



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

AND

MANAGEMENT INFORMATION CIRCULAR

Meeting Details

Date: June 20, 2018
Time: 9:00 a.m. (Vancouver time)
Place: Cassels Brock & Blackwell LLP
Suite 2200, HSBC Building
885 West Georgia Street
Vancouver, British Columbia, V6C 3E8

MAY 8, 2018

TREVALI MINING CORPORATION

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting (the “**Meeting**”) of the holders (collectively, the “**Shareholders**” or, individually, a “**Shareholder**”) of the common shares (the “**Common Shares**”) of Trevali Mining Corporation (the “**Company**”) will be held at Cassels Brock & Blackwell LLP, Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8 on Wednesday, June 20, 2018 at 9:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the financial year ended December 31, 2017, together with the report of the auditor thereon;
2. to elect the directors of the Company for the ensuing year;
3. to appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and to authorize the directors of the Company to fix its remuneration;
4. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to alter the Company’s Articles to increase the quorum for a meeting of shareholders to two persons present or represented by proxy representing not less than 25% of the Common Shares, as more fully described in the accompanying management information circular dated May 8, 2018 (the “**Circular**”);
5. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to alter the Company’s Articles with respect to “Casting Votes”, as more fully described in the Circular;
6. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to alter the Company’s Articles by adding “Advance Notice Provisions”, as more fully described in the Circular;
7. to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to alter the Company’s Articles by removing provisions regarding “Alternate Directors”, as more fully described in the Circular; and
8. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying this Notice of Annual and Special Meeting of Shareholders is the Circular, either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders, and a reply card for use by shareholders who wish to receive the Company’s interim and/or annual financial statements.

Your vote is important regardless of the number of Common Shares you own. Registered Shareholders who are unable to attend the Meeting or any postponement or adjournment thereof in person are requested to complete, date, sign and return the enclosed form of proxy or, alternatively, to vote by telephone, or over the Internet, in each case in accordance with the instructions set out in the Circular or form of proxy by no later than 9:00 a.m. (Vancouver time) on June 18, 2018 or, if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the adjourned or postponed meeting.

Non-registered Shareholders who receive these materials through their broker or other intermediary should complete and send the form of proxy or voting instruction form in accordance with the instructions provided by their broker or intermediary.

Late proxies may be accepted or rejected by the Chair of the Meeting in his or her discretion.

DATED at Vancouver, British Columbia, this 8th day of May, 2018.

BY ORDER OF THE BOARD

“Mark D. Cruise”

Mark D. Cruise
President and Chief Executive Officer

TREVALI MINING CORPORATION
MANAGEMENT INFORMATION CIRCULAR
FOR THE ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON JUNE 20, 2018

GENERAL PROXY INFORMATION

Solicitation of Proxies

This management information circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Trevali Mining Corporation (the “**Company**”) for use at the annual and special meeting (the “**Meeting**”) of the holders (collectively, the “**Shareholders**” or, individually, a “**Shareholder**”) of the common shares (the “**Common Shares**”) of the Company to be held on the date and at the time and place and for the purposes set forth in the attached Notice of Annual and Special Meeting of Shareholders (the “**Notice**”). Unless otherwise stated, this Circular contains information as at May 8, 2018. References in this Circular to the Meeting include any adjournment or postponement thereof and, unless otherwise indicated, in this Circular all references to “\$” are to Canadian dollars.

The solicitation of proxies will primarily be made by sending proxy materials to Shareholders by mail and, in relation to the delivery of this Circular, by posting this Circular on the Company’s website at www.trevali.com and filing it under the Company’s profile on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) at www.sedar.com pursuant to Notice and Access (as defined below). See “Notice and Access” for further information. The solicitation of proxies may be supplemented by telephone or other personal contact to be made without special compensation by directors, officers and employees of the Company or by the Company’s transfer agent and registrar. **The Company may retain other persons or companies to solicit proxies on behalf of management in which event customary fees for such services will be paid. All costs of solicitation will be borne by the Company.**

The Company has sent the N&A Notice (as defined below) and a form of proxy or voting instruction form, as applicable (the “**Notice Package**”), to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed. The Company will not directly send the Notice Package to Beneficial Shareholders (as defined below). Instead, the Company will pay clearing agencies, securities dealers, banks and trust companies or their nominees (collectively, the “**Intermediaries**”) for the distribution to Beneficial Shareholders whose Common Shares are held by or in the custody of such Intermediaries. Such Intermediaries are required to forward the Notice Package to Beneficial Shareholders unless a Beneficial Shareholder has waived the right to receive it. The Company has elected to pay for the delivery of the Notice Package to objecting Beneficial Shareholders by the Intermediaries. The Company is sending the Notice Package directly to non-objecting Beneficial Shareholders, through the services of its transfer agent and registrar, Computershare Investor Services Inc. The solicitation of proxies from Beneficial Shareholders will be carried out by the Intermediaries or by the Company if the names and addresses of the Beneficial Shareholders are provided by Intermediaries. The Company will pay the permitted fees and costs of Intermediaries incurred in connection with the distribution of the Notice Package.

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are directors and/or officers of the Company. **A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for such Shareholder and on his, her or its behalf at the Meeting other than the persons designated in the enclosed form of proxy.** Such right may be exercised by inserting in the blank space provided for that purpose the name of the desired person or by completing another proper form of proxy and, in either case, delivering the completed and executed proxy to the Company’s transfer agent and registrar, Computershare Investor Services Inc., 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, Attention: Stock Transfer Department, not later than 9:00 a.m. (Vancouver time) on June 18, 2018 or, if the Meeting is adjourned or postponed, not later than 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of British Columbia) prior to the time set for the adjourned or postponed meeting. A proxy must be executed by the registered Shareholder or his, her or its attorney duly authorized in

writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized.

Proxies given by Shareholders for use at the Meeting may be revoked prior to their use:

- (a) by depositing an instrument in writing executed by the Shareholder or by such Shareholder's attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized, indicating the capacity under which such officer or attorney is signing:
 - (i) at the registered office of the Company located at Suite 2200, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8, at any time up to 9:00 a.m. (Vancouver time) on June 19, 2018; or
 - (ii) with the chair of the Meeting on the day of the Meeting or any adjournment or postponement thereof; or
- (b) in any other manner permitted by law.

Exercise of Discretion by Proxies

The persons named in the accompanying form of proxy will vote the Common Shares in respect of which they are appointed in accordance with the direction of the Shareholders appointing them. **In the absence of such direction, such Common Shares will be voted in favour of the passing of the matters set out in the Notice. The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof.** At the time of the printing of this Circular, the management of the Company knows of no such amendments, variations or other matters to come before the Meeting other than the matters referred to in the Notice. **However, if any other matters which at present are not known to the management of the Company should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxies.**

Notice to Beneficial Shareholders

Shareholders should note that only proxies deposited by Shareholders whose names appear on the records of the Company as the registered holders of Common Shares, or non-objecting beneficial holders of Common Shares whose names have been provided to the Company's registrar and transfer agent, can be recognized and acted upon at the Meeting. The information set forth in this section is therefore of significant importance to a substantial number of Shareholders who do not hold their Common Shares in their own name (referred to in this section as "**Beneficial Shareholders**"). If Common Shares are listed in an account statement provided to a Shareholder by an Intermediary, then in almost all cases those Common Shares will not be registered in such Shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the Shareholder's Intermediary or an agent of that Intermediary. In Canada, the vast majority of such Common Shares are registered under the name of CDS & Co., as nominee for CDS Clearing and Depository Services Inc., which acts as a depository for many Canadian Intermediaries. Common Shares held by Intermediaries or their nominees can only be voted for or against resolutions upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting Common Shares for their clients.

Applicable regulatory policy requires Intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often the form of proxy supplied to a Beneficial Shareholder by its Intermediary is identical to the form of proxy provided by the Company to the Intermediaries. However, its purpose is limited to instructing the Intermediary how to vote on behalf of the Beneficial Shareholder. The majority of Intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**"). Broadridge typically mails the voting instruction forms or proxy forms to the Beneficial Shareholders and asks the Beneficial Shareholders to return the voting instruction forms or proxy forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions

respecting the voting of Common Shares to be represented at the Meeting. A Beneficial Shareholder receiving a proxy or voting instruction form from Broadridge cannot use that proxy to vote Common Shares directly at the Meeting – the proxy must be returned to Broadridge well in advance of the Meeting in order to have the Common Shares voted.

Although Beneficial Shareholders may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their Intermediary, a Beneficial Shareholder may attend the Meeting as proxyholder for the Intermediary and vote their Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their own Common Shares as proxyholder for the Intermediary should enter their own names in the blank space on the management form of proxy or voting instruction form provided to them and return the same to their Intermediary (or the agent of such Intermediary) in accordance with the instructions provided by such Intermediary or agent well in advance of the Meeting. **Beneficial Shareholders should carefully follow the instructions of their Intermediaries and their service companies.**

All references to Shareholders in this Circular and the accompanying form of proxy and Notice are to Shareholders of record unless specifically stated otherwise.

Notice and Access

The Company is using the notice-and-access model (“**Notice and Access**”) provided under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) in the case of Beneficial Shareholders and National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) in the case of registered Shareholders for the delivery of the Notice, this Circular and the form of proxy (collectively, the “**Meeting Materials**”).

Under Notice and Access, instead of receiving printed copies of the Meeting Materials, Shareholders receive a Notice and Access notification (the “**N&A Notice**”) containing details regarding the date, time, location and purpose of the Meeting, as well as information on how they can access the Meeting Materials electronically. Shareholders with existing instructions on their account to receive printed materials, as well as Shareholders with addresses outside of Canada and the United States, will still receive a printed copy of the Meeting Materials. All other Shareholders will receive only the required notification documentation under Notice and Access, which will not include a paper copy of this Circular. The Company believes that using Notice and Access benefits the Company and the environment by reducing the amount of physical material that must be delivered to Shareholders. The Company will not rely upon the use of “stratification”.

The Meeting Materials will be available on the Company’s website at www.trevali.com as of May 15, 2018, and will remain on the website for one full year thereafter. The Meeting Materials will also be available under the Company’s profile on SEDAR at www.sedar.com as of May 15, 2018.

Shareholders who wish to receive paper copies of the Meeting Materials may request copies from the Company by calling toll-free in North America at 1-844-883-4584, or by email at info@trevali.com. Requests should be received at least five business days in advance of the proxy cut-off date set out in the accompanying proxy or voting instruction form in order to receive the Meeting Materials in advance of the date of the Meeting.

In accordance with NI 54-101, the Company set the Record Date (as defined below) at least 40 days before the date of the Meeting and also filed a form of notification of the Record Date and the date of the Meeting at least three business days before the Record Date.

Electronic copies of this Circular, the Notice, the N&A Notice, the annual audited consolidated financial statements of the Company for the financial year ended December 31, 2017 (the “**Financial Statements**”) and management’s discussion and analysis of the Company’s results of operations and financial condition for the financial year ended December 31, 2017 (the “**MD&A**”) may be found under the Company’s profile on SEDAR at www.sedar.com and the Company’s website at www.trevali.com.

Notice to Non-Objecting Beneficial Shareholders

The Notice Package is being sent to both registered and Beneficial Shareholders. If you are a Beneficial Shareholder, and the Company or its agent has sent the Notice Package directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send the Notice Package to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for delivering the Notice Package to you and for executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The board of directors of Trevali (the “**Board**”) has fixed May 8, 2018 as the record date (the “**Record Date**”), being the date for the determination of Shareholders entitled to notice of, and to vote at, the Meeting and any adjournment or postponement thereof. As at the Record Date, 830,632,885 Common Shares were issued and outstanding. As at December 31, 2017, 825,725,260 Common Shares were issued and outstanding. The Shareholders are entitled to receive notice of, and to attend, all meetings of Shareholders and to have one vote for each Common Share held.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, directly or indirectly, 10% or more of the issued and outstanding Common Shares, other than as set forth below:

Name of Shareholder	Number of Common Shares Owned	Percentage of Outstanding Common Shares
Glencore International AG	210,835,925 ⁽¹⁾	25%

Note:

(1) This number was obtained from the public filings made by this Shareholder on the System for Electronic Disclosure by Insiders (SEDI).

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

In this section “**Named Executive Officer**” or “**NEO**” means: (a) the Chief Executive Officer; (b) the Chief Financial Officer; and (c) each of the Company’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, whose total compensation was more than \$150,000 during the financial year ended December 31, 2017. As at December 31, 2017, the Company had five NEOs, namely Mark Cruise, President and Chief Executive Officer (“**CEO**”), Anna Ladd-Kruger, Chief Financial Officer (“**CFO**”), Paul Keller, Senior Vice President – Major Projects and Technical Support (“**SVP Tech Support**”), Steve Stakiw, Vice President – Investor Relations and Corporate Communications (“**VP IR/CC**”) and Daniel Marinov, Vice President of Exploration (“**VP Exploration**”).

On August 31, 2017, the Company completed the acquisition (the “**Glencore Acquisition**”) of a portfolio of zinc assets from Glencore plc and certain of its subsidiaries (“**Glencore**”), including an 80% interest in the Rosh Pinah mine in Namibia, a 90% interest in the Perkoa mine in Burkina Faso, an effective 39% interest in the Gergarub project in Namibia, and an option to acquire 100% interest in the Heath Steele project in Canada along with related exploration properties and other assets. As a result of the Glencore Acquisition, the financial year ended December 31, 2017 was a transformative year for the Company whereby it doubled in size both in terms of market capitalization and number of mines. See the Company’s annual information form dated March 29, 2018 available under the Company’s profile on SEDAR at www.sedar.com for further details regarding the Glencore Acquisition.

Compensation Philosophy and Objectives

Trevali is principally engaged in the operation, acquisition, exploration and development of zinc projects and its vision is to become a leading mineral development company supported by a culture of teamwork, innovation and integrity. Trevali’s success depends upon a group of highly-qualified and motivated executives dedicated to consistent operational excellence and the long-term performance of the Company.

In considering executive compensation issues, the Board's goal is to provide a total compensation package that is competitive in the industry, is flexible, and attracts, motivates and retains experienced and qualified executive leadership. The mining industry is experiencing a competitive labour market and this situation is expected to continue for the foreseeable future as the talent pool ages and the supply of experienced talent declines. As Trevali expands its business and seeks to increase the number of operating mines and operating jurisdictions, experienced talent is expected to be developed internally as well as drawn from primarily mid-tier and senior producing companies within the mining industry. Compensation provided to executive officers is determined with regard to the Company's business strategies and objectives. In this manner, the financial interest of the executive officers is aligned with the long-term financial interest of the Shareholders.

The Compensation Committee strives to ensure that the Company's executive officers are paid fairly and commensurately with their contributions to furthering the Company's strategic directions and objectives. The Company seeks to attract and retain top quality executives by providing total compensation that is appropriate and competitive with that paid by other mining companies with reference to companies with international operations of similar size and scope. The Compensation Committee reviews and determines all elements of the executive officers' compensation on an annual basis.

Each executive officer's position is evaluated to establish skill requirements and level of responsibility and this evaluation provides a basis for internal and external comparisons of positions. In addition to industry comparables, the Board and the Compensation Committee consider a variety of factors when determining both compensation policies, programs and individual compensation levels. These factors include the long-term interests of the Company and the Shareholders, overall financial and operating performance of the Company and the Board's and the Compensation Committee's assessment of each executive's individual performance and contribution towards meeting annual and longer-term corporate objectives.

The general objectives of the Company's compensation strategy are to:

- (a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term Shareholder value;
- (b) align management's interests with the long-term interests of Shareholders;
- (c) attract and retain highly qualified executive officers; and
- (d) be competitive with the compensation arrangements of mining companies with international operations of generally a similar size and scope.

Compensation Committee Governance

In order to assist the Board in fulfilling its oversight responsibilities with respect to compensation matters, the Board has established the Compensation Committee and has reviewed and approved the Compensation Committee's Charter. In connection with the reconstitution of the Board following completion of the Glencore Acquisition, effective October 26, 2017, the Compensation Committee was reconstituted as a four-member committee comprised of Russell Ball (Chair), Tony Drescher, Dan Isserow and Dan Myerson. Mr. Myerson is not considered to be independent within the meaning of securities laws as a result of being a member of the senior management team at Glencore. The Board determined that Mr. Myerson should not continue to serve as a member of the Compensation Committee and he resigned from the Compensation Committee subsequent to the year ended December 31, 2017. The Compensation Committee has determined that Mr. Myerson will continue to be invited to participate in committee meetings to the extent that the Compensation Committee determines that this is in the best interests of the Company. The Compensation Committee is currently comprised of Russell Ball (Chair), Tony Drescher and Dan Isserow, all of whom are independent.

The Compensation Committee meets on compensation matters as often as required to fulfil its duties and at least one time each year. The primary goal of the Compensation Committee as it relates to compensation matters is to ensure that the compensation provided to the Company's executive officers (including the NEOs) and directors is

determined with regard to the Company's business strategies and objectives, such that the financial interest of the executive officers is aligned with the financial interest of the Shareholders, and to ensure that their compensation is fair, reasonable and sufficient to attract and retain qualified and experienced executives. The Compensation Committee, in consultation with management, may retain any outside consultants or advisors that it determines to be necessary to carry out its duties.

The Compensation Committee is involved in setting and reviewing executive compensation in the following ways:

- it annually reviews executive compensation practices among the Company's comparator group to benchmark the Company's executive compensation practices at the median (50th percentile) of the Company's comparators, including base salaries, and applicable targets for short-term and long-term incentive awards to executives along with a review of long-term incentive awards;
- it annually reviews the Company's compensation framework to ensure that it is designed to meet the Company's compensation philosophy and objectives but does not encourage excessive risk-taking by executives and other employees, including reviewing the relative weighting of fixed and variable "at risk" compensation;
- it reviews and recommends for approval by the Board the compensation philosophy and structure, including the Company's short-term and long-term incentive plans and benefits, for the CEO and the other officers reporting to the CEO;
- it oversees the implementation and administration of compensation policies and programs concerning the following:
 - executive compensation, executive employment contracts, incentive plans, retirement plans and other benefits, and
 - proposed compensation and/or personnel changes involving officers reporting to the CEO;
- it reviews and recommends for approval by the Board the annual salary, short-term and long-term incentive awards and other benefits, direct and indirect, including targets tied to corporate goals and personal objectives, for the CEO;
- it reviews with the CEO, the annual salaries, short-term and long-term incentive awards and other benefits, direct and indirect, including targets tied to corporate goals and personal objectives of the Company's officers that report to the CEO;
- after considering the recommendations of the CEO, it reviews and recommends for approval by the Board the general compensation structure and policies and programs for the Company;
- it reviews and administers the Company's short-term and long-term incentive plans, including the Company's targets for its annual incentive plan, taking into consideration the Company's corporate objectives and potential risks that the Company may face or that are inherent in the industry;
- after considering the recommendations of the CEO, it reviews and recommends for approval by the Board all equity-based grants;
- it reviews the adequacy and form of the compensation of the directors to ensure that the compensation realistically reflects the responsibilities and risks involved in being an effective director, and reports and makes recommendations to the Board accordingly;
- it reviews and approves corporate goals and objectives relevant to the compensation of the officers

that report to the CEO;

- it retains the discretion to create, modify, reduce or cancel short-term or long-term incentive awards;
- it establishes and reviews compliance with share ownership guidelines for the directors, the CEO and officers that report to the CEO, and recommends any changes to the Board;
- it reviews NEO and executive termination agreements and NEO and executive termination obligations in relation to market practices and trends; and
- it annually reviews benefit programs for salaried personnel.

The Compensation Committee is involved in setting and reviewing non-executive director compensation by reviewing and recommending to the Board for approval, the annual director retainer; the additional Chair of the Board retainer; the additional committee chair retainer; the value of any equity retainer and how such equity retainer will be provided.

As a whole, the members of the Compensation Committee have direct experience and skills relevant to their responsibilities in executive compensation, including with respect to enabling the Compensation Committee to make informed decisions on the suitability of the Company's compensation policies and practices. Each of the members of the Compensation Committee have experience on the board of directors and related committees of other public companies and/or general business experience, as described under "Particulars of Matters to be Acted Upon – Election of Directors" in this Circular.

Compensation Risk

The Board and, as applicable, the Compensation Committee, considers and assesses the implications of risks associated with the Company's compensation policies and practices and devotes such time and resources as it believes to be necessary in the circumstances. The Company's practice of compensating its officers primarily through a mix of salary, stock options, bonus shares, deferred share units ("DSUs"), restricted share units ("RSUs") and performance share units ("PSUs") is designed to mitigate risk by: (i) ensuring that the Company retains such officers; and (ii) aligning the interests of its officers with the short-term and long-term objectives of the Company and the Shareholders.

The Board, together with the Compensation Committee, uses a number of strategies to reduce the risk associated with compensation, including:

- discussing the principal risks associated with the Company's compensation policies and practices and providing oversight of appropriate systems to manage such risks;
- ensuring that any compensation policies and practices that could encourage individuals within the Company to take inappropriate or excessive risks are identified, reported and mitigated;
- reviewing and approving annual corporate objectives and then assessing performance against these objectives when awarding the individual performance component of the executive officers' annual bonus;
- considering the Company's performance relative to its peers when reviewing the corporate performance component of the executive officers' annual bonus; and
- setting standard vesting terms on stock option grants which align optionees' interests with longer-term growth of the Company using 36-month vesting provisions on any stock options granted.

As at the date of this Circular, the Board had not identified risks arising from the Company's compensation policies

and practices that are reasonably likely to have a material adverse effect on the Company.

Clawback Policy

The Board has adopted a clawback policy that requires executive officers to reimburse the Company for any incentive compensation if:

- the amount of incentive compensation received was calculated based on the achievement of operating or financial results that were subsequently affected by a material restatement caused by the intentional misconduct, fraud or gross negligence of the executive officer; and
- the incentive compensation received would have been lower had the financial results been properly reported.

To date, this policy has not had to be applied.

Financial Instruments

No executive officer or director of Trevali is permitted to purchase a financial instrument designed to hedge or offset a decrease in market value of any Trevali securities granted as compensation or held, directly or indirectly, by such executive officer or director. To the Company's knowledge, no executive officer or director of the Company has purchased such a financial instrument.

Compensation Consultant

The Compensation Committee may from time to time engage independent consultants to conduct a comparator group review and analysis of executive and director compensation.

In light of the Glencore Acquisition, the Company engaged Hugessen Consulting Inc. ("**Hugessen**") in April 2017 to conduct a comprehensive review of executive and director pay levels and mix among comparable industry peers. No other consultant was engaged for services related to determining compensation for any of the Company's officers or directors during the financial year ended December 31, 2017.

Executive Compensation-Related Fees

The aggregate fees billed by Hugessen during the financial year ended December 31, 2017 were \$44,395. No consultant was engaged for services related to determining compensation for any of the Company's officers or directors during the financial year ended December 31, 2016.

Benchmarking

In the mining industry, ensuring competitive compensation is a critical business practice. The Company seeks to provide competitive total compensation packages to its executive officers and directors to ensure that it attracts and retains talented individuals while being aligned with market practices, yet manage its compensation within Trevali's ability to pay.

In identifying potential peers for executive officer and director comparator groups, Hugessen applied the following high-level principles:

- Company size – peers generally fell within 0.5 to 2.0 times the size of Trevali, on a pro-forma basis assuming completion of the Glencore Acquisition, on most size metrics, ie. enterprise value, market capitalization, revenue and total assets – companies that had not yet achieved revenues were not considered;
- Industry – given Trevali's uniquely high exposure to zinc, there were few, if any, directly comparable companies – peers were drawn from the broader metals and mining industry, specifically diversified metals and mining, gold, silver or precious metals and minerals; and

- Geography – focus was on Canada as the primary market for talent – limited to companies listed on the TSX or the TSXV.

The selection of companies that make up the comparable group are intended to reflect a group of companies with which the Company competes for executive officers and directors. The 2017 comparator group included:

Capstone Mining Corp.	Kirkland Lake Gold Ltd.
Dominion Diamond Corporation	Lucara Diamond Corp.
Dundee Precious Metals Inc.	Nevsun Resources Ltd.
First Majestic Silver Corp.	SEMAFO Inc.
Hudbay Minerals Inc.	Sherritt International Corporation
Imperial Metals Corporation	Silver Standard Resources Inc.

Elements of Compensation

The total compensation for the NEOs has four components that have different objectives and target performance over different time periods. They are: (a) base salary, (b) short-term incentive plan (ie. cash bonus), (c) long-term share-based and option-based incentive plan, and (d) benefits and perquisites. The Compensation Committee annually reviews the various elements of compensation to ensure that they are aligned with the goals of the Company and each executive, as well as the Company’s compensation objectives and philosophy.

Base Salary

Each NEO receives a base salary, which constitutes a significant portion of the NEO’s compensation package. A preliminary base salary for each executive is established following a review of market data for similar positions using the independent compensation surveys and proxy data of the Company’s comparator group of companies. Actual proposed base salaries for executives other than the CEO are then recommended by the CEO to the Chair of the Board and to the Compensation Committee based upon market competitive salary levels, an assessment of an executive’s performance and the Company’s performance during the year, the financial capacity of the Company, the scope of the executive’s responsibilities for the year, the executive’s prior experience and retention risk referencing the competitive nature of the mining industry. On the same basis, the proposed base salary of the CEO is recommended by the Chair of the Board to the Compensation Committee who in turn recommends a final proposed base salary to the Board for approval.

In 2017, NEO base salaries were as follows:

Name and Position	Base Salary 2016	Base Salary 2017 ⁽¹⁾	% Increase from 2016
Mark Cruise, CEO	\$400,000	\$520,000	30%
Anna Ladd-Kruger, CFO	\$300,000	\$350,000	17%
Paul Keller, SVP Tech Support	\$330,000	\$330,000	0%
Steve Stakiw, VP IR/CC	\$220,000	\$230,000	5%
Daniel Marinov, VP Exploration	\$220,000	\$240,000	9%

Note:

(1) Effective October 1, 2017; from January 1, 2017 to September 30, 2017, base salary was the same as 2016.

Short-Term Incentive Plan

The second component of NEO compensation is an annual short-term incentive plan (“**STIP**”), typically paid in cash. All executives are eligible for annual STIP awards, after taking into account financial management and attainment of certain corporate objectives and personal objectives. STIP awards paid at the beginning of one fiscal year are typically for performance achieved against objectives set for the previous fiscal year.

All awards, other than the CEO’s, are based on the recommendation of the CEO and are at the discretion of the Compensation Committee and the Board. The CEO does not make a recommendation to the Compensation Committee and the Board with respect to his own annual STIP award. The annual STIP award for the CEO is based

on the recommendation of the Compensation Committee to the Board.

In 2017, the Board approved STIP targets as a percentage of base salary. The overall target may also be split between corporate and personal components with different weightings applied. Each component may then have one or more goals with different weighting and measures. STIP awards may range from 0% to 200% of target base salary based on achievement of corporate and personal component objectives. In 2017, the overall target was weighted 70% on corporate goals and 30% on personal goals, with discretion from the Compensation Committee and the CEO to adjust the STIP for personal contributions by each executive.

The following is the 2017 STIP award target as a percentage of base salary for each NEO and the split between the corporate and personal components:

Name and Position	Target % of Base Salary	Corporate Component	Personal Component
Mark Cruise, CEO	100%	100%	0%
Anna Ladd-Kruger, CFO	65%	70%	30%
Paul Keller, SVP Tech Support	50%	70%	30%
Steve Stakiw, VP IR/CC	40%	70%	30%
Daniel Marinov, VP Exploration	40%	70%	30%

Corporate objectives were developed by the executive management team and submitted to the Compensation Committee and the Board for modification and approval. The approved corporate objectives were then applied to all NEOs.

Each NEO also developed personal component objectives that reflected strategic annual operational improvements, financial system implementation and improvements, development of internal teams and overall focus of leadership and communication of the executive management team.

From January 2017 to August 2017, the corporate component objectives and performance results were as follows:

Corporate Goals	Weighting %	Actual %
Santander	20%	15%
Caribou	30%	20%
Corporate Debt Refinancing and Treasury Management	15%	15%
Exploration Success	15%	15%
Safety and Environmental Compliance, Reporting and Incidents	20%	20%
	100%	85%

From September 2017 to December 2017, following completion of the Glencore Acquisition, the corporate component objectives and performance results were as follows:

Corporate Goals	Weighting %	Actual %
Operational Excellence	44%	32.5%
Financial Excellence	23%	22.5%
Growth	22%	20%
Leadership	11%	6%
	100%	91%

The overall corporate component performance results for 2017 is 87%, calculated using the weighted average between 85% for the first eight months and 91% for the subsequent four months.

Final 2017 results with weightings for both the corporate and personal component are as follows:

Name and Position	Corporate Component	Personal Component	Total % Attained
Mark Cruise, CEO	87%	0%	87%
Anna Ladd-Kruger, CFO	61%	29%	89%
Paul Keller, SVP Tech Support	46%	21%	67%
Steve Stakiw, VP IR/CC	61%	24%	85%
Daniel Marinov, VP Exploration	61%	29%	90%

All of the 2017 STIP awards were paid out in cash during the first quarter of 2018.

Long-Term Incentive Plan

The third component of NEO compensation is the granting of options (the “**Options**”) to purchase Common Shares under the Company’s amended and restated stock option and stock bonus plan (the “**Option Plan**”) and/or the issuance of “bonus” Common Shares (the “**Bonus Shares**”) and the granting of DSUs, PSUs or RSUs under the Company’s amended and restated share unit plan (the “**Share Unit Plan**”). The Compensation Committee or the Board may grant Options, Bonus Shares, DSUs, PSUs and RSUs, or any combination thereof, on an annual basis to executive officers. The use of Bonus Shares under the Option Plan has been discontinued as of January 1, 2018.

The following is the 2017 long-term incentive plan (“**LTIP**”) target as a percentage of base salary for each NEO:

Name and Position	Target % of Base Salary
Mark Cruise, CEO	200%
Anna Ladd-Kruger, CFO	135%
Paul Keller, SVP Tech Support	100%
Steve Stakiw, VP IR/CC	70%
Daniel Marinov, VP Exploration	70%

The Option Plan and the Share Unit Plan are intended to help attract and retain employees by providing them with an opportunity to participate in the future success of the Company and to reinforce commitment to long-term growth in profitability and Shareholder value. The Option Plan and the Share Unit Plan are designed to encourage share ownership and entrepreneurship on the part of the senior management and employees. The Board believes that the Option Plan and the Share Unit Plan align the interests of the NEOs and the Board with Shareholders by linking a component of executive compensation to the longer term performance of the Common Shares.

Settlement of DSUs, PSUs and RSUs under the Share Unit Plan may be made by the Company in cash, in Common Shares purchased on the secondary market, or by the issuance of Bonus Shares, as determined by the Board, under the terms and conditions of the Share Unit Plan governing the terms of the DSUs, PSUs and RSUs and, if Bonus Shares are issued, under the terms and conditions of the Option Plan.

Options granted under the Option Plan vest in 1/3 increments starting on the first year anniversary of the date of grant and fully vest on the third year anniversary of the date of grant. Vested Options must be exercised no later than five years after the date of grant or they will expire. Options are priced using the five day volume weighted average trading price of the Common Shares on the Toronto Stock Exchange (the “**TSX**”) on the date of grant. Vesting of Bonus Shares is determined at the discretion of the Board, however, Bonus Share awards typically vest in 1/3 increments starting on the first year anniversary of the date of grant and fully vest on the third year anniversary of the date of grant. At each vesting date, that portion of the award is settled with Common Shares issued from treasury.

RSU awards vest 100% on the third year anniversary of the date of grant. There is no partial vesting before that time. Upon vesting, the RSU award is settled with Common Shares purchased on the open market on the date of

settlement, or is settled in cash.

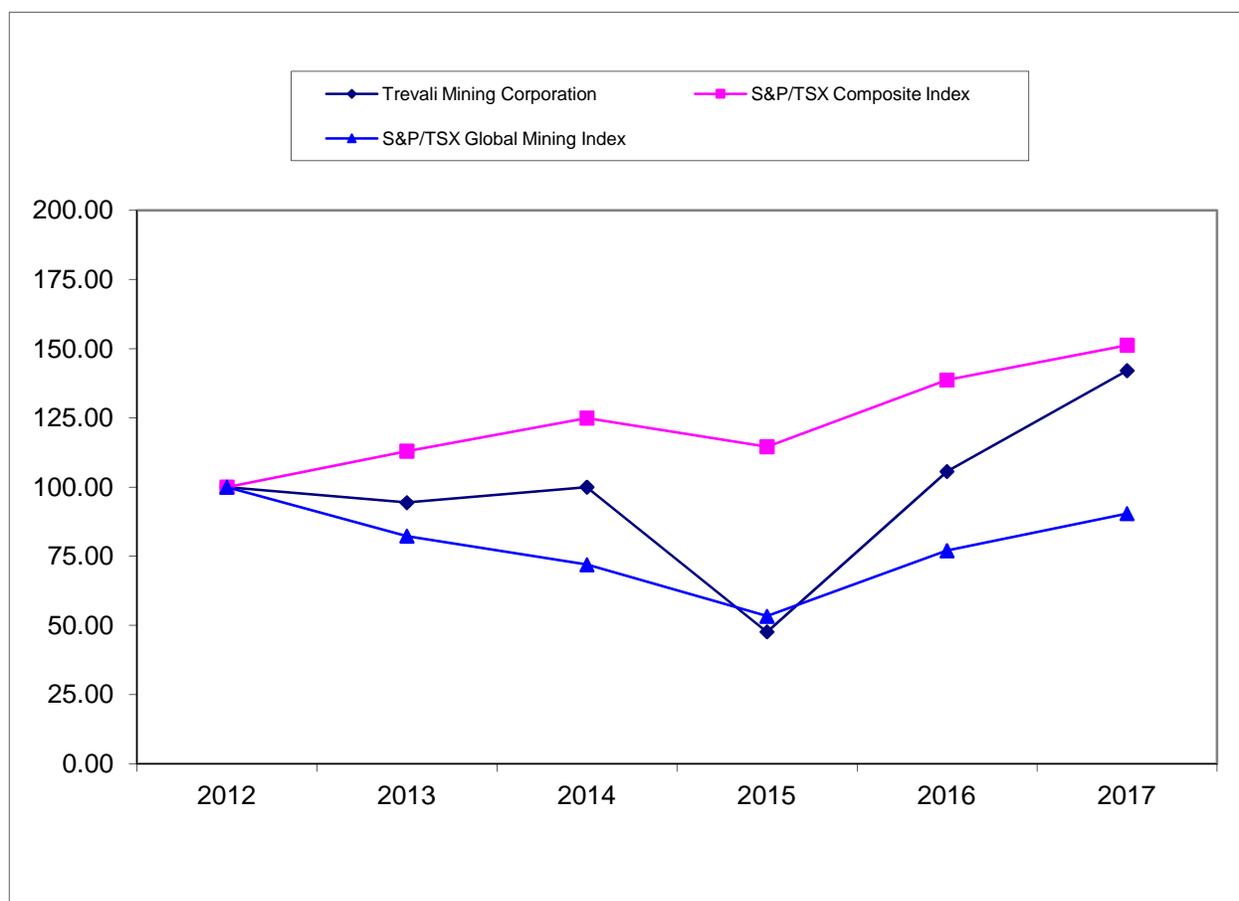
The form of the incentive award (whether Options, Bonus Shares, DSUs, PSUs or RSUs) for each executive and the percentage split between each long-term incentive component is at the discretion of the Compensation Committee and the Board. The longer term goal, dependent upon market conditions, is to move towards a decreased use of Options and an eventual shift to performance-based awards. In monitoring or adjusting the recommended option allotments, the Board or the Compensation Committee, as the case may be, takes into account its own observations on individual performance, its assessment of individual contribution to Shareholder value and the previous option grants. The scale of options is generally commensurate to the appropriate level of base compensation for each level of responsibility. The Board or the Compensation Committee will make these determinations subject to and in accordance with the provisions of the Option Plan or the Share Unit Plan, as applicable, and in accordance with the policies of the TSX.

Benefits and Perquisites

The Company also has an appropriate benefits program in place, including medical and dental benefits and basic life insurance, which applies to all permanent employees (full and part-time) and consultants, as the Company believes that such a plan is a competitive requirement and therefore an important consideration in attracting the necessary personnel.

Performance Graph

The following graph compares the Company's cumulative total shareholder return over the five most recently completed financial years ending December 31, 2017, assuming \$100 was invested in Common Shares on the first day of the five-year period, with the cumulative total returns of the S&P/TSX Composite Index and the S&P/TSX Global Mining Index over the same period.



Year	2012	2013	2014	2015	2016	2017
Trevali Mining Corporation	100.00	94.39	100.00	47.66	105.61	142.05
S&P/TSX Composite Index	100.00	112.99	124.92	114.53	138.67	151.28
S&P/TSX Global Mining Index	100.00	82.29	71.96	53.32	77.02	90.44

Over the past five years, the Company has experienced significant growth. In November 2012, the Company completed the acquisition of the Caribou mine and mill located in New Brunswick, through the acquisition of Maple Minerals Corporation. In 2013, the Company commissioned and commenced commercial production at the Santander zinc mine in Peru, and 2014 represented the Company's first full year of commercial production at Santander. In addition, the Company commenced commissioning at the Caribou zinc mine in 2015 and declared commercial production on July 1, 2016. Effective April 1, 2017, the Company purchased Glencore's producing Rosh Pinah and Perkoa zinc mines.

The Company's compensation to executive officers has also increased over this period to reflect the growing business and increased complexities of the executive positions; however, the percentage increase in the executive officers' compensation is not consistent with the trend of total return on investment charted for the Company in the above performance graph. The Company does not base its executive compensation on total return on investment. As mentioned previously, the Company relies on the Compensation Committee and the Board to determine executive

compensation.

Summary Compensation Table – Named Executive Officers

The following table sets forth the compensation paid or awarded to each NEO for the Company's three most recently completed financial years:

Name and principal position	Year	Salary (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans (\$)	Long-term incentive plans (\$)			
Mark Cruise CEO	2017	450,000	1,356,174	406,234	-	-	-	500,000 ⁽³⁾	2,712,408
	2016	380,417	1,485,935	439,935	-	-	-	-	2,306,287
	2015	353,004	397,709	317,322	-	-	-	47,519 ⁽⁴⁾	1,115,554
Anna Ladd-Kruger CFO	2017	320,833	807,272	278,219	-	-	-	400,000 ⁽³⁾	1,806,324
	2016	291,667	819,815	233,187	-	-	-	-	1,344,669
	2015	280,000	202,592	169,964	-	-	-	37,692 ⁽⁴⁾	690,248
Paul Keller SVP Tech Support	2017	330,000	681,553	178,130	-	-	-	150,000 ⁽³⁾	1,339,683
	2016	330,000	1,065,583	305,364	-	-	-	-	1,700,947
	2015	330,000	267,973	222,572	-	-	-	50,769 ⁽⁴⁾	871,314
Steve Stakiw VP IR/CC	2017	224,167	250,618	72,839	-	-	-	50,000 ⁽³⁾	597,624
	2016	220,000	362,089	95,002	-	-	-	-	677,091
	2015	220,000	116,705	69,247	-	-	-	13,538 ⁽⁴⁾	419,490
Daniel Marinov VP Exploration	2017	228,333	249,584	76,461	-	-	-	50,000 ⁽³⁾	604,378
	2016	211,667	340,619	86,365	-	-	-	-	638,651
	2015	200,000	105,369	62,950	-	-	-	14,615 ⁽⁴⁾	382,934

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 29/30/31, as follows:
2017 – \$1.52;
2016 – \$1.13; and
2015 – \$0.51.
- (2) Option-based awards were granted pursuant to the Option Plan. Fair value of stock option grants have been calculated using the Black-Scholes option pricing model, based on the following assumptions:
 - for the financial year ended December 31, 2017 (note these option grants have a three year vesting period):

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
January 20, 2017	1.03%	5 years	64%	-
August 31, 2017	1.99%	5 years	64%	-

 - for the financial year ended December 31, 2016 (note these option grants have a three year vesting period):

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
June 1, 2016	0.72%	5 years	65%	-

 - for the financial year ended December 31, 2015 (note these option grants have a three year vesting period):

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
January 30, 2015	0.61%	5 years	56%	-
- (3) These amounts represent lump sum payments paid as performance bonuses in connection with the Glencore Acquisition.
- (4) These amounts represent vacation payouts.

Incentive Plan Awards – Named Executive Officers

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based awards and option-based awards outstanding for each NEO as of December 31, 2017:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested ⁽²⁾ (#)	Market or payout value of share-based awards that have not vested ⁽³⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾ (\$)
Mark Cruise	197,500	0.77	May 1/18	148,125	-	-	62,676
	47,500	0.62	May 31/18	42,750	-	-	100,296
	207,000	1.01	June 24/19	105,570	-	-	782,496
	720,410	1.03	Jan 30/20	353,001	-	-	358,720
	988,400	0.45	Jun 01/21	1,057,588	120,820	183,646	-
	357,900	1.21	Jan 20/22	110,949	-	-	-
	224,360	1.59	Aug 31/22	-	-	-	-
Anna Ladd-Kruger	107,500	0.77	May 1/18	80,625	-	-	34,048
	150,000	0.62	May 31/18	135,000	-	-	53,702
	112,500	1.01	Jun 24/19	57,375	-	-	419,064
	385,720	1.03	Jan 30/20	189,003	-	-	181,640
	529,200	0.45	Jun 01/21	566,244	109,600	166,592	-
	181,200	1.21	Jan 20/22	56,172	-	-	-
	203,530	1.59	Aug 31/22	-	-	-	-
Paul Keller	158,000	1.01	Jun 24/19	80,580	-	-	47,932
	505,110	1.03	Jan 30/20	247,504	-	-	70,321
	693,000	0.45	Jun 01/21	741,510	-	-	548,720
	221,400	1.21	Jan 20/22	68,634	-	-	222,072
	48,080	1.59	Aug 31/22	-	25,890	39,353	-
Steve Stakiw	70,000	0.77	May 1/18	52,500	-	-	16,568
	50,000	0.62	May 31/18	45,000	-	-	21,879
	54,500	1.01	Jun 24/19	27,795	-	-	170,696
	157,150	1.03	Jan 30/20	77,004	-	-	69,160
	215,600	0.45	Jun 01/21	230,692	19,680	29,914	-
	68,900	1.21	Jan 20/22	21,359	-	-	-
	36,540	1.59	Aug 31/22	-	-	-	-
Daniel Marinov	142,860	1.03	Jan 30/20	70,001	-	-	14,896
	196,000	0.45	Jun 01/21	209,720	-	-	19,891
	68,900	1.21	Jan 20/22	21,359	-	-	155,192
	41,030	1.59	Aug 31/22	-	-	-	69,160
				22,100	33,592	-	

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of the Common Shares on the TSX on December 29, 2017, the last trading day in 2017, of \$1.52 and the exercise price of the options, multiplied by the number of unexercised options.
- (2) All RSUs awarded vest three years after the date of grant and are settled immediately thereafter.
- (3) Calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.

Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned for each NEO during the financial year ended December 31, 2017:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year ⁽³⁾ (\$)
Mark Cruise	1,244,191	978,845	500,000
Anna Ladd-Kruger	663,996	524,655	400,000
Paul Keller	867,396	690,161	150,000
Steve Stakiw	270,628	216,271	50,000
Daniel Marinov	247,387	196,469	50,000

Notes:

- (1) The “value vested during the year” is calculated based on the positive difference between the closing price of the Common Shares on the TSX as of the date of vesting (being the anniversary date) and the exercise price of the options, multiplied by the number of vested options.
- (2) Represents the number of shares vested multiplied by the closing price on the date of vesting.
- (3) These amounts represent lump sum payments paid as performance bonuses in connection with the Glencore Acquisition.

Termination and Change of Control Benefits

Dr. Mark Cruise, President & CEO

Effective October 1, 2017, as a result of the Glencore Acquisition and the Company wishing to amend the form of relationship with Dr. Mark Cruise to one of employer/employee as opposed to independent contractor, the Company entered into an employment agreement with Dr. Cruise (the “**Cruise Employment Agreement**”) pursuant to which he is paid an annual base salary of \$520,000.

In the event of the death of Dr. Cruise, the Company will pay Dr. Cruise’s spouse or legal representative all base salary earned, but not yet paid, up to the date of his death, a pro-rated bonus, assuming 100% achievement of any personal objectives and respective achievement of any corporate objectives, all accrued but unused vacation pay and all properly incurred business expenses owed to him.

Dr. Cruise is entitled to receive the following payments if he is terminated by the Company without cause:

- (a) payment of his base salary to the date of termination and any outstanding vacation pay thereto; and
- (b) notice, payment in lieu of notice or any combination thereof equal to 24 months’ notice, where the notice or payment in lieu or combination thereof consists of base salary, bonus calculated at target and continued benefits coverage, or at the Company’s option a lump sum payment equal to 30% of the base salary in lieu of continued benefits coverage.

Assuming that an event of termination without cause took place on December 31, 2017 and the Company made the payment in lieu of notice for the full 24 months, the following are estimates of the lump sum amounts payable by the Company to Dr. Cruise in such circumstances:

Payment Type	Amount
24 months of base salary	\$1,040,000
24 months of bonus calculated at target	\$3,120,000
Benefits (30% of base salary in lieu of benefits)	\$156,000
Vesting of outstanding Options, Bonus Shares and RSUs ⁽¹⁾⁽²⁾	\$2,311,254
Total Compensation	\$6,627,254

Notes:

(1) Options value calculated using the Black-Scholes option pricing model, based on the following assumptions:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
August 31, 2017	1.99%	5 years	64%	-
January 20, 2017	1.03%	5 years	64%	-
June 1, 2016	0.72%	5 years	65%	-
January 30, 2015	0.61%	5 years	56%	-

(2) Unvested Bonus Share and RSU awards calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.

For a period of 18 months from a change of control (as defined in the Cruise Employment Agreement), Dr. Cruise is eligible to receive the same payments as set out above in the event of either an involuntary termination without cause or a termination for good reason (as defined in the Cruise Employment Agreement).

Other Named Executive Officers

Effective October 1, 2017, as a result of the Glencore Acquisition and the Company wishing to amend the form of relationship with each of Anna Ladd-Kruger, Paul Keller, Steve Stakiw and Daniel Marinov to one of employer/employee as opposed to independent contractor, the Company entered into employment agreements with each of Mrs. Anna Ladd-Kruger and Messrs. Keller, Stakiw and Marinov (collectively, the “**Other NEO Employment Agreements**”) pursuant to which they are paid an annual base salary of \$350,000, \$330,000, \$230,000 and \$240,000, respectively.

The Other NEO Employment Agreements include provisions similar to the Cruise Employment Agreement relating to termination upon death, without cause and in connection with a change of control.

Assuming that the event of termination without cause took place on December 31, 2017 and the Company made the payment in lieu of notice for the full 24 months, the following are estimates of the lump sum amounts payable by the Company to the respective NEOs in such circumstances:

Payment Type	Ladd-Kruger Amount	Keller Amount	Stakiw Amount	Marinov Amount
24 months of base salary	\$700,000	\$660,000	\$460,000	\$480,000
24 months of bonus calculated at target	\$1,400,000	\$990,000	\$506,000	\$528,000
Benefits (30% of base salary in lieu of benefits)	\$105,000	\$99,000	\$69,000	\$72,000
Vesting of outstanding Options, Bonus Shares and RSUs ⁽¹⁾⁽²⁾	\$1,273,171	\$1,505,284	\$525,740	\$413,746
Total Compensation	\$3,478,171	\$3,254,284	\$1,560,740	\$1,493,746

Notes:

(1) Options value calculated using the Black-Scholes option pricing model, based on the following assumptions:

<i>Options Granted</i>	<i>Risk-Free Interest Rate</i>	<i>Expected Life</i>	<i>Expected Volatility</i>	<i>Expected Dividends</i>
August 31, 2017	1.99%	5 years	64%	-
January 20, 2017	1.03%	5 years	64%	-
June 1, 2016	0.72%	5 years	65%	-
January 30, 2015	0.61%	5 years	56%	-

(2) Unvested Bonus Share and RSU awards calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.

For a period of 18 months from a change of control (as defined in the Other NEO Employment Agreements), each of the NEOs is eligible to receive the same payments as set out above in the event of either an involuntary termination without cause or a termination for good reason (as defined in the Other NEO Employment Agreements).

Executive Officer Share Ownership Requirements

In an effort to align the interests of the Company’s executive officers with those of the Shareholders and to mitigate against inappropriate risk-taking, the Board has adopted a share ownership policy that requires each executive officer of the Company to hold (a) in the case of the CEO, the number of Common Shares that has a value of at least three times his or her annual base salary, (b) in the case of the CFO, Chief Operating Officer and Senior Vice Presidents, the number of Common Shares that has a value of at least two times his or her annual base salary, and (c) in the case of Vice Presidents, the number of Common Shares that has a value of at least one times his or her annual base salary, all within five years of appointment. RSUs are treated as Common Shares owned by such individuals

for the purpose of these requirements.

The following table sets forth the number and value of the Common Shares and RSUs held by each NEO at December 31, 2017:

Name and Position	Appointed	Number of Common Shares Held ⁽¹⁾	Total Market Value of Common Shares ⁽²⁾	Share Ownership Requirement Met
Mark Cruise CEO	February 2008	2,716,174	\$4,128,585	Yes
Anna Ladd-Kruger CFO	May 2011	863,627	\$1,312,713	Yes
Paul Keller SVP Tech Support	May 2011	1,145,377	\$1,740,973	Yes
Steve Stakiw VP IR/CC	May 2012	557,193	\$846,933	Yes
Daniel Marinov VP Exploration	April 2013	396,040	\$601,981	Yes

Notes:

(1) Held directly and indirectly.

(2) Calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.

DIRECTOR COMPENSATION

The Company recognizes the contribution that its directors make to the Company and seeks to compensate them accordingly. The Compensation Committee is responsible for making recommendations as to director compensation for the Board's consideration and ultimate approval. The Company uses the same comparator companies to determine the competitiveness and composition of their director compensation as they do for their executive compensation. The Company sets compensation based on the average (P50) compensation paid within the comparator group, factoring out data that lies outside of one standard deviation.

Director Fee Structure

The following table sets forth the components of non-executive director compensation and the amounts set for such compensation effective September 30, 2017:

Component ⁽¹⁾	Amount
Cash Retainer	\$80,000
Board Chair Retainer	\$125,000
Audit Chair Retainer	\$16,000
Compensation Chair Retainer	\$12,500
CGN Chair Retainer	\$11,000
HSEC Chair Retainer	\$11,000
Audit Committee Member Fee	\$5,000
Other Committee Member Fee	\$2,500
Equity Value ⁽²⁾	\$80,000

Notes:

(1) All amounts are on an annual basis and are paid to directors monthly, other than the award of DSUs which occur once a year.

(2) This is satisfied through the issuance of DSUs.

Directors are no longer paid meeting attendance fees, however, consideration will be given for additional fees in the event that more than 15 Board and/or committee meetings are held during any year. Directors are reimbursed for out-of-pocket costs incurred in attending Board or committee meetings.

During the financial year ended December 31, 2017, the Board formed a special committee (the "**Special Committee**") of independent directors in connection with the Glencore Acquisition. The Special Committee was comprised of Michael Hoffman (Chair), Tony Drescher and David Huberman. The Chair of the Special Committee was paid a cash retainer in the amount of \$75,000 and an additional \$28,000 as compensation for attending due

diligence site visits in connection with his duties as the Chair of the Special Committee for the Glencore Acquisition. Each of the other two members of the Special Committee were paid a cash retainer in the amount of \$30,000. Members of the Special Committee also received \$1,200 per in-person meeting and \$500 per telephone meeting.

Committee Membership

The following table sets forth the current committee members and chairs, all of whom are non-executive directors:

Name	Audit Committee	Compensation Committee	Corporate Governance and Nominating Committee	Health, Safety, Environment and Community Committee
Michael Hoffman	-	-	Member	Member
Russell Ball	Member	Chair	-	Member
Tony Drescher	Chair	Member	-	-
Christopher Eskdale	-	-	-	-
Dan Isserow	Member	Member	Chair	-
Jessica McDonald	-	-	Member	Chair
Dan Myerson	-	-	-	-

Director Compensation Table

The following table discloses the particulars of the compensation provided to the non-executive directors of the Company for the financial year ended December 31, 2017:

Name	Fees earned (\$)	Share-based awards ⁽¹⁾ (\$)	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Michael Hoffman	193,600	94,240	-	-	-	-	287,840
Russell Ball ⁽²⁾	20,729	-	-	-	-	-	20,729
Tony Drescher	117,600	94,240	-	-	-	-	211,840
Christopher Eskdale ⁽³⁾	-	-	-	-	-	-	-
Catherine Gignac ⁽⁴⁾	48,600	94,240	-	-	-	-	142,840
David Huberman ⁽⁴⁾	115,433	94,240	-	-	-	-	209,673
Dan Isserow ⁽²⁾	20,417	-	-	-	-	-	20,417
David Korbin ⁽⁴⁾	46,933	94,240	-	-	-	-	141,173
Jessica McDonald ⁽²⁾	19,375	-	-	-	-	-	19,375
Dan Myerson ⁽⁵⁾	-	-	-	-	-	-	-

Notes:

- (1) Calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.
- (2) Messrs. Ball and Isserow and Ms. McDonald were appointed to the Board effective October 11, 2017.
- (3) Mr. Eskdale is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company.
- (4) Ms. Gignac and Messrs. Huberman and Korbin resigned from the Board effective October 11, 2017.
- (5) Mr. Myerson was appointed to the Board effective August 31, 2017. Mr. Myerson is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company.

Mark Cruise does not receive any additional compensation for services rendered in his capacity as a director of the Company, other than as paid by the Company to him in his capacity as an executive officer of the Company.

Director Incentive Plan Awards

A component of the director compensation is equity-based with the award of DSUs under the Share Unit Plan. The Board, at its discretion and upon the recommendation of the Compensation Committee, may grant Options, Bonus Shares and DSUs, or any combination thereof, on an annual basis to directors. The use of DSUs moves the Company towards its goal of decreasing the use of Options and Bonus Shares for non-executive directors and promotes greater alignment between directors and Shareholders.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth all share-based awards and option-based awards outstanding for each of the non-executive directors of the Company as of December 31, 2017:

Name	Option-Based Awards				Share-Based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested ⁽²⁾ (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed ⁽³⁾ (\$)
Michael Hoffman	20,500	0.77	May 1/18	15,375	-	-	21,280
	12,500	0.62	May 31/18	11,250	-	-	39,064
	21,500	1.01	Jun 24/19	10,965	-	-	85,242
					-	-	190,000
					-	-	94,240
Russell Ball	-	-	-	-	-	-	-
Tony Drescher	20,500	0.77	May 1/18	15,375	-	-	21,280
	12,500	0.62	May 31/18	11,250	-	-	39,064
	21,500	1.01	Jun 24/19	10,965	-	-	85,242
					-	-	190,000
					-	-	94,240
Christopher Eskdale ⁽⁴⁾	-	-	-	-	-	-	-
Dan Isserow	-	-	-	-	-	-	-
Jessica McDonald	-	-	-	-	-	-	-
Dan Myerson ⁽⁵⁾	-	-	-	-	-	-	-

Notes:

- (1) The “value of unexercised in-the-money options” is calculated based on the difference between the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52 and the exercise price of the options, multiplied by the number of unexercised options.
- (2) All DSUs awarded vest one year after the date of grant, however, are not settled until retirement or death. All of these DSUs had vested as of December 31, 2017.
- (3) Based on the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.
- (4) Mr. Eskdale is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company.
- (5) Mr. Myerson is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company.

Value Vested or Earned During the Year

The following table sets forth the value of all incentive plan awards vested or earned by each non-executive director of the Company during the financial year ended December 31, 2017:

Name	Option-based awards – Value vested during the year ⁽¹⁾ (\$)	Share-based awards – Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Michael Hoffman	3,082	148,692	-
Russell Ball	-	-	-
Tony Drescher	3,082	148,692	-
Christopher Eskdale ⁽³⁾	-	-	-
Catherine Gignac ⁽⁴⁾	3,082	148,692	-
David Huberman ⁽⁴⁾	3,082	148,692	-
Dan Isserow	-	-	-
David Korbin ⁽⁴⁾	-	83,220	-
Jessica McDonald	-	-	-
Dan Myerson ⁽⁵⁾	-	-	-

Notes:

- (1) The “value vested during the year” is calculated based on the positive difference between the closing price for the Common Shares on the TSX as of the date of vesting and the exercise price of the options, multiplied by the number of vested options.
- (2) Represents the number of shares vested multiplied by the closing market price on the date of vesting.
- (3) Mr. Eskdale is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any option-based/share-based awards for acting as a director of the Company.
- (4) Ms. Gignac and Messrs. Huberman and Korbin resigned from the Board effective October 11, 2017.
- (5) Mr. Myerson is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any option-based/share-based awards for acting as a director of the Company.

Director Share Ownership Requirements

In an effort to align the interests of the Company’s directors with those of the Shareholders, the Board has adopted a share ownership policy that requires each non-executive director of the Company (subject to certain exceptions) to hold (a) at least \$10,000 worth of Common Shares within one year of appointment; and (b) the number of Common Shares that has a value of at least three times his or her annual cash retainer within five years of appointment. DSUs are treated as Common Shares owned by such individuals for the purpose of these requirements.

The following table sets forth the number and value of the Common Shares and DSUs held by each non-executive director of the Company at December 31, 2017:

Name	Director Since	Number of Common Shares Held ⁽¹⁾	Total Market Value of Common Shares ⁽²⁾	Share Ownership Requirement Met
Michael Hoffman	April 2011	761,858	\$1,158,024	Yes
Russell Ball	October 2017	31,000	\$47,120	Yes
Tony Drescher	May 2007	607,803	\$923,860	Yes
Christopher Eskdale ⁽³⁾	March 2012	-	-	n/a
Dan Isserow	October 2017	10,000	\$15,200	Yes
Jessica McDonald	October 2017	Nil	Nil	n/a ⁽⁵⁾
Dan Myerson ⁽⁴⁾	August 2017	-	-	n/a

Notes:

- (1) Held directly and indirectly.
- (2) Calculated using the closing price of the Common Shares on the TSX on December 29, 2017 of \$1.52.
- (3) Mr. Eskdale is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company. As a result, Mr. Eskdale is exempt from the director share ownership requirements.
- (4) Mr. Myerson is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company. As a result, Mr. Myerson is exempt from the director share ownership requirements.
- (5) Ms. McDonald is required to hold (i) at least \$10,000 worth of Common Shares by October 2018, and (ii) at least three times her annual cash retainer by October 2022. Subsequent to December 31, 2017, Ms. McDonald purchased 8,700 Common Shares at a total cost of \$10,179.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information regarding compensation plans under which equity securities of the Company are authorized for issuance as at December 31, 2017:

Plan Category	Number of securities to be issued upon exercise of outstanding options ⁽¹⁾	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans ⁽²⁾
Equity compensation plans approved by securityholders	9,908,901	\$0.79	67,196,919
Equity compensation plans not approved by securityholders	Nil	n/a	n/a
Total	9,908,901	\$0.79	67,196,919

Notes:

- (1) These are stock options to purchase Common Shares pursuant to the Option Plan.
- (2) The maximum number of Common Shares reserved for issuance under the Option Plan at any time is 10% of the Company's issued and outstanding Common Shares at that time, less any Common Shares reserved for issuance under other security-based compensation arrangements.

SUMMARY OF MATERIAL TERMS OF SECURITY-BASED COMPENSATION PLANS

Stock Option and Stock Bonus Plan

The purpose of the Option Plan is to give the Board the ability to (i) provide the Company's officers, directors, employees and consultants with the opportunity to participate in the progress of the Company by granting Options to such individuals; and (ii) provide additional compensation by issuing Bonus Shares to such individuals.

The purpose of granting such Options and/or Bonus Shares is to assist the Company in attracting, retaining and motivating officers, directors and employees and to align the personal interests of such officers, directors and employees with those of the Shareholders. The Option Plan is intended to be competitive with the benefit programs of other companies in the mining industry, and has been prepared in accordance with the rules and policies of the TSX.

Eligibility

Pursuant to the Option Plan, officers, directors, employees and consultants of the Company and its subsidiaries are eligible to receive Options and/or Bonus Shares.

Exercise Price and Term of Options

The exercise price for each Option cannot be less than the five-day weighted average trading price of the Common Shares on the TSX prior to the date of grant and the expiry date for each Option cannot be more than 10 years from the date of grant. All Options are non-assignable and non-transferable, and subject to such vesting provisions as the Compensation Committee or the Board may determine in its sole discretion. Except where not permitted by the TSX, where an Option expires during a black-out period, or within ten business days following the end of a black-out period, the term of such Options will be extended to the end of day that is ten business days following the end of the applicable black-out period.

Limits on Option Grants

The maximum number of Common Shares which may be issuable pursuant to Options granted or Bonus Shares issued under the Option Plan, together with all of the Company's other previously established or proposed security-based compensation arrangements, in aggregate, will not at any time exceed 10% of the total number of issued and outstanding Common Shares as of the date of grant on a non-diluted basis.

The maximum number of Common Shares which may be reserved for issuance to all insiders (“**Insiders**”) of the Company under the Option Plan, together with all of the Company’s other previously established or proposed security-based compensation arrangements, is limited to not more than 10% of the issued and outstanding Common Shares at the time of grant. In addition, the maximum number of Common Shares which may be issued to Insiders under the Option Plan, together with all of the Company’s other previously established or proposed security-based compensation arrangements, in any 12-month period may not exceed 10% of the issued and outstanding Common Shares at the time of grant.

In addition to the foregoing, the maximum number of Common Shares which may be issuable pursuant to Options granted or Bonus Shares issued under the Option Plan to directors of the Company who are not also employees or senior officers of the Company (the “**Non-Employee Directors**”), will be limited to the lesser of: (i) an aggregate reserve per year of one percent (1%) of the Common Shares issued and outstanding for all Non-Employee Directors, and (ii) an annual equity award value of \$100,000 per Non-Employee Director (the “**Non-Employee Director Participation Limits**”).

Other than the Non-Employee Director Participation Limits, there is no maximum number of Common Shares which may be reserved for issuance to any one individual under the Option Plan nor is there a maximum number of Bonus Shares which may be issued to any one individual.

Options Granted, Exercised and Outstanding

During the financial year ended December 31, 2017, Options to purchase 2,033,440 Common Shares were granted under the Option Plan, representing approximately 0.25% of the issued and outstanding Common Shares as of December 31, 2017 (as of December 31, 2017, there were 825,725,260 Common Shares issued and outstanding) and 1,657,833 Common Shares were issued upon exercise of Options granted under the Option Plan.

As of December 31, 2017, Options to purchase 9,908,901 Common Shares (net of exercised and cancelled options), representing approximately 1.2% of the then issued and outstanding Common Shares, were outstanding under the Option Plan. As of December 31, 2017, this leaves Options to purchase 67,196,919 Common Shares, representing approximately 8.14% of the issued and outstanding Common Shares, available for issuance under the Option Plan.

Burn Rate

The following table sets out the burn rate for Options granted under the Option Plan for the three most recently completed financial years:

Year	Options Granted	Weighted Average Securities Outstanding	Burn Rate
2017	2,033,440	544,451,290	0.0037
2016	3,857,800	381,832,281	0.0101
2015	3,222,000	305,410,034	0.0105

Termination of Options

Where an option holder (the “**Optionee**”) ceases to be employed or engaged by the Company, each Option held by the Optionee will be exercisable in respect of that number of shares that have vested pursuant to the terms of the option agreement governing such Option at any time up to but not after the earlier of (i) the expiry date of the Option, and (ii) the date which is 90 days after the Optionee ceases to be an officer, a director, an employee or a consultant, or such longer period as determined by the Compensation Committee (subject to the expiry date of such Option).

If an Optionee is terminated by the Company, other than for Cause (as defined in the Option Plan), the Optionee will be eligible to exercise that number of options that have vested pursuant to the terms of the option agreement governing such Option as at the termination date (and for Options that have not fully vested at the termination date, such number of unvested Options pro-rated to the termination date) at any time up to but not after the earlier of (i) the expiry date of the Option, and (ii) the date which is 90 days after the termination date, or such longer period as

determined by the Compensation Committee (subject to the expiry date of such Option).

If the Optionee ceases to be an officer, a director, an employee or a consultant of the Company due to death or disability or, in the case of an Optionee that is a company, the death or disability of a person who provides management or consulting services to the Company or to any entity controlled by the Company, each Option held by the Optionee will be deemed to have vested immediately and such Options will be exercisable by the Optionee's legal representatives at any time up to but not after the earlier of (i) the expiry date of the Option, and (ii) the date which is nine months after the date of death or disability.

Where an Optionee (i) ceases to be employed or engaged by the Company for Cause or by order of any securities commission, recognized stock exchange or any regulatory body having jurisdiction, (ii) ceases to provide investor relations services if the Optionee's primary function with the Company was the provision of such services, or (iii) ceases to be eligible to hold office as a director of the Company under the provisions of the applicable corporate statute, each Option held by the applicable Optionee will be exercisable in respect of that number of options that have vested pursuant to the terms of the option agreement governing such Option at any time up to but not after the earlier of (x) the expiry date of that Option, and (y) the date which is 30 days following the termination date for Cause.

Where an Optionee ceases to be a an officer, a director, an employee or a consultant of the Company or any of its subsidiaries due to retirement, each Option held by the Optionee will continue to vest post-retirement (as if retirement had not occurred) and such Option will be exercisable in respect of that number of options that have vested pursuant to the terms of the option agreement governing such Option at any time up to the expiry date of the Option.

Adjustments, Change of Control and Acceleration of Vesting

The Option Plan contains an adjustment mechanism to alter the exercise price or number of shares issuable under the Option Plan upon a share reorganization, corporate reorganization or special distribution. In the event of a Change of Control (as defined in the Option Plan) and within 12 months of such Change of Control the Company terminates the employment of the holder of Options for any reason other than just cause, then all of the Optionee's Options will immediately vest on the termination date. In the event of an Offer (as defined in the Option Plan), the Compensation Committee may determine that all Options outstanding under the Option Plan immediately vest.

Amendments and Termination of Plan

The Option Plan contains amending provisions which set out circumstances where Shareholder approval will be required, including: (i) amendments that increase the number of Common Shares issuable under the Option Plan, (ii) any reduction in the exercise price of Options or the cancellation and reissue of Options, (iii) the extension of the term of any Option beyond the original expiry date, (iv) amendments required to be approved by shareholders under applicable law, (v) amendments which would permit Options granted under the Option Plan to be transferable or assignable other than for normal estate purposes, (vi) amendments to the amendment procedures and provisions of the Option Plan, and (vii) amendments to eligible participants that may permit the introduction or reintroduction of Non-Employee Directors on a discretionary basis or that increase the Non-Employee Director Participation Limits.

The Option Plan also contains provisions which set out circumstances where disinterested shareholder approval (as defined in the policies of the TSX) will be required, including (i) amendments to the Option Plan that could result in the number of Common Shares reserved for issuance under the Option Plan to Insiders exceeding 10% of the outstanding issue, (ii) amendments to the Option Plan that could result in the issuance to Insiders, within a 12 month period, of a number of Shares exceeding 10% of the outstanding issue, (iii) any reduction in the Option price of an Option if the Optionee is an Insider at the time of the proposed amendment, (iv) any extension of the term of any Option beyond the original expiry date of Options if the Optionee is an Insider at the time of the proposed amendments, and (v) amendments requiring disinterested shareholder approval under applicable law.

The Option Plan also contains provisions which set out circumstances where Shareholder approval will not be required, including but not limited to (i) amendments of a housekeeping nature, (ii) altering, extending or accelerating the terms and conditions of vesting of any Options, (iii) extending the term of Options held by a person

other than a person who, at the time of the extension, is an Insider of the Company, (iv) accelerating the expiry date of Options, (v) amending the definitions contained within the Option Plan, (vi) amending or modifying the mechanics of exercise of Options, (vii) amendments necessary to comply with the provisions of applicable laws, (viii) amendments necessary to suspend or terminate the Option Plan or affecting the administration of the Option Plan, and (ix) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable law.

Bonus Shares

Pursuant to the Option Plan, the Compensation Committee may also issue up to an aggregate of 15,000,000 Bonus Shares per annum to those officers, directors, employees and consultants of the Company who the Compensation Committee, in its sole discretion, deems to have provided extraordinary contributions to the advancement of the Company. The use of Bonus Shares under the Option Plan has been discontinued as of January 1, 2018.

During the financial year ended December 31, 2017, 672,800 Bonus Shares were issued under the Option Plan, representing approximately 0.08% of the issued and outstanding Common Shares as of December 31, 2017, and 506,602 Common Shares were issued upon redemption of Bonus Shares issued under the Option Plan.

As of December 31, 2017, 2,249,426 Bonus Shares (net of forfeited and redeemed shares), representing approximately 0.27% of the then issued and outstanding Common Shares, were outstanding under the Option Plan. As of December 31, 2017, this leaves 7,333,802 Bonus Shares, representing approximately 0.89% of the then issued and outstanding Common Shares, available for issuance under the Option Plan. However, the use of Bonus Shares under the Option Plan has been discontinued as of January 1, 2018.

The following table sets out the burn rate of the Bonus Shares issued under the Option Plan for the three most recently completed financial years:

Year	Bonus Shares Issued	Weighted Average Securities Outstanding	Burn Rate
2017	672,800	544,451,290	0.0012
2016	1,550,300	381,832,281	0.0040
2015	1,145,174	305,410,034	0.0037

Stock Appreciation Rights

Pursuant to the Option Plan, the Compensation Committee may, from time to time, grant stock appreciation rights (“SARs”) to any Optionee in conjunction with any grant of Options. An Optionee may only exercise a SAR at the same time, and to the same extent, that the Option related thereto is exercisable. On the exercise of a SAR, the Optionee will be entitled to receive such number of Common Shares as is equal to the excess, if any, of (i) the weighted average trading price of the Common Shares entitled to be acquired upon exercise of such Option as of the date of exercise of the Option, over (ii) the exercise price of such Option. For clarity, and by way of example only, if an Optionee is granted Options to purchase 10,000 Common Shares at a price of \$1.00, he or she may choose to exercise such Option and the corresponding SAR when the Common Shares are trading at \$1.50, and thereby receive, in consideration for the surrender of such Option, 3,333 Common Shares from the Company $[(10,000 \times \$1.50) - (10,000 \times \$1.00)] / \$1.50$.

The provisions in the Option Plan applicable to Options apply equally to SARs. No SAR may be exercised beyond the stated expiry date of the corresponding Option, and SARs terminate on the termination of the corresponding Option.

As at the date hereof, the Company has not granted any SARs under the Option Plan.

Share Unit Plan

Eligibility

Pursuant to the Share Unit Plan, officers, directors employees and consultants of the Company and its subsidiaries are eligible to participate.

Settlement of Share Units

Under the Share Unit Plan, Share Units vest on the date or dates set out in the grant agreement governing such award, or such earlier date as provided for in the Share Unit Plan or as determined by the Compensation Committee, such vesting conditional on the satisfaction of any additional vesting conditions established by the Compensation Committee from time to time.

Pursuant to the Share Unit Plan, settlement of Share Unit awards will be effected on or as soon as practical following the date of vesting and may be made by the Company in cash, in Common Shares purchased on the secondary market, or by the issuance of Bonus Shares, under the terms and conditions of either the Share Unit Plan with respect to DSUs, PSUs and RSUs or, if Bonus Shares are issued, under the terms and conditions of the Option Plan.

Limits on Share Unit Grants

The Share Unit Plan is, to the extent any Bonus Shares are used to settle a Share Unit award, subject to the insider participation limits set forth in section 3.4 of the Option Plan.

Share Units Issued, Redeemed and Outstanding

As of December 31, 2017, RSUs and DSUs entitling holders to an aggregate of 903,893 Common Shares, representing approximately 0.11% of the then issued and outstanding Common Shares, were outstanding under the Share Unit Plan and 4,967,990 Common Shares have been issued upon expiry of restricted periods attached to outstanding RSUs and DSUs issued under the Share Unit Plan.

The following table sets out the burn rate of the Share Units issued under the Share Unit Plan for the three most recently completed financial years:

Year	Share Units Issued	Weighted Average Securities Outstanding	Burn Rate
2017	1,280,890	544,451,290	0.0024
2016	2,075,724	381,832,281	0.0054
2015	834,260	305,410,034	0.0027

Termination of Share Units

If an employee or officer holding RSUs and/or PSUs, as applicable, ceases to be an employee or officer of the Company for any reason other than termination for cause, termination within the first six months from the date of hire, retirement or resignation, the applicable employee or officer will, at the date of termination, become entitled to vest a number of non-vested RSUs or PSUs, as applicable, pro-rated for the portion of months worked (rounded up or down to the closest whole month) prior to the date of termination. All vested RSUs or PSUs, as applicable, will be settled on the date of termination based on the closing price of a Common Share on the facilities of the TSX as of the date of termination. If an employee or officer ceases to be an employee or officer by reason of termination for cause or resignation, the employee or officer will forfeit all outstanding, non-vested RSUs or PSUs outstanding on the date of termination.

If an employee or officer holding RSUs and/or PSUs, as applicable, retires as an employee or officer, the individual will continue to have any non-vested RSUs and/or PSUs, as applicable, vest in accordance with the vesting schedule in each grant agreement and will be settled at each date of settlement based on the closing price of a Common Share

on the facilities of the TSX on the date of retirement.

If an employee or officer ceases to be an employee or officer of the Company by reason of death or disability, all non-vested RSUs and/or PSUs, as applicable, will immediately vest as of the date of death or disability. The vested Share Units will be settled based on the closing price of a Common Share on the facilities of the TSX at the date of death or disability. In cases of death, all settled RSUs or PSUs will be payable to the individual's named beneficiary or estate.

If a director retires, all non-vested DSUs immediately vest as of the date of retirement and are settled based on the closing price of a Common Share on the facilities of the TSX on the date of retirement. If a director dies or becomes disabled, all non-vested DSUs will immediately vest as of the date of death or disability. The vested DSUs will be settled based on the closing price of a Common Share on the facilities of the TSX at the date of death or disability. In cases of death, all settled DSUs will be payable to the individual's named beneficiary or estate.

Adjustments, Change of Control and Acceleration of Vesting

The Share Unit Plan contains an adjustment mechanism to alter the number or kind of shares or other securities on which the Share Units are based, upon a share reorganization, corporate reorganization or special distribution. In the event of a Change of Control and within 12 months of such Change of Control the Company terminates the employment of the holder of Share Units for any reason other than just cause, then all of the Share Units will immediately vest on the termination date and will be settled in accordance with the terms of the Share Unit Plan. In the event of an Offer (as defined in the Share Unit Plan), the Compensation Committee may determine that all Share Units outstanding under the Share Unit Plan immediately vest and will be settled in accordance with the terms of the Share Unit Plan.

Amendments and Termination of Plan

Subject to the amendment provisions set forth in the Option Plan, the Compensation Committee may amend, suspend or terminate the Share Unit Plan at any time in accordance with applicable legislation. If the Share Unit Plan is terminated, the provisions of the Share Unit Plan in force at the time of such termination, will continue in effect as long as a Share Unit or any rights thereto remain outstanding.

REPORT ON CORPORATE GOVERNANCE

The Board and the Company's management are committed to sound corporate governance practices, which are both in the interest of its Shareholders and contribute to effective and efficient decision-making. National Policy 58-201 – *Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. These guidelines are not intended to be prescriptive but to be used by issuers in developing their own corporate governance practices.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Company is required to disclose its corporate governance practices. Below is a description of the Company's corporate governance practices.

Subsequent to the completion of the Glencore Acquisition and the reconstitution of the CGN Committee, the Company's corporate governance practices and policies were reviewed in the context of ensuring the Company was well situated with best practices. This review culminated with the Board adopting various revised and new corporate governance documents and policies. The Board will continue to monitor such practices on an ongoing basis and when necessary implement such additional practices as it deems appropriate.

Board of Directors Charter

The Board has adopted a Board of Directors Charter which is available on the Company's website at www.trevali.com and is attached to this Circular as Schedule “A”.

Position Descriptions

The Board has developed written position descriptions for the Chair of the Board as well as for the chairs of each of the Board committees. They are available on the Company's website at www.trevali.com. The Board has also developed a written position description for the CEO.

Director Independence

The majority of the Company's directors are independent. The Board currently consists of eight directors of which Michael Hoffman, Russell Ball, Tony Drescher, Dan Isserow and Jessica McDonald are "independent", as such term is defined in NI 58-101.

Dr. Mark Cruise is a member of the Company's management in his capacity as President and Chief Executive Officer (the "CEO") and therefore is not considered to be an independent director. Christopher Eskdale and Dan Myerson are not considered to be independent as they are both members of the senior management team at Glencore, the Company's largest shareholder.

The independent directors do not have regularly scheduled meetings in the absence of the non-independent directors and management, but can do so on an *ad hoc* basis, at the expense of the Company, as they see fit. Generally, at the end of each regularly scheduled Board meeting, the directors hold an in-camera session without management present.

The Chair of the Board is Michael Hoffman, who is independent. The Chair of the Board has primary responsibility for maintaining the independence of the Board and ensuring that the Board carries out its responsibilities. The Chair of the Board meets periodically with the CEO to discuss various matters relating to the Company. Mr. Hoffman also serves as a member of the Corporate Governance and Nominating Committee (the "CGN Committee") and the Health, Safety, Environment and Community Committee (the "HSEC Committee"). The Board has adopted a Position Description for the Chair of the Board which is available on the Company's website at www.trevali.com.

Other Directorships

For details regarding directorships a director of the Company holds with any other reporting issuer (or the equivalent in a foreign jurisdiction), see the disclosure under the heading "Particulars of Matters to be Acted Upon – Election of Directors" in this Circular.

As some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, the Board must comply with the conflict of interest provisions of the *Business Corporations Act* (British Columbia), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his or her interest and would not be entitled to vote at meetings of directors which evoke any such conflict.

Attendance Record

For details regarding the attendance record of each director of the Company for all Board meetings and all Board committee meetings held since the beginning of the Company's most recently completed financial year, see the disclosure under the heading "Particulars of Matters to be Acted Upon – Election of Directors" in this Circular.

Orientation and Continuing Education

The CGN Committee, in conjunction with the Chair and the CEO, are responsible for ensuring that new directors are provided with an orientation and education program which includes written information about the business and operations of the Company, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. New directors are also given the opportunity to independently consult with the legal counsel to the Company to better understand their legal obligations as directors of the Company.

The Company performs many activities to ensure that its directors maintain the skill and knowledge necessary to meet their obligations as directors. Management of the Company takes steps to ensure that its directors are continually updated as to the latest corporate and securities law developments which may affect the directors as a whole. The Company continually reviews the latest securities rules and policies and is on the mailing list of the TSX to receive updates to any of their rules. Any such changes or new requirements are then brought to the attention of the Company's directors either by way of director or committee meetings or by direct communications from management to the directors. Management assists directors by providing them with regular updates on relevant developments and other information that management considers to be of interest to the Board. Directors may attend other Board committee meetings if they are not active members, to broaden their knowledge base and receive additional information on the Company's business and developments in areas where they are not commonly exposed. At each quarterly Board meeting, the CFO makes a presentation to the Board to provide a comprehensive overview of the Company's financial performance, anticipated future financial results and market trends. With respect to novel business, accounting and industry issues, management will arrange for an industry or related professional to make a presentation to or provide advice to the Board on a topic relevant to those issues, if required.

During the financial year ended December 31, 2017, the directors of the Company engaged in the following continuing education activities:

Name	Date(s)	Activity
Michael Hoffman	January/February 2017	Site visit to the Perkoa mine in Burkina Faso and the Rosh Pinah mine in Namibia
	March 2017	Attended Prospectors and Developers Association of Canada conference in Toronto, Ontario
	October 2017	Site visits to Goldcorp's Éléonore mine in Québec and Eastmain's Clearwater project and Éléonore South joint venture project in Québec (Goldcorp/Eastmain/Azimut)
	December 2017	Attended Scotia Bank mining conference in Toronto, Ontario
	December 2017	Attended presentation provided by external legal counsel to the Company regarding trends in mergers and acquisitions and securities litigation
Russell Ball	December 2017	Site visit to Los Filos mine in Mexico (with Leagold Mining Corporation as a director)
	December 2017	Attended presentation provided by external legal counsel to the Company regarding trends in mergers and acquisitions and securities litigation
Tony Drescher	January 2017	Attended "Annual Regulatory & TSXV Update" provided by Davidson & Company
	February 2017	Attended "Mining Mines: 2016 Financial Reporting" provided by PricewaterhouseCoopers LLP
	March 2017	Attended "Canada/US/Mexican Updates Affecting Mining Companies" provided by KPMG LLP
	June 2017	Attended "TSX Company Services Roadshow" provided by the TMX Group
	September 2017	Attended presentation provided by PricewaterhouseCoopers LLP "Financial Reporting Update"
Christopher Eskdale	2017	Various site visits in his role as head of zinc industrial assets for Glencore; daily interaction with, and management of, global mining and smelting operations
Dan Isserow	December 2017	Attended presentation provided by external legal counsel to the Company regarding trends in mergers and acquisitions and securities litigation
Jessica McDonald	November 2017	Attended BC Business Council presentation "Getting a Fix on the Economy"
	December 2017	Attended Edelman "Quest for NAFTA" seminar
	December 2017	Attended presentation by ICMM CEO Tom Butler
	2017	Obtained ICD.D designation

Name	Date(s)	Activity
Dan Myerson	February 2017	Attended TD mining conference in Toronto, Ontario
	March 2017	Attended Prospectors and Developers Association of Canada conference in Toronto, Ontario
	October 2017	Attended London Metal Exchange conference in London, England
	December 2017	Attended Scotia Bank mining conference in Toronto, Ontario
	December 2017	Attended presentation provided by external legal counsel to the Company regarding trends in mergers and acquisitions and securities litigation
	2017	Various site visits in his role as head of Glencore's Canadian zinc business; daily interaction with, and management of, North and South American mining and smelting operations
	2017	On-going dialogue with Ontario Teachers' Pension Plan specialists with regard to environmental, social and governance issues

Ethical Business Conduct

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives according to the highest ethical standards. To this end, in May 2008, the Board adopted a Code of Business Conduct and Ethics (the "Code") for its directors, officers and employees. The Code was updated by the Board in January 2013 and April 2018.

A copy of the Code is available on the Company's website at www.trevali.com and can also be obtained in hard-copy free of charge upon request to the Company at Suite 1400 – 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5 (Telephone: 604.488.1661 or Fax: 604.629.1425). The Code has also been filed on SEDAR and may be accessed under the Company's profile at www.sedar.com.

Pursuant to the Code, the Company has appointed Dan Isserow, the Chair of the CGN Committee, to serve as the Company's Compliance Officer to ensure compliance with the Code, reporting directly to the Board.

The Board monitors compliance with the Code and management provides an annual report to the Board regarding issues, if any, arising under the Code and the Company's corporate governance policies. The CGN Committee reviews the adequacy of the Code on an annual basis. In addition, the Company uses a confidential and anonymous reporting system that allows reporting by anyone having a concern about unethical or illegal activities.

Whistleblower Policy

Employees are required to report any violations under the Code or the Company's corporate governance policies in accordance with the Company's Whistleblower Policy. All employees of the Company are expected to inform their manager or supervisor of any concerns they might have. If an employee is not comfortable speaking to his or her supervisor or is not satisfied with the supervisor's response, the employee is encouraged to speak with anyone in management of the Company with whom he or she is comfortable approaching. Supervisors and managers are required to report all complaints to the Company's Compliance Officer, who has specific and exclusive responsibility to investigate all complaints.

When an employee is not satisfied or is uncomfortable with following the Company's open-door policy, that employee is encouraged to contact the email hotline maintained by the Company, which is available 24 hours a day, seven days a week at confidential@trevali.com. Whistleblowers will always be provided with a response to a complaint and a report of all complaints will be sent to the Board. If a report is made through the email hotline, the response back will be through the hotline email address unless a different mode of communication is requested by the whistleblower.

A copy of the Company's Whistleblower Policy is available on the Company's website at www.trevali.com.

Nomination of Directors

In order to identify new candidates for nomination to the Board, the Board considers the advice and input of the CGN Committee. The Chair of the Board and the chair of the CGN Committee, together with the CEO, develop a list of potential candidates for review by the CGN Committee. Given that the various members of the Board have, in aggregate, a wide network of contacts, all members of the Board are encouraged to submit names of potential candidates who would make significant contributions to the Company. Through discussion, the list is refined by the CGN Committee. At the discretion of the CGN Committee, third parties may also be used to source potential directors.

In 2017, the Board engaged an independent search firm to assist in sourcing new qualified directors for the Board. See “Particulars of Matters to be Acted Upon – Election of Directors – Succession Planning and Board Renewal Policy; Investor Rights Agreement” in this Circular.

The Board has appointed the CGN Committee which is comprised of Dan Isserow (Chair), Michael Hoffman and Jessica McDonald, all of whom are independent directors within the meaning of NI 58-101. Christopher Eskdale was appointed to the CGN Committee on March 28, 2017 and is not considered to be independent. The Board determined that Mr. Eskdale should not continue to serve as a member of the CGN Committee and he resigned from the CGN Committee subsequent to the year ended December 31, 2017. The CGN Committee has determined that Mr. Eskdale will continue to be invited to participate in committee meetings to the extent that the CGN Committee determines that this is in the best interests of the Company.

The charter of the CGN Committee (the “**CGN Committee Charter**”) provides that its responsibilities will include: (a) identifying and reviewing the qualifications of and recommending to the Board possible nominees for the Board to be proposed in the management information circular for election or re-election at each annual general meeting; (b) identifying and reviewing the qualifications of and recommending to the Board possible candidates to fill vacancies on the Board between annual general meetings; (c) overseeing the effective functioning of the Board; (d) overseeing the relationship between management and the Board and recommending improvements in such relationship to the Board; and (e) annually reviewing and making recommendations to the Board with respect to: (i) the size and composition of the Board, with a view to promoting effectiveness and efficiency; (ii) the appropriateness of the committees of the Board, their mandates and responsibilities and the allocation of directors to the committees; (iii) the appropriateness of the terms of the mandate and responsibilities of the Board; (iv) the compensation of the directors in light of time commitments, comparative fees, risks and responsibilities; (v) the directorships held by the Company’s directors and officers in other corporations; (vi) the Company’s nominees on the boards of directors of its subsidiaries and other corporations; and (vii) the corporate objectives which the Chair of the Board is responsible for meeting, the assessment of the Chair of the Board against these objectives and the appropriateness of the duties and responsibilities of the Chair of the Board.

A copy of the CGN Committee Charter is available on the Company’s website at www.trevali.com.

Pursuant to the Investor Rights and Governance Agreement dated August 31, 2017 (the “**Investor Rights Agreement**”) between the Company and Glencore, Glencore has certain rights with respect to the nomination of directors and appointments to committees of the Board. See “Particulars of Matters to be Acted Upon – Election of Directors – Succession Planning and Board Renewal Policy; Investor Rights Agreement” in this Circular.

Majority Voting Policy

The Company has adopted a majority voting policy (the “**Majority Voting Policy**”) in connection with director elections. The policy stipulates that for any uncontested elections of directors, if the number of votes withheld exceeds the number of votes in favour of the election of a director nominee at a Shareholders’ meeting, the nominee will be required to immediately tender his or her resignation after the meeting to the Chair of the Board who will then refer it to the CGN Committee for consideration. The CGN Committee will make a recommendation to the Board after reviewing the matter and any extenuating circumstances, and the Board will act on the CGN Committee’s recommendation within 90 days following the applicable Shareholders’ meeting. The Board’s decision to accept or reject the resignation offer will promptly be disclosed to the public by news release. The nominee in

question will not participate in any CGN Committee or Board deliberations on the resignation offer. The Majority Voting Policy does not apply in circumstances involving contested director elections.

A copy of the Majority Voting Policy is available on the Company's website at www.trevali.com.

Compensation

The Compensation Committee conducts an annual review of the performance of the Company and the CEO as measured against objectives established in the prior year by the Compensation Committee and the CEO and approved by the Board. The results of this annual review are communicated to the full Board who then make an evaluation of the overall performance of the Company and the CEO. This performance evaluation is communicated to the CEO by the Chair of the Board and the Chair of the Compensation Committee. The evaluation is used by the Compensation Committee in its deliberations concerning the CEO's annual compensation. The evaluation of performance against objectives forms part of the determination of the entire compensation of senior employees. The Compensation Committee also reviews the compensation of the outside directors on an annual basis, taking into account such matters as time commitment, responsibility and compensation provided by comparable organizations.

The process undertaken by the Board and the Compensation Committee in respect of compensation is more fully described in the "Compensation Discussion and Analysis" section of this Circular.

The Board has appointed the Compensation Committee which is comprised of Russell Ball (Chair), Tony Drescher and Dan Isserow, all of whom are independent directors within the meaning of NI 58-101. Dan Myerson was appointed to the Compensation Committee on October 26, 2017 and is not considered to be independent. The Board determined that Mr. Myerson should not continue to serve as a member of the Compensation Committee and he resigned from the Compensation Committee subsequent to the year ended December 31, 2017. The Compensation Committee has determined that Mr. Myerson will continue to be invited to participate in committee meetings to the extent that the Compensation Committee determines that this is in the best interests of the Company.

The Compensation Committee is responsible for compensation issues, talent management and development, disclosure obligations, working with outside compensation consultants and corporate strategy as it relates to compensation. With respect to compensation issues, the charter of the Compensation Committee (the "**Compensation Committee Charter**") provides that its responsibilities will include: (a) determining the salary and benefits of the CEO; (b) reviewing with the CEO, the compensation of the Company's officers that report to the CEO; (c) after considering recommendations of the CEO, reviewing and recommending for approval by the Board the general compensation structure and policies and programs for the Company; (d) administering the Company's stock option plan and determining its use, from time to time, as a form of compensation for salaried personnel and directors; (e) after considering recommendations of the CEO, reviewing and recommending for approval by the Board all equity-based grants; (f) reviewing annually all other benefit programs for salaried personnel; (g) reviewing the adequacy and form of the compensation of directors to ensure that it reflects the responsibilities and risks involved in being an effective director, and reporting and making recommendations to the Board accordingly.

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

Other Board Committees

In April 2012, the Board created a Sustainability Committee in order to reflect the Company's continuing commitment to improving the environment and ensuring that its activities are carried out in a safe, sustainable and environmentally sound manner. The Sustainability Committee was renamed the Health, Safety, Environment and Community Committee (the "**HSEC**") in 2018. The Board has appointed the HSEC Committee which is comprised of Jessica McDonald (Chair), Russell Ball and Michael Hoffman, all of whom are independent directors within the meaning of NI 58-101.

A copy of the charter of the HSEC Committee is available on the Company's website at www.trevali.com.

In January 2017, the Board formed the Special Committee in connection with the Glencore Acquisition. The Special Committee was disbanded upon completion of the Glencore Acquisition on August 31, 2017.

Assessments

The entire Board evaluates the effectiveness of the Board, its committees and individual directors on an annual basis, formally through a questionnaire that asks the directors to assess the effectiveness of the Board and its committees in respect of: structure and composition; roles and responsibilities; operations; effectiveness; committee meetings' operations and effectiveness; and individual director performance. The Board evaluation process is designed to provide directors with an opportunity each year to examine how the Board is operating and to make suggestions for improvement. The CGN Committee requests each director to complete the evaluations for return to the Company's legal counsel. Legal counsel then consolidates the responses and provides the results to the CGN Committee Chair who then creates a report that is shared and discussed with the Board.

Director Term Limits and Other Mechanisms of Board Renewal

The Board has not adopted a term limit for directors. The Board believes that the imposition of term limits on a director implicitly discounts the value of experience and continuity amongst Board members and runs the risk of excluding experienced and potentially valuable Board members as a result of an arbitrary determination. The notional objective of term limits is to encourage board turnover, introduce new perspectives and retain independence. The Company has achieved a satisfactory turnover of directors over its history, and the Board believes that it can strike the right balance between continuity and fresh perspectives without mandated term limits.

Representation of Women on the Board and Management

The Company has adopted a Diversity Policy, which has the specific aim of fostering a diverse environment where the ability to contribute and access employment opportunities is based on performance, skill and merit, while actively promoting diversity in leadership positions throughout the organization, including at the Board level and in executive officer positions. The Diversity Policy specifically requires the Company to consider diversity in the selection criteria of new directors, executive officers and employees.

In addition, the Company's overall strategy includes pursuing the following objectives: (a) identify relevant factors to be taken into account in the employee selection process and develop practices to limit potential unconscious bias; (b) except where affirmative action is required by law or by agreement, recruit, manage and promote on the basis of an individual's competence, qualification, experience and performance, regardless of gender, age, race, nationality, religious beliefs, cultural background, sexual orientation or any other basis; (c) identify and address systemic barriers that negatively impact diversity within the organization; (d) provide appropriate work practices and policies to support employees; (e) create a workplace characterized by inclusive practices and behaviours for the benefit of all staff and stakeholders, which is free from bullying, harassment and discriminatory behaviours; and (f) establish procedures for monitoring, encouraging and assessing diversity within the Company that recognize and respect privacy issues and laws.

The Board is required to proactively monitor the Company's performance in meeting the standards outlined in the Diversity Policy. In addition, the CGN Committee is required to refer to the Diversity Policy when selecting candidates for nomination to the Board.

While the Board does not have any specific diversity targets, the CGN Committee oversees an annual director questionnaire which specifically asks whether the Board appropriately reflects the diversity of the community it serves. These results are compiled and shared with the Board.

The diversity of the Board (and in particular the representation of women) is one of many factors considered in the selection of candidates as potential directors.

The diversity of the executive officers (and in particular the representation of women) is one of many factors considered in the selection of candidates as potential executive officers. The Diversity Policy specifically requires the Company to promote diversity in leadership positions, including at the executive level.

At this time, the Company has not adopted a target regarding the representation of women on the Board or in executive officer positions. The Company is of the view that its current practice of considering diversity as one of many factors in selecting candidates as potential directors or executive officers permits the Company to balance the benefit of diversity with other relevant considerations. The Company is committed to increasing Board diversity, and recognizes that the Board's background should represent a variety of backgrounds, experiences and skills.

Women hold one of the eight positions on the Board (12.5%) and one of the seven positions as executive officers of the Company (14%).

AUDIT COMMITTEE DISCLOSURE

The Audit Committee assists the Board in fulfilling its oversight responsibilities as they relate to the integrity of the Company's financial statements and accounting processes, and the independent auditors' qualifications and independence. In this regard, the Audit Committee has primary responsibility for the Company's financial reporting, accounting systems and internal controls over financial reporting. The Audit Committee also assists the Board with the oversight of financial strategies and risk management.

Further information regarding the Audit Committee is contained in the Company's annual information form for the financial year ended December 31, 2017 which is available under the Company's profile on SEDAR at www.sedar.com. A copy of the charter of the Audit Committee is available on the Company's website at www.trevali.com.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Circular, no individual who is an executive officer, director, employee or former executive officer, director or employee of the Company or any of its subsidiaries is indebted to the Company or any of its subsidiaries pursuant to the purchase of securities or otherwise.

No individual who is, or at any time during the financial year ended December 31, 2017 was, a director or executive officer of the Company, a proposed management nominee for election as a director of the Company, or an associate of any such director, executive officer or proposed nominee, was indebted to the Company or any of its subsidiaries during the financial year ended December 31, 2017 or as at the date of this Circular in connection with security purchase programs or other programs.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No "informed person" (as such term is defined in NI 51-102) or proposed nominee for election as a director of the Company or any associate or affiliate of the foregoing has any material interest, direct or indirect, in any transaction in which the Company has participated since the commencement of the Company's most recently completed financial year or in any proposed transaction which has materially affected or will materially affect the Company, other than Christopher Eskdale and Dan Myerson, each of whom is a director nominee of Glencore on the Board and a member of the senior management team of Glencore, having a material interest in the Glencore Acquisition.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person or company who is, or at any time during the financial year ended December 31, 2017 was, a director or executive officer of the Company, a proposed management nominee for election as a director of the Company, or an associate or affiliate of any such director, executive officer or proposed nominee, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting, other than the election of directors.

PARTICULARS OF MATTERS TO BE ACTED UPON

Financial Statements

The audited consolidated financial statements of the Company for the financial year ended December 31, 2017 and the report of the independent auditors thereon will be presented at the Meeting. These consolidated financial statements and the related management's discussion and analysis were sent to all shareholders who have requested a copy. The Company's consolidated financial statements and related management's discussion and analysis for the financial year ended December 31, 2017 are also available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.trevali.com.

Election of Directors

Advance Notice Policy

Effective April 1, 2018, the Board adopted an advance notice policy (the "**Advance Notice Policy**") and Shareholders are being asked at the Meeting to approve an amendment to the Company's articles to implement advance notice provisions for the nomination of directors (the "**Advance Notice Provisions**"). The Advance Notice Policy provides (and the Advance Notice Provisions will provide) for advance notice to the Company in circumstances where nominations of persons for election to the Board are made by Shareholders other than pursuant to (i) a requisition of a meeting made pursuant to the provisions of the *Business Corporations Act* (British Columbia) (the "**Act**"), or (ii) a shareholder proposal made pursuant to the provisions of the Act. Under the Advance Notice Policy, a director nomination must be made, in the case of an annual meeting of shareholders, not less than 30 days nor more than 65 days prior to the date of the annual meeting of shareholders, and in the case of a special meeting of shareholders (which is not also an annual meeting of shareholders) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the fifteenth (15th) day following the day on which the first public announcement of the date of the special meeting of shareholders was made. The Advance Notice Policy also sets forth the information that a shareholder must include in the notice to the Company. See the Advance Notice Policy which is available on the Company's website at www.trevali.com. As of the date of this Circular, no additional director nominations have been received for the Meeting.

Majority Voting Policy

The Company has adopted the Majority Voting Policy in connection with director elections. For additional information, see "Report on Corporate Governance – Majority Voting Policy" and refer to the full text of the Majority Voting Policy which is available on the Company's website at www.trevali.com.

Succession Planning and Board Renewal Policy; Investor Rights Agreement

In connection with the acquisition of the Rosh Pinah and Perkoa mines from Glencore, which was completed on August 31, 2017, Trevali implemented a new succession planning and Board renewal policy that will ensure the Board is comprised of directors with a broad range of experience and expertise necessary for the Board to carry out its mandate effectively. At closing of the Glencore Acquisition, the Company and Glencore also entered into the Investor Rights Agreement, which provides Glencore with certain rights relating to the nomination of directors and appointments to committees of the Board. As part of this board renewal strategy and pursuant to the terms of the Investor Rights Agreement, the Board expanded from seven members to eight members and Glencore received the right to nominate one additional Glencore representative, to hold two of the eight Board seats. Glencore also has the right to nominate two additional "independent directors" to the Board, for a total of four nominees. Trevali has eight directors, of which five are independent. Trevali has also agreed that the size of the Board will not be increased to more than eight without Glencore's prior written consent. In the event that the Board size is increased to more than eight, Glencore has the right to nominate the number of directors equal to its then shareholder interest multiplied by the number of directors comprising the Board (rounded up to the closest number of directors) provided that the number of Glencore nominees to the Board will not be fewer than four. For additional information, refer to the full text of the Investor Rights Agreement which is available under the Company's profile on SEDAR at www.sedar.com.

The following tables set out certain information as of the date of this Circular (unless otherwise indicated) with respect to the eight persons being nominated at the Meeting for election as directors of the Company. Each director elected will hold office until the next annual meeting of Shareholders or until his or her successor is duly elected or appointed. Information regarding Common Shares owned by each director is presented to the best knowledge of management of the Company and has been furnished to management of the Company by such directors. Information regarding Board and committee meeting attendance is presented for meetings held in 2017.

The enclosed form of proxy permits Shareholders to vote for each nominee on an individual basis.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be withheld from voting in the election of directors, the persons named in the form of proxy shall vote the Common Shares represented by the proxy in favour of the election of the persons whose names are set forth below. Management does not contemplate that any of such nominees will be unable to serve as directors. However, if for any reason, any of the proposed nominees do not stand for election or are unable to serve as such, proxies in favour of management nominees will be voted for another nominee in their discretion.

DR. MARK D. CRUISE		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: March 18, 2008 NOT INDEPENDENT	<p>Dr. Cruise founded the Company and has been President since February 25, 2008 and Chief Executive Officer since May 28, 2009. Dr. Cruise was Vice-President, Business Development of Cardero Resources Corp., a public company listed on the TSX and American Stock Exchange, from March 2007 to September 2011, and from November 2004 to March 2007 was the Vice-President, Exploration. From 1996 to 2004, Dr. Cruise was Senior Geologist with Anglo American plc. Dr. Cruise is also a director of Velocity Minerals Ltd. and a Trevali-nominated director of Prism Resources Inc., public companies listed on the TSXV.</p> <p>Dr. Cruise received a Bachelor of Geology and a Doctorate of Geology from the University of Dublin, Trinity College. Dr. Cruise is a professional member of the Institute of Geologists of Ireland and the European Federation of Geologists.</p>		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	9 of 9	100%	Prism Resources Inc. (TSXV) ⁽¹⁾ Velocity Minerals Ltd. (TSXV)
Number of Common Shares Beneficially Owned, Controlled or Directed			3,322,192

Note:

(1) Dr. Cruise is the Trevali-nominated director on the board of Prism Resources Inc.

MICHAEL HOFFMAN		Principal Occupation During Past 5 Years and Biographical Information	
Ontario, Canada Director Since: April 6, 2011 INDEPENDENT	<p>Mr. Hoffman is a professional mining engineer with over 35 years of experience in mine operations, projects, engineering and corporate development. Mr. Hoffman is currently the Chair of the Board of Trevali. He has served in senior executive positions at Belo Sun Mining Corp., Crocodile Gold Corp., Goldcorp Inc., Desert Sun Mining Corp. and Yamana Gold Inc. He is also currently a director of Eastman Resources Inc.</p> <p>Mr. Hoffman received a Bachelor of Applied Science (Mining Engineering) from Queen's University and is a Professional Engineer in Ontario.</p>		
Current Board/Committee Membership	2017 Attendance ⁽¹⁾		Other Public Directorships
Board (Chair) CGN Committee HSEC Committee	9 of 9 2 of 2 2 of 2	100% 100% 100%	Eastmain Resources Inc. (TSX)
Number of Common Shares Beneficially Owned, Controlled or Directed			499,578

Note:

(1) Mr. Hoffman was a member of the Compensation Committee. Prior to its reconstitution in October 2017, he attended 4 of 4 meetings of the Compensation Committee.

RUSSELL D. BALL		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: October 11, 2017 INDEPENDENT	Mr. Ball was most recently Executive Vice President, Chief Financial Officer and Corporate Development of Goldcorp Inc., a role he assumed in March 2016 after initially joining Goldcorp Inc. in 2013 and serving as Executive Vice President of Capital Projects, Strategy and Corporate Development, including oversight of their primary growth projects. Prior to his role with Goldcorp Inc., Mr. Ball served in varying capacities for Newmont Mining Corporation, including Strategic and Business Planning, culminating with his appointment as Executive Vice President and Chief Financial Officer. He qualified as both a Chartered Accountant from the Institute of Chartered Accountants of South Africa and a Certified Public Accountant in Colorado.		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	2 of 2 ⁽¹⁾	100%	Allegiant Gold Ltd. (TSXV)
Audit Committee	1 of 1 ⁽¹⁾	100%	Columbus Gold Corp. (TSX)
Compensation Committee (Chair)	0 of 0 ⁽¹⁾	n/a	
HSEC Committee	1 of 1 ⁽¹⁾	100%	
Number of Common Shares Beneficially Owned, Controlled or Directed			31,000

Note:

- (1) Mr. Ball was appointed to the Board effective October 11, 2017. There were only two Board meetings, one Audit Committee meeting, no Compensation Committee meetings and one HSEC Committee meeting held subsequent to his appointment and before the end of the year.

ANTON (TONY) J. DRESCHER		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: May 23, 2007 INDEPENDENT	Mr. Drescher is a Certified Public Accountant and a Certified Management Accountant with over 35 years of experience as an officer and director of companies in various industries, including mining, telecommunications, technology and waste management. He is currently a director of Corvus Gold Inc., a director of International Tower Hill Mines Ltd., the Chief Financial Officer and a director of Oculus VisionTech Inc., a director of RavenQuest BioMed Inc., a director of River Wild Exploration Inc., and Chief Financial Officer and a director of Xiana Mining Inc. Mr. Drescher is also the President of Harbour Pacific Capital Corp., a private company that provides consulting services for mergers and acquisitions, corporate reorganizations, debt and equity financings and regulatory filings. Mr. Drescher has been a Certified Public Accountant and a Certified Management Accountant since 1981.		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	9 of 9	100%	Corvus Gold Inc. (TSX)
Audit Committee (Chair)	4 of 4	100%	International Tower Hill Mines Ltd. (TSX and NYSE American)
Compensation Committee	4 of 4	100%	Oculus VisionTech Inc. (TSXV and OTCQB)
			RavenQuest BioMed Inc. (CSE)
			River Wild Exploration Inc. (TSXV)
			Xiana Mining Inc. (TSXV)
Number of Common Shares Beneficially Owned, Controlled or Directed			345,123

CHRISTOPHER ESKDALE		Principal Occupation During Past 5 Years and Biographical Information	
Oberaegeri, Switzerland Director Since: March 5, 2012 NOT INDEPENDENT	<p>Mr. Eskdale joined Glencore International A.G. in January 1997 as Asset Manager and is currently Head of Zinc Industrial Assets for Glencore. Prior to this, he was an accountant at Deloitte & Touche in London and Moscow. Mr. Eskdale is on the board of directors of a number of international mining companies, specifically: Compania Minera Volcan S.A.A., a Peruvian listed mining company engaged in the extraction and production of zinc, lead and copper concentrates (since 2012); the Noranda Income Fund (since 2013); and Recylex S.A., a Paris-listed company processing zinc and lead materials (since 2014).</p> <p>Mr. Eskdale holds a Master of Arts (Honours) degree from the University of Oxford and qualified as a Chartered Accountant in July 1994 with the Institute of Chartered Accountants in England and Wales.</p>		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	7 of 7 ⁽¹⁾	100%	Noranda Income Fund (TSX) Recylex S.A. (Paris) Volcan Compania Minera S.A.A. (Lima)
Number of Common Shares Beneficially Owned, Controlled or Directed			None ⁽¹⁾

Notes:

- Mr. Eskdale was recused from two Board meetings held in January and February 2017 at which the Board had preliminary discussions about the Glencore Acquisition due to his conflict as Glencore's nominee.
- Mr. Eskdale is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company. As a result, Mr. Eskdale is exempt from the director share ownership requirements. He also does not formally serve on any Board committees, however, from time to time he may be invited to participate in committee meetings to the extent determined that this would be in the best interest of the Company.

DAN ISSEROW		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: October 11, 2017 INDEPENDENT	<p>Mr. Isserow is a Chartered Accountant with financial and business operations leadership experience and a successful track record of growing organizations across various business sectors, including introducing the Nando's restaurant franchise to Canada and serving as its President and CEO from 1993 to 2012. He is currently the Co-Founder, President and Chief Financial Officer with Silica Ventures, a company focused on the expanding market for digital sign applications; with customers in Canada and the United States.</p> <p>Mr. Isserow is a Chartered Accountant from the Institute of Chartered Accountants of South Africa.</p>		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board Audit Committee CGN Committee (Chair) Compensation Committee	2 of 2 ⁽¹⁾ 1 of 1 ⁽¹⁾ 2 of 2 0 of 0 ⁽¹⁾	100% 100% 100% n/a	None
Number of Common Shares Beneficially Owned, Controlled or Directed			15,700

Note:

- Mr. Isserow was appointed to the Board effective October 11, 2017. There were only two Board meetings, one Audit Committee meeting and no Compensation Committee meetings held subsequent to his appointment and before the end of the year.

JESSICA L. McDONALD		Principal Occupation During Past 5 Years and Biographical Information	
British Columbia, Canada Director Since: October 11, 2017 INDEPENDENT	Ms. McDonald is currently the Chair of the Board and Interim President and Chief Executive Officer of Canada Post Corporation. She was recently the President and Chief Executive Officer of the British Columbia Hydro & Power Authority (BC Hydro) (between July 2014 and July 2017), a clean energy utility with over \$5.5 billion in annual revenues. Previous roles include Executive Vice President at HB Global Advisors Corp., in addition to a successful practice in mediation and negotiation on major commercial and industrial projects. Ms. McDonald has also held many positions in the British Columbia provincial government including Deputy Minister to the Premier, Cabinet Secretary, and Head of the BC Public Service. Ms. McDonald has served on numerous boards and is a member of the Institute of Corporate Directors of Canada and on the Member Council of Sustainable Development Technology Canada.		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	2 of 2 ⁽¹⁾	100%	Coeur Mining, Inc. (NYSE)
CGN Committee	2 of 2	100%	
HSEC Committee (Chair)	1 of 1 ⁽¹⁾	100%	
Number of Common Shares Beneficially Owned, Controlled or Directed			8,700

Note:

(1) Ms. McDonald was appointed to the Board effective October 11, 2017. There were only two Board meetings and one HSEC Committee meeting held subsequent to her appointment and before the end of the year.

DAN MYERSON		Principal Occupation During Past 5 Years and Biographical Information	
Ontario, Canada Director Since: August 31, 2017 NOT INDEPENDENT	Mr. Myerson is currently the head of Glencore's Canadian zinc business, and has worked closely with Trevali at both the corporate and operations level. Prior to joining Glencore, Mr. Myerson worked in the global capital markets division of Morgan Stanley with a principal focus on the Asia-Pacific region. Mr. Myerson holds a Master of Finance (Honours) degree from the Queensland University of Technology in Brisbane, Australia.		
Current Board/Committee Membership	2017 Attendance		Other Public Directorships
Board	3 of 3 ⁽¹⁾	100%	None
Number of Common Shares Beneficially Owned, Controlled or Directed			None ⁽²⁾

Notes:

- (1) Mr. Myerson was appointed to the Board effective August 31, 2017. There were only three Board meetings held subsequent to his appointment and before the end of the year.
- (2) Mr. Myerson is a director nominee and a member of the senior management team of Glencore and, as such, does not receive any compensation for acting as a director of the Company. As a result, Mr. Myerson is exempt from the director share ownership requirements. He also does not formally serve on any Board committees, however, from time to time he may be invited to participate in committee meetings to the extent determined that this would be in the best interest of the Company.

Corporate Cease Trade Orders

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

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

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

that person was acting in the capacity as director, chief executive officer or chief financial officer of such company.

Bankruptcies, Penalties or Sanctions

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

Other than as set forth below, no proposed director:

- (a) is, as at the date of this Circular, or has been within the last ten years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;
- (b) has, within the last ten years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold his assets;
- (c) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (d) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in deciding whether to vote for a proposed director.

Russell Ball was a director of Molycorp, Inc. (“**Molycorp**”) from March 2010 until August 2016. In June 2015, Molycorp filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code in the United States Bankruptcy Court for the District of Delaware. On November 3, 2016, Molycorp announced that it filed a joint plan of reorganization with the US Bankruptcy Court for the District of Delaware that proposed an emergence from chapter 11 protection and on August 31, 2016, Molycorp announced that such plan of reorganization became effective and Molycorp emerged from chapter 11 protection.

On March 10, 2010, the TSX Venture Exchange (the “**TSXV**”) rendered a decision with respect to a review concerning certain unauthorized loans by Xiana Mining Inc. (formerly “Dorato Resources Inc.”) to the Company. As part of its decision, the TSXV required Mr. Drescher (who was a director of Xiana at the relevant time) to seek prior written approval from the TSXV should he propose to be involved with any other TSXV listed issuer as a director and/or officer. On May 14, 2010, the TSX, upon review of the TSXV’s decision, required Mr. Drescher to seek approval from the TSX should he propose to be involved with any other TSX listed issuers as a director and/or officer. In addition, the TSX required Mr. Drescher to inform the TSX of any future actions commenced against him by any regulatory entity. Subsequently, Mr. Drescher applied to the TSX for reconsideration of the above-mentioned restrictions and, on May 1, 2013, the TSX agreed to remove all such restrictions.

Appointment of Auditor

Management proposes to nominate PricewaterhouseCoopers LLP, Chartered Professional Accountants, which firm has been auditor of the Company since March 2012, as auditor of the Company to hold office until the next annual meeting of Shareholders.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be withheld from voting in the appointment of the auditor, the persons named in the form of proxy shall vote the Common Shares represented by the proxy in favour of the appointment of

PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and the authorization of the directors to fix its remuneration.

Approval to Alter Articles to Increase Quorum for Shareholder Meetings

Section 11.3 of the Company's existing Articles (the "**Articles**") entitled "Quorum" currently sets the quorum for the transaction of business at a meeting of shareholders at two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares entitled to be voted at the meeting. The Company recognizes that the quorum requirement for meetings of shareholders should encourage wide-ranging participation from all shareholders. At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to approve by ordinary resolution an alteration to the Articles to increase such quorum from 5% to 25% (the "**Quorum Resolution**").

Other than the aforementioned amendment and those proposed for approval by the Shareholders below under the headings "Approval to Amend Articles to Remove Casting Vote Provision", "Approval to Amend Articles to Add Advance Notice Provisions" and "Approval to Amend Articles to Remove Alternate Directors Provisions", all other provisions of the Articles shall remain unchanged and in full force and effect. A copy of the existing version of the Articles is available on the Company's website at www.trevali.com and under the Company's profile on SEDAR at www.sedar.com. A copy of the full text of the amended Articles will be available on the Company's website and posted on SEDAR following approval by the Shareholders.

Recommendation of the Board

As a result of the Glencore Acquisition, the Company has a significantly larger shareholder base. The Board believes that it is in the best interests of the Company and the Shareholders to increase the quorum requirement for meetings of shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve an alteration of the Articles by voting FOR the Quorum Resolution at the Meeting.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be voted against the Quorum Resolution, the persons named in the form of proxy will vote the Common Shares represented by the proxy in favour of the Quorum Resolution.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Section 11.3 of the Company's existing Articles be altered as follows (emphasis added):

"Subject to the special rights and restrictions attached to the shares of any class or series of shares, the quorum for the transaction of business at a meeting of shareholders is two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 25% of the issued shares entitled to be voted at the meeting."
2. the Company be authorized to revoke this ordinary resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the Shareholders; and
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."

Approval to Alter Articles to Remove Casting Vote Provision

Section 18.2 of the Articles entitled "Voting at Meetings" currently allows the chair of a meeting to have a second or casting vote where there is an equality of votes on a decision that is to be made by a majority of votes. At the Meeting, the Shareholders will be asked to consider and, if thought advisable, to approve by ordinary resolution an

alteration to the Articles to remove such second or casting vote from the chair of any meeting of directors (the “**Casting Vote Provision Resolution**”).

Recommendation of the Board

Pursuant to the Glencore Acquisition, the Company agreed to remove the casting vote provision from the Articles, and the Board believes that doing so is in the best interests of the Company and the Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve an alteration of the Articles by voting FOR the Casting Vote Provision Resolution at the Meeting.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be voted against the Casting Vote Provision Resolution, the persons named in the form of proxy will vote the Common Shares represented by the proxy in favour of the Casting Vote Provision Resolution.

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. Section 18.2 of the Company’s existing Articles be deleted in its entirety and replaced with the following:

“Questions arising at any meeting of directors are to be decided by a majority of votes and, in the case of an equality of votes, the chair of the meeting does not have a second or casting vote.”
2. the Company be authorized to revoke this ordinary resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the Shareholders; and
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.”

Approval to Alter Articles to Add Advance Notice Provisions

The Board adopted an advance notice policy in April 2018. The directors of the Company propose to add the advance notice provisions contained in such policy (the “**Advance Notice Provisions**”) to the Articles in order to facilitate an orderly and efficient director nomination process by ensuring that all Shareholders receive adequate notice of director nominations and sufficient information in respect of all nominees so that the proposed nominees’ qualifications and suitability as directors can be evaluated and an informed vote cast for the election of directors. The full text of the proposed Advance Notice Provisions to be inserted as §10.10 of the Articles is set out in Schedule “B” to this Circular.

Purpose of the Advance Notice Provisions

The purpose of the Advance Notice Provisions is to foster a variety of interests of Shareholders and the Company by ensuring that all Shareholders – including those participating in a meeting by proxy rather than in person – receive adequate notice of the nominations to be considered at a meeting and can thereby exercise their voting rights in an informed manner.

Effect of the Advance Notice Provisions

The Advance Notice Provision fixes deadlines for submitting director nominations to the Company prior to any annual or special meeting of Shareholders where directors are to be elected, and sets forth the information that a Shareholder must include in their nomination in order for it to be valid. In the case of an annual Shareholders’ meeting, the deadlines for notice of a Shareholders’ director nominations are not less than 30 days and not more than

65 days prior to the meeting; provided, however, if the first public notice of an annual Shareholders' meeting is given less than 50 days prior to the meeting date, Shareholders must provide notice of their nominations by close of business on the 10th day following the announcement of the meeting. In the case of a special meeting (which is not also an annual meeting) called for the purpose of electing directors, Shareholders must provide notice of their nominations by close of business on the 15th day following first public announcement of the special Shareholders' meeting. The deadlines in the Advance Notice Provisions are supported by Institutional Shareholder Services Inc. and Glass, Lewis & Co.

Shareholder Confirmation

Under the Articles and the Act, the Company's governing statute, the alteration of the Company's Articles requires the approval of a majority of the votes cast in person or represented by proxy at the Meeting by the shareholders of the Company by an ordinary resolution. Accordingly, at the Meeting, Shareholders will be asked to consider the following ordinary resolution confirming the alteration of the Company's Articles to include the Advance Notice Provisions (the "**Advance Notice Provisions Resolution**"):

Recommendation of the Board

The Board has concluded that the Advance Notice Provisions are in the best interests of the Company and the Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve an alteration of the Articles by voting FOR the Advance Notice Provisions Resolution at the Meeting.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be voted against the Advance Notice Provisions Resolution, the persons named in the form of proxy will vote the Common Shares represented by the proxy in favour of the Advance Notice Provisions Resolution.

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Company's existing Articles be altered by adding the text substantially as set forth in Schedule "B" to this Circular as and at §10.10 of the Articles;
2. the Company be authorized to revoke this ordinary resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the shareholders; and
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."

Approval to Alter Articles to Remove Alternate Directors Provisions

Article 15 of the Articles entitled "ALTERNATE DIRECTORS" currently provides as follows (the "**Alternate Directors Provisions**"):

Appointment of Alternate Directors

- 15.1 Any director (an "**appointor**") may by notice in writing received by the Company appoint any person (an "**appointee**") who is qualified to act as a director to be his or her alternate to act in his or her place at meetings of the directors or committees of the directors at which the appointor is not present unless (in the case of an appointee who is not a director) the directors have reasonably disapproved the appointment of such person as an alternate director and have given notice to that effect to his or her appointor within a reasonable time after the notice of appointment is received by the Company.

Notice of Meetings

15.2 Every alternate director so appointed is entitled to notice of meetings of the directors and of committees of the directors of which his or her appointor is a member and to attend and vote as a director at any such meetings at which his or her appointor is not present.

Alternate for More than One Director Attending Meetings

15.3 A person may be appointed as an alternate director by more than one director, and an alternate director:

- (a) will be counted in determining the quorum for a meeting of directors once for each of his or her appointors and, in the case of an appointee who is also a director, once more in that capacity;
- (b) has a separate vote at a meeting of directors for each of his or her appointors and, in the case of an appointee who is also a director, an additional vote in that capacity;
- (c) will be counted in determining the quorum for a meeting of a committee of directors once for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a directors, once more in that capacity; and
- (d) has a separate vote at a meeting of a committee of directors for each of his or her appointors who is a member of that committee and, in the case of an appointee who is also a member of that committee as a director, an additional vote in that capacity.

Consent Resolutions

15.4 Every alternate director, if authorized by the notice appointing him or her, may sign in place of his or her appointor any resolutions to be consented to in writing.

Alternate Director an Agent

15.5 Every alternate director is deemed to be the agent of his or her appointor.

Revocation or Amendment of Appointment of Alternate Director

15.6 An appointor may at any time, by notice in writing received by the Company, revoke or amend the terms of the appointment of an alternate director appointed by him or her.

Ceasing to be an Alternate Director

15.7 The appointment of an alternate director ceases when:

- (a) his or her appointor ceases to be a director and is not promptly re-elected or re-appointed;
- (b) the alternate director dies;
- (c) the alternate director resigns as an alternate director by notice in writing provided to the Company or a lawyer for the Company;
- (d) the alternate director ceases to be qualified to act as a director; or
- (e) the term of his appointment expires, or his or her appointor revokes the appointment of the alternate directors.

Remuneration and Expenses of Alternate Director

15.8 The Company may reimburse an alternate director for the reasonable expenses that would be properly reimbursed if he or she were a director, and the alternate director is entitled to receive from the Company such proportion, if any, of the remuneration otherwise payable to the appointor as the appointor may from time to time direct.

In order to reflect current corporate governance best practices which do not favour the ability of the directors to appoint alternate directors who have not been elected or ratified by Shareholders, at the Meeting, Shareholders will be asked to consider and, if deemed appropriate, to pass, with or without variation, an ordinary resolution to remove the content of Article 15 of the Articles concerning “Alternate Directors” (the “**Alternate Directors Provisions Resolution**”), but to retain Article 15 as a “Not Used” placeholder in order to avoid renumbering, amendment to cross references and so forth.

Recommendation of the Board

The Board has concluded that the removal of the Alternate Directors Provisions is in the best interests of the Company and the Shareholders. Accordingly, the Board unanimously recommends that the Shareholders approve an alteration of the Articles by voting FOR the Alternate Directors Provisions Resolution at the Meeting.

Unless the Shareholder specifies in the enclosed form of proxy that the Common Shares represented by the proxy are to be voted against the Alternate Directors Provisions Resolution, the persons named in the form of proxy will vote the Common Shares represented by the proxy in favour of the Alternate Directors Provisions Resolution.

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the Company’s existing Articles be altered by removing Article 15 in its entirety and replacing it with the words “*Not Used*”;
2. the Company be authorized to revoke this ordinary resolution and abandon or terminate the alteration of the Articles if the Board deems it appropriate and in the best interest of the Company to do so without further confirmation, ratification or approval of the Shareholders; and
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.”

ADDITIONAL INFORMATION

Additional information relating to the Company is available under the Company's profile on SEDAR at www.sedar.com. Financial information is provided in the Company's audited consolidated financial statements and Management's Discussion and Analysis ("**MD&A**") for the financial year ended December 31, 2017. Copies of the Company's annual consolidated financial statements and MD&A may be obtained upon request to the Company by: (i) mail to Suite 1400, 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5; or (ii) fax to (604) 629-1425. The Company may require the payment of a reasonable charge if the request is made by a person who is not a Shareholder.

Our Board has approved the contents of this Circular and authorized us to send it to you.

APPROVAL OF BOARD OF DIRECTORS

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

BY ORDER OF THE BOARD

"Mark D. Cruise"

Mark D. Cruise
President, Chief Executive Officer and Director
Vancouver, British Columbia
May 8, 2018

SCHEDULE “A”

CHARTER OF THE BOARD OF DIRECTORS

I. PURPOSE

The Board of Directors (the “**Board**”) of the Company is responsible for the stewardship of the Company as well as the oversight of the conduct of the business of the Company. The Board’s fundamental objectives are to enhance and preserve long-term shareholder value, ensuring that the Company meets its obligations on an ongoing basis and operates in a reliable and safe manner. In performing its functions, the Board should also consider the legitimate interests of its other stakeholders, such as its employees and the communities in which it operates. In overseeing the conduct of the business, the Board, through its committees and the Chief Executive Officer (the “**CEO**”), shall set the standards of conduct for the organization.

II. COMPOSITION, PROCEDURES AND ORGANIZATION

- A. The Board operates by delegating certain of its authorities to management and by reserving certain powers to itself. Subject to the Company’s constating documents and the *Business Corporations Act* (British Columbia), the Board may constitute, seek the advice of and delegate powers, duties and responsibilities to committees of the Board. The Board committees currently consist of the Audit Committee, the Compensation Committee, the Corporate Governance and Nominating Committee (the “**CGN Committee**”), and the Health, Safety, Environment and Community Committee (the “**HSEC Committee**”).
- B. Directors are elected annually at the Company’s annual meeting of shareholders and must meet the requirements of applicable corporate laws and the securities laws, rules, regulations and guidelines of all applicable securities regulatory authorities, including, without limitation, the securities commissions in each of the provinces and territories of Canada, and stock exchanges on which the Company’s securities are listed, including, without limitation, the Toronto Stock Exchange (collectively, “**Securities Laws**”). The majority of the Directors and the Chair shall be independent as determined by Securities Laws.
- C. In accordance with the Company’s Majority Voting Policy, each Director must be elected by a majority (50% +1 vote) of the votes cast with respect to his or her election, other than at a contested meeting. If a Director is not elected by at least a majority (50% +1 vote) of the votes cast with respect to his or her election, such Director must immediately tender his or her resignation to the Board. The Board shall refer any offer of resignation to the CGN Committee, who shall consider such offer and recommend whether to accept such resignation. Absent exceptional circumstances, the CGN Committee shall recommend to accept such resignation. The Board shall determine whether or not to accept the resignation within 90 days following the applicable shareholders’ meeting, after considering the recommendation of the CGN Committee and any factors the Board finds relevant. The resignation will be effective when so accepted by the Board. A Director who tenders a resignation pursuant to this provision will not participate in any meeting of the Board or any sub-committee of the Board at which the resignation is considered.
- D. The Board shall meet at least quarterly to review the business operations, corporate governance and financial results of the Company. Meetings of the Board shall also include regularly scheduled meetings of the independent members of the Board without management being present. Subject to the specifications above, the Board may meet and adjourn, as it thinks proper.
- E. The quorum for meetings shall be a majority of the Directors, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other. Questions arising shall be determined by a majority of votes of the Directors present, and in the case of an equality of votes, the Chair shall not have a second or casting vote.
- F. The Chair of the Board shall, in consultation with other members of the Board and management, as necessary, establish the agenda for the Board’s meetings. The agenda and information concerning the business to be conducted at each Board meeting shall be communicated to the Directors sufficiently in advance of each meeting to permit meaningful review and discussion.

- G. The Board shall keep regular minutes of its meetings and record all material matters and shall cause such minutes to be recorded in the books kept for that purpose.
- H. A resolution approved in writing by all of the Directors shall be valid and effective as if it had been passed at a duly called meeting. Such resolution shall be filed with the minutes of the proceedings of the Board and shall be effective on the date stated thereon or on the latest date stated in any counterpart.

III. DUTIES AND RESPONSIBILITIES

The Board's mandate is the stewardship of the Company and its duties and responsibilities, without limitation to its general mandate, include:

- A. The responsibility to ensure that legal requirements have been met and documents and records have been properly prepared, approved and maintained.
- B. The statutory responsibility to:
 - 1. supervise the management of the business and affairs of the Company;
 - 2. act honestly and in good faith with a view to the best interests of the Company;
 - 3. exercise the care, diligence and skill that reasonably prudent individuals would exercise in comparable circumstances; and
 - 4. act in accordance with its obligations contained in the *Business Corporations Act* (British Columbia) and the regulations thereto, the Company's constating documents, Securities Laws and all other applicable laws and regulations in the jurisdictions in which the Company conducts business or operations (collectively, "**Applicable Laws**").
- C. The strategic responsibility to:
 - 1. participate with management in the development, and ultimate approval of, the Company's strategic plan, taking into account, among other things, the opportunities and risks of the Company's business;
 - 2. (a) understand the principal risks of the business in which the Company is engaged; (b) achieve a proper balance between risks incurred and the potential return to shareholders; and (c) ensure that there are systems in place which effectively monitor and manage those risks with a view to the long-term viability of the Company;
 - 3. approve annual capital and operating budgets that support the Company's ability to meet its strategic objectives;
 - 4. approve the entering into, or withdrawing from, lines of business that are, or are likely to be, material to the Company;
 - 5. approve material divestitures and acquisitions;
 - 6. monitor the Company's progress towards its strategic objectives, and revise and alter its direction through management in light of changing circumstances;
 - 7. conduct periodic reviews of human, technological and capital resources required to implement the Company's strategy and to comply with the regulatory, cultural or governmental constraints on the business;
 - 8. review, at every regularly scheduled Board meeting, if feasible, recent developments that may

- affect the Company's strategy, and advise management on emerging trends and issues; and
9. perform such other duties as may from time to time be required by Applicable Laws.
- D. The responsibility to assign to various committees of Directors the general responsibility for developing the Company's approach to: (i) corporate governance and nomination of Directors; (ii) financial reporting and internal controls; (iii) general compliance oversight; (iv) risk oversight and reporting; (v) health, safety and security; (vi) sustainable development; (vii) stakeholder relations; (viii) disclosure of information; and (ix) compensation.
- E. The responsibility to take initiatives, at such times as is desirable or necessary, to ensure that the Board can function independently of management, including, without limitation:
1. the review of the appropriateness of the committees of the Board, their mandates and responsibilities and the allocation of Directors to the committees;
 2. the review of the appropriateness of the Company's nominees on the boards of directors of its subsidiaries;
 3. the appointment of a Chair of the Board or a lead Director who is not a member of management; and
 4. the implementation of, and adherence to, mechanisms to allow Directors who are independent of management an opportunity to discuss issues in the absence of management.
- F. With the assistance of the CGN Committee, the responsibility to:
1. approve a position description for the CEO;
 2. select the CEO, and monitor and evaluate his/her performance against corporate goals and objectives and provide advice and counsel in the execution of his/her duties;
 3. ensure the adoption of management succession planning;
 4. satisfy itself as to the integrity of the CEO and other officers that report to the CEO and that such officers create a culture of integrity throughout the organization;
 5. review and approve the acceptance by Directors, the CEO and officers that report to the CEO of any outside directorships of public or private companies or any significant public service commitment, including not-for-profit boards, and ensure that such individuals are not overloaded with work and that there are no real or perceived conflicts with the Company's affairs;
 6. review the composition of the Board and ensure it respects its independence requirements;
 7. assess, at least annually, the effectiveness of the Board as a whole, the committees of the Board and the contribution of individual Directors, including consideration of the appropriate size of the Board;
 8. assess, at least annually, each Director regarding his or her effectiveness and contribution in consideration of the competencies and skills each Director is expected to bring to the Board;
 9. take reasonable steps to ensure that an appropriate review and selection process for new nominees to the Board is in place;
 10. take reasonable steps to ensure that an appropriate orientation and education program for new Directors is in place;

11. take reasonable steps to ensure that continuing education opportunities are available to all Directors so that knowledge and understanding of the Company's business by the Directors remains current;
 12. develop the Company's approach to corporate governance, including the development of corporate governance principles and guidelines specific to the Company;
 13. approve disclosure and securities compliance policies, including communications policies of the Company;
 14. review and approve the Company's Annual Information Form and the Company's Management Information Circular;
 15. review major risk exposures and the guidelines, policies and risk registers that management has put into place to govern the process of monitoring, controlling and reporting such exposures;
 16. ensure that the Company operates at all times within Applicable Laws and to the highest ethical and moral standards; and
 17. review significant new corporate policies or material amendments to existing policies.
- G. With the assistance of the Audit Committee, the responsibility to:
1. take reasonable steps to ensure the integrity and effectiveness of the Company's internal controls and management information systems;
 2. take reasonable steps to ensure the Company's ethical behaviour, including compliance with Applicable Laws and audit and accounting principles;
 3. review operating and financial performance relative to budgets and objectives and provide direction to management on such matters;
 4. review and approve the Company's interim and annual financial statements and notes thereto, as well as the Company's Management's Discussion and Analysis;
 5. approve the delegation of financial authority for budgeted and unbudgeted expenditures to the CEO;
 6. as required and agreed upon, provide assurance to shareholders concerning the integrity of the Company's reported financial performance;
 7. review and identify corporate risks, probability, consequences and mitigation measures for the operations of the Company;
 8. upon recommendation by the Audit Committee and subject to confirmation by the shareholders of the Company at each annual meeting, appoint the external auditor for the Company and, upon recommendation by the Audit Committee, approve the auditor's fees for audit and interim review services; and
 9. approve significant contracts, transactions and other arrangements or commitments that may be expected to have a material impact on the Company.
- H. With the assistance of the Compensation Committee, the responsibility to determine compensation for the CEO.
- I. With the assistance of the Compensation Committee and the CEO, the responsibility to:

1. establish appropriate performance criteria for the senior management team;
 2. review the compensation of the senior management team; and
 3. review certain decisions relating to officers that report to the CEO, including employment, consulting, retirement and severance agreements, and other special arrangements proposed for the senior management team.
- J. With the assistance of the HSEC Committee, the CEO and the senior management team, the responsibility to:
1. review and approve the Company's approach to health, safety, security, environment and community (“**HSSEC**”) issues, and regularly review any HSSEC incidents;
 2. develop measures for the receipt of feedback from the Company’s stakeholders and monitor and review feedback provided;
 3. ensure that the Company has in place appropriate programs and policies for the health, safety and security of its employees in the workplace;
 4. ensure that the Company sets high HSSEC standards in its operations; and
 5. ensure that the Company is in compliance with environmental laws and legislation.
- K. Perform such other functions as prescribed by law or assigned to the Board in the Company's constituting documents.

IV. DUTIES AND RESPONSIBILITIES OF INDIVIDUAL DIRECTORS

Each Director shall act honestly and in good faith with a view to the best interests of the Company and its shareholders and must exercise the care, diligence and skill that a reasonably prudent individual would exercise in comparable circumstances. In addition, each Director has the responsibilities outlined below.

- A. The responsibility of corporate stewardship to:
1. advance the interests of the Company and the effectiveness of the Board by bringing his or her knowledge and experience to bear on the strategic and operational issues facing the Company;
 2. respect the confidentiality of information and matters pertaining to the Company;
 3. maintain his or her independence, if applicable, generally and as defined under Applicable Laws;
 4. be available as a resource to the entire Board; and
 5. fulfill the legal requirements and obligations of a Director and develop a comprehensive understanding of the statutory and fiduciary duties of a Director of a public company.
- B. The responsibility of integrity and loyalty to:
1. comply with the Company’s governance policies;
 2. avoid conflicts between his/her own personal interests and those of the Company;
 3. disclose to the Chair of the Board, prior to the beginning of his or her service on the Board, and thereafter as they arise, all actual and potential conflicts of interest; and
 4. disclose to the Chair of the Board, in advance of any Board vote or discussion, if the Board or a

committee of the Board is deliberating on a matter that may affect the Director's interests or relationships outside the Company and abstain from discussion and/or voting on such matter as determined to be appropriate.

C. The responsibility of diligence to:

1. prepare for each Board and committee meeting by reading the reports, minutes and background materials provided for the meeting and be prepared to discuss such materials at the meeting, to actively participate in Board deliberations and to take full responsibility for Board decisions;
2. attend in person the annual meeting of the shareholders of the Company and attend all meetings of the Board and all meetings of the committees of the Board of which the Director is a member, in person or by telephone, video conference, or other communication facilities that permit all persons participating in the meeting to communicate with each other; and
3. as necessary and appropriate, communicate with the Chair and the CEO between meetings, including to provide advance notice of the Director's intention to introduce significant and previously unknown information at a Board meeting.

D. The responsibility towards committee work to:

1. participate on committees and become knowledgeable about the purpose and goals of each committee; and
2. understand the process of committee work and the role of management and staff supporting the committee.

E. The responsibility of knowledge acquisition to:

1. become generally knowledgeable about the Company's business and its industry;
2. participate in Director orientation and education programs developed by the Company or other relevant organizations from time to time;
3. maintain an understanding of the regulatory, legislative, business, social and political environments within which the Company operates;
4. become acquainted with the officers that report to the CEO and key management personnel; and
5. gain and update his or her knowledge about the Company's assets and visit these assets when appropriate.

V. GENERAL

A. The Board, when it considers it necessary or advisable, may retain, at the Company's expense, outside consultants or advisors to assist or advise the Board independently on any matter within its mandate. The Board shall have the sole authority to retain and terminate any such consultants or advisors, including sole authority to approve the fees and other retention terms for such persons.

B. The Company is party to an Investor Rights and Governance Agreement (the "**IRG Agreement**") with Glencore International AG ("**Glencore**"), pursuant to which Glencore has certain rights, including, without limitation, with respect to nomination of directors and appointments to committees of the Board. As per the IRG Agreement, if any provision of this Charter conflicts with any provision of the IRG Agreement, the IRG Agreement shall prevail.

C. The Board will review and assess the adequacy of this Charter at least annually.

SCHEDULE “B”

ADVANCE NOTICE PROVISIONS

Advance Notice Provisions

10.10

(a) Nomination of Directors

Subject only to the Act and these Articles, only persons who are nominated in accordance with the procedures set out in this §10.10 shall be eligible for election as directors to the board of directors of the Company. Nominations of persons for election as a director may only be made at an annual meeting of shareholders, or at a special meeting of shareholders called for any purpose at which the election of directors is a matter specified in the notice of meeting, as follows:

- (i) by or at the direction of the board or an authorized officer of the Company, including pursuant to a notice of meeting;
- (ii) by or at the direction or request of one or more shareholders pursuant to a valid proposal made in accordance with the provisions of the Act or a valid requisition of shareholders made in accordance with the provisions of the Act; or
- (iii) by any person entitled to vote at such meeting (a “**Nominating Shareholder**”), who:
 - (A) is, at the close of business on the date of giving notice provided for in this §10.10 and on the record date for notice of such meeting, either entered in the securities register of the Company as a holder of one or more shares carrying the right to vote at such meeting or who beneficially owns shares that are entitled to be voted at such meeting and provides evidence of such beneficial ownership to the Company; and
 - (B) has given timely notice in proper written form as set forth in this §10.10.

(b) Exclusive Means

For the avoidance of doubt, this §10.10 shall be the exclusive means for any person to bring nominations for election to the board before any annual or special meeting of shareholders of the Company.

(c) Timely Notice

In order for a nomination made by a Nominating Shareholder to be timely notice (a “**Timely Notice**”), the Nominating Shareholder’s notice must be received by the Chief Executive Officer of the Company (the “**CEO**”) at the principal executive offices of the Company:

- (i) in the case of an annual meeting of shareholders (including an annual and special meeting), not later than 5:00 p.m. (Vancouver time) on the 30th day before the date of the meeting, nor more than 65 days prior to the date of the annual meeting of shareholders; provided, however, if the first public announcement made by the Company of the date of the meeting (each such date being the “**Notice Date**”) is less than 50 days before the meeting date, notice by the Nominating Shareholder may be given not later than the close of business on the 10th day following the Notice Date; and
- (ii) in the case of a special meeting (which is not also an annual meeting) of shareholders called for any purpose which includes the election of directors to the board, not later than the close of business on the 15th day following the Notice Date;

provided that, in either instance, if notice-and-access (as defined in National Instrument 54-101 – *Communication*

with Beneficial Owners of Securities of a Reporting Issuer) is used for delivery of proxy-related materials in respect of a meeting described in §10.10(c)(i) or §10.10(c)(ii), and the Notice Date in respect of the meeting is not less than 50 days before the date of the applicable meeting, the notice must be received not later than the close of business on the 40th day before the date of the applicable meeting.

(d) Proper Form of Notice

To be in proper written form, a Nominating Shareholder's notice to the CEO must comply with all the provisions of this §10.10 and disclose or include, as applicable:

- (i) as to each person whom the Nominating Shareholder proposes to nominate for election as a director (a "**Proposed Nominee**"):
 - (A) the name, age, business and residential address of the Proposed Nominee;
 - (B) the principal occupation/business or employment of the Proposed Nominee, both presently and for the past five years;
 - (C) the citizenship of such person;
 - (D) the number of securities of each class of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Proposed Nominee, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (E) full particulars of any relationships, agreements, arrangements or understandings (including financial, compensation or indemnity related) between the Proposed Nominee and the Nominating Shareholder, or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Proposed Nominee or the Nominating Shareholder;
 - (F) any other information that would be required to be disclosed in a dissident proxy circular or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to the Act or applicable securities law; and
 - (G) a written consent of each Proposed Nominee to being named as nominee and certifying that such Proposed Nominee is not disqualified from acting as a director under the provisions of subsection 124(2) of the Act; and
- (ii) as to each Nominating Shareholder giving the notice, and each beneficial owner, if any, on whose behalf the nomination is made:
 - (A) their name, and business and residential address;
 - (B) the number of securities of the Company or any of its subsidiaries beneficially owned, or controlled or directed, directly or indirectly, by the Nominating Shareholder or any other person with whom the Nominating Shareholder is acting jointly or in concert with respect to the Company or any of its securities, as of the record date for the meeting of shareholders (if such date shall then have been made publicly available and shall have occurred) and as of the date of such notice;
 - (C) their interests in, or rights or obligations associated with, any agreement, arrangement or understanding, the purpose or effect of which is to alter, directly or indirectly, the person's economic interest in a security of the Company or the person's economic exposure to the Company;

- (D) any relationships, agreements or arrangements, including financial, compensation and indemnity related relationships, agreements or arrangements, between the Nominating Shareholder or any affiliates or associates of, or any person or entity acting jointly or in concert with, the Nominating Shareholder and any Proposed Nominee;
- (E) full particulars of any proxy, contract, relationship arrangement, agreement or understanding pursuant to which such person, or any of its affiliates or associates, or any person acting jointly or in concert with such person, has any interests, rights or obligations relating to the voting of any securities of the Company or the nomination of directors to the board;
- (F) a representation that the Nominating Shareholder is a holder of record of securities of the Company, or a beneficial owner, entitled to vote at such meeting, and intends to appear in person or by proxy at the meeting to propose such nomination;
- (G) a representation as to whether such person intends to deliver a proxy circular and/or form of proxy to any shareholder of the Company in connection with such nomination or otherwise solicit proxies or votes from shareholders of the Company in support of such nomination; and
- (H) any other information relating to such person that would be required to be included in a dissident proxy circular or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to the Act or as required by applicable securities laws.

Reference to “**Nominating Shareholder**” in this §10.10(d) shall be deemed to refer to each shareholder that nominated or seeks to nominate a person for election as a director in the case of a nomination proposal where more than one shareholder is involved in making the nomination proposal.

(e) Currency of Nominee Information

All information to be provided in a Timely Notice pursuant to this §10.10 shall be provided as of the date of such notice. The Nominating Shareholder shall provide the Company with an update to such information forthwith so that it is true and correct in all material respects as of the date that is 10 business days before the date of the meeting, or any adjournment or postponement thereof.

(f) Delivery of Information

Notwithstanding Part 24 of these Articles, any notice, or other document or information required to be given to the CEO pursuant to this §10.10 may only be given by personal delivery or courier (but not by fax or email) to the CEO at the address of the principal executive offices of the Company and shall be deemed to have been given and made on the date of delivery if it is a business day and the delivery was made prior to 5:00 p.m. in the city where the Company’s principal executive offices are located and otherwise on the next business day.

(g) Defective Nomination Determination

The chair of any meeting of shareholders of the Company shall have the power to determine whether any proposed nomination is made in accordance with the provisions of this §10.10, and if any proposed nomination is not in compliance with such provisions, must as soon as practicable following receipt of such nomination and prior to the meeting declare that such defective nomination shall not be considered at any meeting of shareholders.

(h) Failure to Appear

Despite any other provision of this §10.10, if the Nominating Shareholder (or a duly appointed proxy holder for the Nominating Shareholder or representative of the Nominating Shareholder appointed under Article 12) does not appear at the meeting of shareholders of the Company to present the nomination, such nomination shall be

disregarded, notwithstanding that proxies in respect of such nomination may have been received by the Company.

(i) Waiver

The board may, in its sole discretion, waive any requirement in this §10.10.

(j) Definitions

For the purposes of this §10.10, “**public announcement**” means disclosure in a news release disseminated by the Company through a national news service in Canada, or in a document filed by the Company for public access under its profile on the System of Electronic Document Analysis and Retrieval at www.sedar.com.



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