compensation, title, or role, Andrew MacRitchie shall be paid severance of:

- a lump-sum payment calculated as six months of his then current salary, plus one half of his highest annual bonus amount in the three preceding years,
- continuation of the current benefits provided to him by the Company for a period of six months,
- the highest bonus amount received in the three preceding years, prorated for months worked during the year up to the termination date.

On a change of control, Andrew MacRitchie may be paid severance of:

- a lump-sum payment calculated as two years of his then current salary, plus two times his highest annual bonus amount in the three preceding years,
- continuation of the current benefits provided to him by the Company for a period of two years,
- the highest bonus amount received in the three preceding years, prorated for months worked during the year up to the termination date.

**Summary Compensation Table – Named Executive Officers**

The following table discloses the compensation paid or payable, directly or indirectly, by or on behalf of the Company during the financial years ended December 31, 2018 and December 31, 2017 to its Named Executive Officers:

For each NEO and director, the following table contains a summary of the compensation paid to him/her for each of the Company’s two most recently completed financial years.

Table of compensation excluding compensation securities							
Name and position <sup>(5)</sup>	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
COLES, Walter Jr. CEO, President and Director	2018	\$280,000	\$Nil	Nil	Nil	Nil	\$280,000
	2017	\$248,280	\$160,000	Nil	Nil	Nil	\$408,280
MACRITCHIE, Andrew CFO <sup>(1)</sup>	2018	\$160,000	\$Nil	Nil	Nil	Nil	\$160,000
	2017	\$150,631	\$40,000	Nil	Nil	Nil	\$190,631
ALLAN, Karen A. Former CFO <sup>(2)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
ALLAN, J. Rupert Former VP Exploration and Former Director <sup>(3)</sup>	2018	\$25,000	\$Nil	Nil	Nil	Nil	\$25,000
	2017	\$88,938	\$50,000	Nil	Nil	Nil	\$138,938
CATHRO, Michael <sup>(4)</sup> Former VP Operations	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	\$102,900	Nil	Nil	Nil	Nil	\$102,900
GEDDES, Paul VP Exploration <sup>(5)</sup>	2018	\$225,000	Nil	Nil	Nil	Nil	\$225,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil
PARRY, Craig.	2018	\$35,000	Nil	Nil	Nil	Nil	\$35,000

<b>Table of compensation excluding compensation securities</b>							
<b>Name and position <sup>(5)</sup></b>	<b>Year</b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Director <sup>(6)</sup>	2017	\$35,000	Nil	Nil	Nil	Nil	\$35,000
TREDGER, Peter N. Former Director <sup>(7)</sup>	2018	\$25,000	Nil	Nil	Nil	Nil	\$25,000
	2017	\$28,334	Nil	Nil	Nil	Nil	\$28,334
NETOLITZKY, Ronald Former Director <sup>(8)</sup>	2018	\$45,000	Nil	Nil	Nil	Nil	\$45,000
	2017	\$45,000	Nil	Nil	Nil	Nil	\$45,000
SIEMENS, Donald R. Director <sup>(9)</sup>	2018	\$35,000	Nil	Nil	Nil	Nil	\$35,000
	2017	\$45,000	Nil	Nil	Nil	Nil	\$45,000
HIMMELRIGHT, Justin VP Sustainability <sup>(10)</sup>	2018	\$175,000	Nil	Nil	Nil	Nil	\$175,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil
PUTNAM, Borden R., III Director <sup>(11)</sup>	2018	\$8,333	Nil	Nil	Nil	Nil	\$8,333
	2017	Nil	Nil	Nil	Nil	Nil	Nil
BURSTEIN, Isac Director <sup>(12)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

- (1) Mr. MacRitchie was appointed CFO of the Company on July 1, 2016.
- (2) Remuneration of the Former CFO was paid to Forde Management & Associates Ltd, a private corporation wholly-owned by the Former CFO. Karen Allan resigned as CFO effective June 30, 2016.
- (3) J. Rupert Allan was previously CEO of the Company but was replaced by Walter Coles, Jr., on December 18, 2013. Mr. Allan was also previously VP Exploration but was replaced by Paul Geddes, on March 1, 2018. Remuneration for Mr. Allan is paid to Cold Stream Explorations Ltd., a private corporation wholly-owned by him. Mr. Allan resigned as a director effective March 1, 2019.
- (4) Michael Cathro was appointed Vice President of Operations on January 29, 2015. Remuneration for Mr. Cathro is paid to Cathro Resources Corp., a private corporation wholly-owned by him. Mr. Cathro resigned as Vice President of Operations on October 23, 2017.
- (5) Mr. Geddes was appointed Vice-President of Exploration on March 1, 2018.
- (6) Mr. Parry was appointed to the Board of Directors on December 15, 2016.
- (7) Mr. Tredger resigned from the Board of Directors on March 1, 2019.
- (8) Mr. Netolitzky resigned from the Board of Directors on March 1, 2019.
- (9) Mr. Siemens was appointed to the Board of Directors on April 26, 2017.
- (10) Mr. Himmelright was appointed Vice-President of Sustainability on October 23, 2017.
- (11) Mr. Putnam III was appointed to the Board of Directors on January 29, 2018, and waived most Directors fees for that year.
- (12) Mr. Burstein was appointed to the Board of Directors on March 1, 2019.

***Incentive Plan Awards***

The Company's Stock Option Plan permits the granting of Options to eligible participants to purchase up to a maximum of such number of Shares as is equal to 10% of the then issued and outstanding Shares. For

further particulars of the Company Stock Option Plan, see “*Securities Authorized for Issuance under Equity Compensation Plans – Stock Option Plan*”.

**Stock Options and other Compensation Securities**

<b>Compensation Securities outstanding to Directors and NEO’s at December 31, 2018</b>							
<b>Name and position</b>	<b>Type of compensation security<sup>(1)</sup></b>	<b>Number of compensation securities, number of underlying securities, and percentage of class<sup>(5)</sup></b>	<b>Date of issue or grant</b>	<b>Issue, conversion or exercise price (\$)<sup>(5)</sup></b>	<b>Closing price of security or underlying security on date of grant (\$)<sup>(5)</sup></b>	<b>Closing price of security or underlying security at 2018 year end (\$)</b>	<b>Expiry date</b>
COLES, Walter Jr. CEO, President and Director	Stock Options	414,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		177,500	Jan 31’17	\$1.00	\$0.95		Jan31’22
		250,000	Jul 25’16	\$1.50	\$1.50		Jul25’21
		500,000	Jun 23’16	\$1.00	\$0.85		Jun23’21
		400,000	Nov 16’14	\$1.00	\$0.70		Nov16’19 <sup>(8)</sup>
ALLAN, J. Rupert Former VP Exploration and Former Director	Stock Options	180,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		102,500	Jan 31’17	\$1.00	\$0.95		Jan31’22
		150,000	Jul 25’16	\$1.50	\$1.50		Jul25’21
		300,000	Jun 23’16	\$1.00	\$0.85		Jun23’21
		200,000	Nov 16’14	\$1.00	\$0.70		Nov16’19 <sup>(8)</sup>
MACRITCHIE, Andrew CFO <sup>(2)</sup>	Stock Options	90,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		50,000	Jan 31’17	\$1.00	\$0.95		Jan31’22
		70,000	Jul 25’16	\$1.50	\$1.50		Jul25’21
		80,000	Jun 23’16	\$1.00	\$0.85		Jun23’21
PARRY, Craig Director <sup>(3)</sup>	Stock Options	180,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		155,000	Jan 31’17	\$1.00	\$0.95		Jan31’22
SIEMENS, Don Director <sup>(4)</sup>	Stock Options	230,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
TREDGER, Peter N. Former Director	Stock Options	180,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		65,000	Jan 31’17	\$1.00	\$0.95		Jan31’22
		100,000	Jul 25’16	\$1.50	\$1.50		Jul25’21
		200,000	Jun 23’16	\$1.00	\$0.85		Jun23’21
		150,000	Nov 16’14	\$1.00	\$0.70		Nov16’19 <sup>(8)</sup>
NETOLITZKY, Ronald Former Director	Stock Options	180,000	Jan 15’18	\$0.77	\$0.77	\$0.30	Jan 15’23
		140,000	Jan 31’17	\$1.00	\$0.95		Jan31’22
		200,000	Jul 25’16	\$1.50	\$1.50		Jul25’21
		300,000	Jun 23’16	\$1.00	\$0.85		Jun23’21
		350,000	Nov 16’14	\$1.00	\$0.70		Nov16’19 <sup>(8)</sup>
PUTNAM, Borden R., III Director <sup>(6)</sup>	Stock Options	Nil	Nil	Nil	Nil	Nil	Nil
BURSTEIN, Isac Director <sup>(7)</sup>	Stock Options	Nil	N/A	N/A	N/A	N/A	N/A

Notes:

<sup>(1)</sup> Karen A. Allan resigned as CFO effective June 30, 2016.

<sup>(2)</sup> Mr. MacRitchie was appointed CFO of the Company on July 1, 2016.

<sup>(3)</sup> Mr. Parry was appointed to the Board of Directors on December 15, 2016.

- (4) Mr. Siemens was appointed to the Board of Directors on April 26, 2017.
- (5) The number of shares, exercise price and closing price of the securities on the date of grant are shown in post-consolidation figures. The common shares of the Company were consolidated on a 10 (old) for 1 (new) share basis on October 20, 2017. The issued capital of the Company was reduced from 727,941,831 to 72,793,987 on October 20, 2017. Subsequently, on November 7, 2017, an additional 2,884,059 shares were issued, increasing the issued capital of the Company to 75,678,037. During the financial year ended December 31, 2018, an additional 29,292,506 shares were issued, increasing the issued capital of the Company to 97,847,879.
- (6) Mr. Putnam was appointed to the Board of Directors on January 29, 2018.
- (7) Mr. Burstein was appointed to the Board of Directors on March 1, 2019.
- (8) These options expired, unexercised, on November 16, 2019.

During the financial year ended December 31, 2018, no incentive stock options were exercised by directors or named executive officers. On January 15, 2018, the Company granted 2,250,000 stock options to directors, officers, employees and consultants, exercisable at \$0.77 per option until January 15, 2023. The options vested immediately, were valued using the Black Scholes option pricing model and had a fair value of \$1,642,000. On April 15, 2019, the Company granted 3,815,000 incentive stock options to directors, officers, employees and consultants, exercisable at \$0.41 per share until April 15, 2024. All of the options granted vested immediately. On August 7, 2019, the Company granted 4,200,000 incentive stock options to directors, officers, employees and consultants, exercisable at \$0.45 per share until August 7, 2024. All of the options granted vested immediately.

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

### **Stock Option Plan**

The Company's Stock Option Plan (the "Option Plan"), a rolling plan, has been established in accordance with the policies of the Exchange. The purpose of the Option Plan is to attract and motivate the directors, officers and employees of the Company and any subsidiaries, employees of any management corporation and consultants to the Company (collectively, "**Optionees**") and thereby advance the Company's interests by providing them an opportunity to acquire an equity interest in the Company through the exercise of stock options granted to them under the Option Plan. The Company's Stock Option Plan was last amended at the Company's Annual General Meeting held on March 1, 2019 and a copy of the Amended Stock Option Plan was attached to the Company's Information Circular as Schedule "B". The full text of the Stock Option Plan, both with and without the proposed amendments, was available for review at the Annual General Meeting held on March 1, 2019. On March 1, 2019, minor amendments to the Stock Option Plan were adopted in order to enhance alignment with TSX Venture Exchange policy.

Pursuant to the Option Plan, the Board may grant stock options to Optionees in consideration of them providing their services to the Company or a subsidiary. The number of Shares subject to each option is determined by the Compensation Committee within the guidelines established by the Option Plan. The options enable such persons to purchase Shares at a price fixed pursuant to such guidelines. The options are exercisable by the Optionee giving the Company notice and payment of the exercise price for the number of Shares to be acquired.

The Option Plan authorizes stock options to be granted to the Optionees on the following terms:

1. The number of Shares available for issuance pursuant to outstanding options cannot exceed an aggregate of 10% of the issued Shares.
2. The number of Shares subject to issuance upon the exercise of options granted under the Option Plan by one Optionee or all Optionees providing investor relations services is subject to the following limitations

- (a) no Optionee can be granted options during a 12 month period to purchase more than
    - (i) 5% of the issued Shares unless disinterested Shareholder approval has been obtained (such approval has not been sought), or
    - (ii) 2% of the issued Shares, if the Optionee is a consultant, and
  - (b) the number of Shares subject to options held by all Optionees providing investor relations services cannot exceed 2% in the aggregate.
- 3. Approval by disinterested Shareholders must be obtained (such approval has not been, nor is it intended to be, sought) if options granted under the Option Plan, together with all of the Company's previously established and outstanding stock options, stock option plans, employee stock purchase plans or any other compensation or incentive mechanisms involving the issuance or potential issuance of Shares, could result in:
  - (a) the grant to insiders, within a one year period, of options to purchase that number of Shares exceeding 10% of the outstanding Shares, or
  - (b) the issuance to any one insider and such insider's associates, within a one year period, of Shares totalling in excess of 5% of the outstanding Shares.
- 4. The exercise price of the options cannot be set at less than the greater of \$0.05 per Share and the closing trading price of the Shares on the day before the granting of the stock options.
- 5. The options may be exercisable for up to ten years.
- 6. There are no vesting requirements unless the Optionee is providing investor relations services to the Company, in which case the options must vest over at least 12 months with no more than one-quarter vesting in any three month period. However, the Board may impose additional vesting requirements and, subject to obtaining any required approval from the Exchange, may authorize all non-vested options to vest immediately.
- 7. The options can only be exercised by the Optionee (to the extent they have already vested) for so long as the Optionee is a director, officer or employee of, or consultant to, the Company or any subsidiary or is an employee of the Company's management corporation and within a period thereafter not exceeding the earlier of:
  - (a) the original expiry date;
  - (b) 90 days (or such longer period as the Board may determine) after ceasing to be a director, officer, employee or consultant for any reason other than death; or
  - (c) if the Optionee dies, within one year from the Optionee's death.
- 8. The options are not assignable except to a wholly-owned holding corporation.
- 9. No financial assistance is available to Optionees under the Option Plan.
- 10. Any amendments to the Option Plan or outstanding stock options are subject to the approval of the Exchange and, if required by the Exchange or the Option Plan, of the Shareholders, possibly with only 'disinterested Shareholders' being entitled to vote. Disinterested Shareholder approval must be obtained for the reduction of the exercise price of options (including the cancellation and re-issuance of options so as to effectively reduce the exercise price) of options held by insiders. The amendment to an outstanding stock option will also require the consent of the Optionee.

No options have been granted under the Option Plan which are subject to Shareholder approval.

The Board's approach to granting options is consistent with prevailing practice in the mineral exploration industry. Grants of options depend on the length of service of the NEO and directors. There are, therefore, no formulae followed or performance goals or significant conditions which must be met before options will be granted. The Board has always granted options with an exercise price that is equal to or greater than the prevailing market price of the Shares.

### **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

The following table sets out information as of the end of the financial quarter ended September 30, 2019 with respect to compensation plans under which equity securities of the Company are authorized for issuance.

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding compensation options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding compensation options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuances under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by securityholders	10,595,000	\$0.58	2,285,187
Equity compensation plans not approved by securityholders	-	-	-
Total	10,595,000	\$0.58	2,285,187

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

None of the current or former directors, executive officers or employees of the Company or any subsidiary are indebted to the Company or any subsidiary as at the date hereof or has been indebted to the Company or any subsidiary during the financial year ended December 31, 2018.

None of the current or former directors and executive officers of the Company, proposed nominees for election as directors of the Company or associates of any such persons are, as at the date hereof or at any time during the financial year ended December 31, 2018 have been, indebted to the Company, any subsidiary or to any third party to which the Company or any subsidiary have provided a guarantee, support agreement, letter of credit or other similar arrangement or understanding in connection with a securities purchase or other program.

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

Other than as disclosed herein, the Company is not aware of any material transaction involving any director, proposed director or executive officer of the Company, any director or executive officer of any shareholder who holds more than 10% of the voting rights attached to the Shares, any proposed nominee for election as a director of the Company, or any shareholder who holds more than 10% of the voting rights attached to the Shares or any associate or affiliate of any of the foregoing, which has been entered into since January 1, 2018 or in any proposed transaction which, in either case, has materially affected or will materially affect the Corporation or any of its subsidiaries, except as follows:

On October 16, 2018, the Company announced that it closed a strategic financing and option of 60% of Skeena's Snip Gold Project ("Snip") with Hochschild Mining Holdings Limited (a wholly owned subsidiary of Hochschild Mining plc) ("Hochschild").

Skeena collected proceeds of C\$6,767,398 from the sale of 7,519,331 flow-through common shares of the Company at a price of C\$0.90 per share (the "Financing"). Hochschild, who was the end purchaser of the shares via a flow through swap, acquired the shares at a price of C\$0.74 per share. After giving effect to the Financing, Hochschild then owned approximately 8% of Skeena's total issued and outstanding shares.

Pursuant to the terms of the strategic financing and option of the Snip project, Hochschild may nominate a representative to serve on Skeena's board of directors for so long as it holds 5% or more of the issued and outstanding shares of Skeena. Accordingly, Isac Burstein, a Vice-President of Exploration and Business Development with Hochschild, was nominated for election to the Company's board of directors at the Annual General Meeting held on March 1, 2019. In addition, Hochschild will have the right to participate in future offerings in order to maintain its percentage interest in Skeena.

Concurrent with the closing of the Financing, Skeena granted Hochschild an option to earn a 60% undivided interest in Snip located in the Golden Triangle of British Columbia (the "Option") by spending twice the amount Skeena has spent since it optioned Snip from Barrick.

Hochschild has three years from the date of the Financing to provide notice to Skeena that it wishes to exercise its option. Once exercised, Hochschild shall then have three years (the "Option Period") to:

- incur expenditures on Snip that are no less than twice the amount of such expenditures incurred by Skeena from March 23, 2016 up until the time of exercise of the Option by Hochschild. (As of June 30, 2019, Skeena had incurred C\$20.4 million of expenditures at Snip);
- incur no less than C\$7.5 million in exploration or development expenditures on Snip in each 12-month period of the Option Period; and
- provide 60% of the financial assurance required by governmental authorities for the Snip mining properties.

After completing a minimum spend of C\$22,500,000, Hochschild may extend the Option Period by a further period of 12 months by making a cash payment to Skeena of C\$1.0 million.

## **CORPORATE GOVERNANCE**

National Instrument 58-101 *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators requires the Company to annually disclose certain information regarding its corporate governance practices. That information is disclosed below.

### **Mandate of the Board of Directors**

The Board has responsibility for the stewardship of the Company. That stewardship includes responsibility for strategic planning, identification of the principal risks of the Company's business and implementation of appropriate systems to manage these risks, succession planning (including appointing, training and monitoring senior management), communications with investors and the financial community and the integrity of the Company's internal control and management information systems.

### **Independence of the Directors**

A director is 'independent' if the director is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company, other than interests and relationships arising from shareholding.



The following table describes whether the current and proposed directors are independent and, if not independent, sets out the reasons:

<b>Director or Nominee</b>	<b>Independent</b>	<b>Reason why the Director is not Independent</b>
COLES, Walter Jr.	No	Is the President and CEO of the Company
PARRY, Craig	Yes	-
SIEMENS, Donald R.	Yes	-
PUTNAM, Borden R., III	Yes	-
BURSTEIN, Isac	Yes	-
<b>(GILL) Kaur Hayre, Sukhjit (Suki)</b>	Yes	-

The Board facilitates its exercise of independent supervision over the Company's management through regular meetings of the Board. The meetings are held both with and without members of the Company's management in attendance.

The Board does not hold regularly scheduled meetings without the non-independent directors and members of management. However, when consideration of a matter concerns or affects a director, that director recuses himself from the meeting and consideration of the matter so that the independent directors can have an open and candid discussion of, and freely vote on, the matter.

#### **Other Directorships**

The current and proposed directors are also directors of the following other reporting issuers (publicly traded corporations):

<b>Name</b>	<b>Name and Jurisdiction of Reporting Issuer</b>
COLES, Walter Jr.	2583262 Ontario Ltd. Akeley Unit Trust Chackmore Unit Trust Industria Metals Inc. Stowe One Investment Corp.
PARRY, Craig.	NexGen Energy Ltd. IsoEnergy Ltd. BlockHead Technologies Ltd.
SIEMENS, Donald R.	Hansa Resources Limited
PUTNAM, Borden R., III	Heron Resources Ltd.
BURSTEIN, Isac	None
<b>(GILL) Kaur Hayre, Sukhjit (Suki)</b>	None

#### **Orientation and Continuing Education**

The Board takes the steps set forth below to ensure that all new directors receive orientation regarding the role of the Board, its committees and its directors, and the nature and operation of the Company.

The first step is to assess a new director's set of skills and professional background. This allows the orientation to be customized to that director's needs since different information regarding the nature and operations of the Company's business will be necessary and relevant to each new director.

Once that assessment is complete, the second step is taken by one or more existing directors, who may be assisted by the Company's management, to provide the new director with the appropriate orientation through meetings, telephone calls and correspondence.

To ensure the Board provides continuing information for its directors so they maintain the skill and knowledge necessary for them to meet their obligations as directors of the Company, there are technical presentations made as required at meetings of the Board. The presentations can range from a review of the Company's financial statements to various aspects of the Company's business. The Board believes the discussion among the directors, management and outside experts at these meetings provides a valuable learning resource for directors without expertise in the subject matter being presented.

### **Ethical Business Conduct**

As part of its responsibility for the stewardship of the Company, 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 moral standards and applicable legal and financial requirements. At present, the Board has not adopted guidelines or stipulations or a code to encourage and promote a culture of ethical business conduct since the small size of its Board and its limited activities do not warrant such measures. The Company does promote ethical business conduct through the nomination of Board members it considers of good moral character and sound reputation.

In addition, the Board must comply with the conflict of interest provisions of its governing corporate legislation and relevant securities regulatory instruments and stock exchange policies (which require that interested directors recuse themselves from the consideration of, and voting on, such matters), to ensure its directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

### **Nomination of Directors**

The Board has responsibility for identifying and assessing potential Board candidates. Recruitment of new directors has generally resulted from recommendations made by directors, management and shareholders. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors.

### **Compensation**

The Company handles compensation matters at the Board Committee level including determination of compensation of the Company's directors and officers. Compensation payable is determined by considering compensation paid for directors and CEOs of companies of similar size and stage of development in the mining exploration industry and determining an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the performance of the CEO is reviewed in light of the Company's objectives and other factors that may have impacted the success of the Company.

The Option Plan is administered at the Board level with recommendations provided by the Compensation Committee. The Board, in its sole discretion, determines all options to be granted pursuant to the Option Plan, the exercise price therefor and any special terms or vesting provisions applicable thereto. For more particulars, see "Securities Authorized for Issuance under Equity Compensation Plans" herein.

## **Board Committees**

The Board has a Corporate Governance Committee, members of which are Don Siemens (Chair), Craig Parry and Borden R. Putnam III. In addition, the Board has a Compensation Committee, members of which are Craig Parry (Chair), Don Siemens, and Isac Burstein. Membership of the Committees will be reconstituted following the Annual General Meeting on January 10, 2020.

## **Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal periodic assessments of the effectiveness of the Board and the individual directors.

## **AUDIT COMMITTEE**

National Instrument 52-110 *Audit Committees* of the Canadian Securities Administrators ("NI 52-110") requires the Audit Committee of the Board to meet certain requirements. It also requires the Company to disclose in this Circular certain information regarding the Audit Committee. That information is disclosed below.

## **Overview**

The purpose of the Audit Committee is to provide assistance to the Board in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting and financial reporting processes and audits of financial statements, the integrity of financial statements, compliance with legal and regulatory requirements, the qualification and independence of external auditor and the performance of the external independent auditor. It is the objective of the Audit Committee to maintain a free and open means of communication among the members of the Board, the auditor and the financial and senior management of the Company.

To satisfy such purposes and objectives, the Audit Committee is responsible for:

- recommending to the Board an external auditor to be elected by the Shareholders at each Annual General Meeting and approving the compensation of such external auditor;
- overseeing the work of the external auditor, including the resolution of disagreements between the auditor and management regarding the Company's financial reporting;
- pre-approving all non-audit services to be provided to the Company and its subsidiaries by the auditor;
- reviewing the Company's annual and interim financial statements, management's discussion and analysis ("MD&A") and press releases regarding earnings before they are submitted for review and approval by the Board and publicly disseminated by the Company; and
- reviewing and approving the Company's hiring policies, if applicable, regarding current and former partners and employees of the Company's current and former auditors.

The Company's auditor reports directly to the Audit Committee.

## The Audit Committee's Charter

The Board has adopted a Charter for the Audit Committee which sets out the Committee's mandate, organization, powers and responsibilities. The Charter is attached as Schedule "A" to this Circular.

## Composition of the Audit Committee

The following table sets out the names of the current members of the Audit Committee and whether they are officers or employees, 'independent' or 'financially literate'.

Name of Member	Officer or Employee	Independent <sup>(1)</sup>	Financially Literate <sup>(2)</sup>
SIEMENS, Don <sup>(3)</sup>	N/A	Yes	Yes
PARRY, Craig	N/A	Yes	Yes
BURSTEIN, Isac	N/A	Yes	Yes

<sup>(1)</sup> To be considered to be independent, a member of the Committee must not have any direct or indirect 'material relationship' with the Company. A material relationship is a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgement.

<sup>(2)</sup> To be considered financially literate, a member of the Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

<sup>(3)</sup> Don Siemens will not be standing for re-election at the Annual General Meeting to be held January 10, 2020.

## Relevant Education, Associations and Experience

The education, associations and experience of each current member of the Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member are as follows:

Name of Member	Education & Associations	Experience
SIEMENS, Don Chairman	Mr. Siemens is a Chartered Professional Accountant and a member in good standing of the Chartered Professional Accountants Association of British Columbia.	Mr. Siemens has over 30 years of experience as a Chartered Professional Accountant, including eight years in public practice as a partner with major accounting firms, eight years in senior executive positions in the industry and 19 years as a self-employed financial services executive.

Name of Member	Education & Associations	Experience
PARRY, Craig	Mr. Parry holds an Honours Degree in Geology and is a Member of the Australian Institute of Mining and Metallurgy	Mr. Parry is a current and former director and officer of various publicly traded mineral exploration companies during the course of which he has reviewed and analysed numerous financial statements.
BURSTEIN, Isac	Mr. Burstein holds a BSc in Geological Engineering from the Universidad Nacional de Ingenieria, in Peru, an MSc in Geology from the University of Missouri and an MBA from Krannert School of Management, Purdue University in Indiana.	Mr. Burstein serves as Vice President of Exploration & Business Development at Hochschild Mining PLC. Prior to his current position, Mr. Burstein served Hochschild in various capacities including Vice President of Business Development, Manager for Project Evaluation, Exploration Manager for Mexico and Exploration Geologist, joining the company in 1995. He served as a Director of Gold Resource Corp from April 2009 until June 2013.

#### **Audit Committee Oversight**

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

#### **Reliance on Certain Exemptions**

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

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

As specified in the Audit Committee Charter, the Audit Committee is responsible for pre-approving non-audit services.

#### **External Auditor Service Fees**

The following table discloses the fees billed to the Company by its external auditor during the financial years ended December 31, 2018 and December 31, 2017:

<b>Financial Year Ending December 31<sup>st</sup></b>	<b>Audit Fees <sup>(1)</sup></b>	<b>Audit Related Fees <sup>(2)</sup></b>	<b>Tax Fees <sup>(3)</sup></b>	<b>All Other Fees <sup>(4)</sup></b>
2018	\$84,000	\$3,918	\$13,650	\$Nil
2017	\$45,000	\$2,250	\$55,000	\$2,750

(1) The aggregate fees billed for audit services.

(2) The aggregate fees billed for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements and are not disclosed in the 'Audit Fees' column.

(3) The aggregate fees billed for tax compliance, tax advice, and tax planning services. These services involved the preparation and filing of the tax returns.

(4) The aggregate fees billed for professional services other than those listed in the other three columns.

### **Exemption**

The Company is relying on the exemption from full compliance with NI 52-110 granted to Venture Issuers under the exemption contained in section 6.1 of NI 52-110 from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

### **Complaints**

The Audit Committee has established a written 'Whistleblower Policy' which creates 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, without fear of retaliation of any kind.

The Policy provides that if an employee has any information, complaints or concerns regarding such matters being questionable, incorrect, misleading or fraudulent they are urged under the Policy 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 and concerns submitted to it, the Audit Committee will investigate each matter and take appropriate corrective actions.

The Audit Committee will retain as part of its records, any information, complaints or concerns received. Furthermore, it will keep a written record of all such reports or inquiries and make quarterly reports on any ongoing investigation which will include steps taken to satisfactorily address each complaint.

### **Management Contracts**

Management services for the Company are not, to any material degree, performed by persons other than the executive officers of the Company.

### **Other Matters**

The Company's management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Shares represented by the Proxies and VIFs solicited hereby will be voted on such matters in accordance with the recommendations of management.

### **Registrar and Transfer Agent**

The Company's registrar and transfer agent is Computershare Investor Services Inc., with its office at 510 Burrard Street, 3<sup>rd</sup> Floor, Vancouver, British Columbia, V6C 4G1.

## ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information for the Company's financial years ended December 31, 2018 and December 31, 2017 is provided in its comparative financial statements and MD&A, and is also available on the SEDAR website. Financial information for the Company's 2019 financial quarters ending March 31, 2019, June 30, 2019 and September 30, 2019 are provided in its comparative interim financial statements and MD&A and are also available on the SEDAR website. .

To request copies of the Company's financial statements and MD&A and any document to be approved at the Meeting, Shareholders may contact the Company as follows:

**e-mail:** [info@skeenaresources.com](mailto:info@skeenaresources.com)      **fax:** (+1) 604-558-7695      **telephone:** (+1) 604-684-8725 (collect calls accepted)

**mail:** Suite # 650 - 1021 West Hastings Street, Vancouver, BC, Canada V6E 0C3

### Board Approval

The Company's Board of Directors has approved the contents of this Circular and authorized the Company to deliver it to Shareholders in connection with obtaining the Shareholder Approval.

**SCHEDULE “A”  
CHARTER FOR THE AUDIT COMMITTEE  
OF THE  
BOARD OF DIRECTORS (THE “BOARD”)  
OF  
SKEENA RESOURCES LIMITED (THE “COMPANY”)**

(Accepted by the Board on October 28, 2019)

**Mandate**

The primary function of the audit committee (the “Committee”) is to assist the Board of Directors in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company’s systems of internal controls regarding finance and accounting and the Company’s auditing, accounting and financial reporting processes. Consistent with this function, the Committee will encourage continuous improvement of, and should foster adherence to, the Company’s policies, procedures and practices at all levels. The Committee’s primary duties and responsibilities are to (i) serve as an independent and objective party to monitor the Company’s financial reporting and internal control system and review the Company’s financial statements; (ii) review and appraise the performance of the Company’s external auditors; and (iii) provide an open avenue of communication among the Company’s auditors, financial and senior management and the board of directors.

**Composition**

The Committee shall be comprised of three directors as determined by the board of directors, the majority of whom shall be free from any relationship that, in the opinion of the board of directors, would interfere with the exercise of his or her independent judgment as a member of the Committee. The Committee relies on the exemption in section 6.1 of the MI 52-110 that states venture issuers are exempt from the requirements of Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations).

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

The board of directors at its first meeting following the annual shareholders’ meeting shall elect the members of the Committee. Unless a Chair is elected by the full board of directors, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

**Meetings**

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

*Responsibilities and Duties*

To fulfil its responsibilities and duties, the Committee shall:



1. Assisting the Board of Directors in fulfilling its fiduciary responsibilities relating to the Company's accounting and reporting practices and the integrity of the Company's internal accounting controls and management information systems;
2. Managing the relationship with the auditor with respect to:
  - a) recommending nomination and compensation of the auditor;
  - b) having the auditor report directly to the Audit Committee;
  - c) overseeing the work of the auditor;
  - d) pre-approving non-audit services.
3. Reviewing with the auditors and management of the Committee
  - a) any audited financial statement of the Committee, including any such statement that is to be presented to an annual general meeting or provided to shareholders or filed with regulatory authorities and including any audited financial statement contained in a prospectus, registration statement or other similar document;
  - b) the financial disclosure in each Annual Report and Management Discussion and Analysis of the Company which accompanies such audited financial statement and in each such filing, prospectus, registration statement or other similar document;
4. Reviewing with management of the Company:
  - a) any unaudited financial statement of the Company, including any such statement that is to be presented to an annual general meeting or provided to shareholders or filed with regulatory authorities and including any unaudited financial statement contained in a prospectus, registration statement, Quarterly Report or other similar document;
  - b) the financial disclosure in each Quarterly Report and when applicable, Management Discussion and Analysis of the Company's accompanying such unaudited financial statement and in each such filing, prospectus, registration statement or other similar document which accompanies such unaudited financial statement; and
  - c) the Company's compliance with legal and regulatory requirements.
5. Review and approve the hiring policies regarding partner's employees and former employees of the present and former external auditor.
6. Otherwise reviewing as required and reporting to the Board of Directors with respect to the adequacy of internal accounting and audit procedures and the adequacy of the Company's management information systems;
7. Otherwise ensuring that no restrictions are placed by management on the scope of the auditor's review and examination of the Company's accounts;
8. Ensuring the independence of and recommending to the Board of Directors the firm of independent auditors to be nominated for appointment by the shareholders at the next annual general meeting;
9. Ensuring that methods are in place to allow any director, officer or employee to bring concerns to the attention of the Audit Committee and that those who do so are provided protection from any retaliatory action whatsoever. The Chairman of the Audit Committee has been designated as the person to whom such concerns should be addressed and is responsible for ensuring that such concerns are handled promptly and appropriately;

10. Reviewing on an annual basis the adequacy of this Mandate and Charter and revising as necessary with the approval of the Board of Directors; and
11. Meeting regularly at such times and places, engaging such advisors at the expense of the Company and undertaking such interviews and inquiries as the Committee sees fit for the purpose of carrying out this Mandate and Charter.

SCHEDULE "B"

CHANGE OF AUDITOR REPORTING PACKAGE

**Notice Of Change Of Auditor**  
**Pursuant to National Instrument 51-102 (Part 4.11)**

TO: Ernst & Young LLP  
AND TO: Grant Thornton LLP  
AND TO: British Columbia Securities Commission  
Albert Securities Commission  
Saskatchewan Financial Services Commission

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In accordance with National Instrument 51-102, please be advised as follows:

1. Skeena Resources Limited (the "Company") has determined on November 26, 2019 that the former auditor of the Company, Ernst & Young LLP (the "Former Auditor"), will not be proposed for re-appointment at the next Annual General Meeting of Shareholders of the Company to be held in the upcoming year (the "Meeting"). The Company intends to propose Grant Thornton LLP (the "Successor Auditor") for appointment as the auditor of the Company at the Meeting.
2. The termination of the Former Auditor and the proposed appointment of Grant Thornton LLP as the Successor Auditor was considered and approved by the Audit Committee and the Board of Directors of the Company.
3. There were no reservations in the Former Auditor's Reports on the Company's consolidated financial statements for the two most recently completed fiscal years nor for any period subsequent thereto for which an audit report was issued and preceding the date hereof.
4. In the opinion of the Company, there were no "Reportable Events," as defined in National Instrument 51-102 (Part 4.11).

Please advise the Board of Directors in writing whether or not you agree with the information contained in this Notice.

DATED this 10<sup>th</sup> day of December, 2019.

ON BEHALF OF Skeena Resources Limited:

"Andrew MacRitchie"  
Andrew MacRitchie  
CFO



British Columbia Securities Commission  
Alberta Securities Commission  
Financial and Consumer Affairs Authority of Saskatchewan

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**Grant Thornton LLP**  
Suite 1600  
333 Seymour Street  
Vancouver, BC  
V6B 0A4  
T +1 604 687 2711  
F +1 604 685 6569

December 10, 2019

**Re: Skeena Resources Limited (“Company”)**

As required by subparagraph (6)(a)(ii) of section 4.11 of National Instrument 51-102, we have reviewed the change of auditor notice of Skeena Resources Limited dated December 10, 2019 (the "Notice") and, based on our knowledge of such information at this time, we are in agreement with the statement contained in such Notice.

Yours sincerely,  
Grant Thornton LLP

A handwritten signature in black ink that reads "Grant Thornton LLP".

Robert J. Riecken, CPA, CA  
Partner



Ernst & Young LLP  
Pacific Centre  
700 West Georgia Street  
PO Box 10101  
Vancouver, BC V7Y 1C7

Tel: +1 604 891 8200  
Fax: +1 604 643 5422  
ey.com

December 10, 2019

British Columbia Securities Commission  
Alberta Securities Commission  
Saskatchewan Financial Services Commission

Dear Sirs/Mesdames:

**Re: Skeena Resources Limited  
Change of Auditor Notice dated 2019/12/10**

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Pursuant to National Instrument 51-102 (Part 4.11), we have read the above-noted Change of Auditor Notice and confirm our agreement with the information contained in the Notice pertaining to our firm.

Yours sincerely,

cc: The Board of Directors, Skeena Resources Limited



