



2017 MANAGEMENT INFORMATION CIRCULAR

ABOUT THE SHAREHOLDER MEETING

Solicitation of Proxies

You have received this management information circular (the “**Circular**”) because you owned common shares of Savary Gold Corp. (“**Savary**” or the “**Corporation**”) as of May 10, 2017. You are therefore entitled to vote at the annual and special meeting of shareholders for the year ended December 31, 2016 (the “**Meeting**”) to be held on June 28, 2017, and any postponement(s) or adjournment(s) thereof.

The Board of Directors of the Corporation has set the record date for the Meeting at May 10, 2017.

Management is soliciting your proxy for the Meeting. The Board has fixed 11:00 am EST on June 26, 2017, or 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) of the Meeting, as the time by which proxies to be acted upon at the Meeting shall be deposited with the Corporation’s transfer agent.

These materials are being sent to both registered and non-registered owners of the securities. The Corporation or its agent has obtained information regarding non-registered owners in accordance with the applicable securities regulatory requirements from the intermediary holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

The Corporation shall make a list of all persons who are registered Shareholders on the Record Date and the number of Common Shares registered in the name of each person on that date. Each Shareholder is entitled to one vote on each matter to be acted on at the Meeting for each Common Share registered in his name as it appears on the list.

Unless otherwise stated, the information contained in this Circular is as of the Record Date. All dollar amount references in this Circular, unless otherwise indicated, are expressed in Canadian dollars. United States dollars are referred to as “United States dollars” or “US\$”.

Voting

Appointment and Revocation of Proxies

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. You may appoint some other person or entity to represent you at the Meeting by inserting such person’s name in the blank space provided in that form of proxy or by completing another proper form of proxy and, in either case, depositing the completed proxy at the office of the transfer agent of the Corporation indicated on the enclosed envelope not later than the times set out above.

In addition to revocation in any other manner permitted by law, a Shareholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Shareholder or by an attorney authorized in writing at 120 Adelaide Street West,

Suite 2400, Toronto, Ontario M5H 1T1 at any time up to and including the last business day preceding the day of the Meeting.

Voting of Proxies

Registered Shareholders

You can vote in person or vote by proxy. Voting by proxy is the easiest way to vote because you can appoint anyone to be your proxyholder to attend the meeting and vote your shares according to your instructions. This person does not need to be a shareholder. The executive officers named in the proxy form can act as your proxyholder and vote your shares according to your instructions.

If you appoint the Savary proxyholders and do not indicate your voting instructions, they will vote your shares:

- for the nominated directors
- for the appointment of the auditors
- for the approval of the stock option plan

If you want to appoint someone else as your proxyholder, print that person's name in the blank space provided in the proxy form (or complete another proxy form) and send the form to the Corporation's transfer agent. Make sure this person is aware that you appointed them as your proxyholder and that they must attend the meeting to vote on your behalf and according to your instructions. If you do not indicate your voting instructions, your proxyholder can vote as he or she sees fit.

At the time of printing this circular, management is not aware of any amendments, variations or other matters to come before the meeting. If other matters are properly brought before the meeting, your proxyholder can vote as he or she sees fit.

The transfer agent must receive the completed proxy form by 11:00am (Toronto time) on June 26, 2017, or 48 hours (excluding Saturdays, Sundays or holidays) before any adjournment(s) of the Meeting.

Non-Registered Shareholders

Non-Registered Shareholders are those holders who beneficially own common shares registered in the name of an intermediary with whom the Non-Registered Holder deals in respect of the Common Shares, such as, banks, trust companies, securities dealers (all, an "**Intermediary**") or in the name of a clearing agency such as CDS&Co). Securities laws require the Corporation to send the meeting materials to the Intermediaries and clearing agencies so they can distribute them to our non-registered shareholders. These materials include the notice of the meeting, the circular, a proxy or voting instruction form, a consent form to receive supplemental mailings, a copy of the Corporation's 2016 annual report if the Non-Registered Shareholder requested a copy and documents by electronic delivery.

Intermediaries and clearing agencies must forward the meeting materials to Non-Registered Shareholders unless the shareholder has waived the right to receive them. If you're a Non-Registered Shareholder and have not waived the right to receive the materials, your package includes either a voting instruction form (not signed by your intermediary), or a proxy form (signed by your intermediary).

Either form instructs your intermediary (the registered shareholder) to vote your shares according to your instructions. Be sure to send back your completed form as soon as possible to ensure your intermediary carries out your voting instructions.

Voting Securities and Principal Holders

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As of the Record Date, the Corporation has 181,654,284 Common Shares issued and outstanding. To the

knowledge of the directors and officers of the Corporation, as at the Record Date, other than Mr. Ross Beaty, no person beneficially owns, directly or indirectly, or exercises control or direction over securities carrying more than 10% of the voting rights attached to the Common Shares.

BUSINESS OF THE MEETING

Other than in respect of the election of directors and approval of the Stock Option Plan, no informed person (as such term is defined under applicable securities laws) of the Corporation or Nominee (and each of their associates or affiliates) has had any direct or indirect material interest in any transaction involving the Corporation since January 1, 2016 or in any proposed transaction which has materially affected or would materially affect the Corporation or its subsidiaries other than as disclosed herein.

Audited Consolidated Financial Statements

The audited consolidated financial statements for the financial year ended December 31, 2016, together with the auditor's report thereon, will be presented to Shareholders for review at the Meeting and were mailed to Shareholders with the Notice of Meeting and this Circular. No vote by the Shareholders is required with respect to this matter.

Appointment of Auditors

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote for the appointment of McGovern, Hurley, Cunningham, LLP, Chartered Accountants, as auditors of the Corporation until the close of the next annual meeting of shareholders of the Corporation and to authorize the directors to fix their remuneration. McGovern, Hurley, Cunningham, LLP, Chartered Accountants, have been the auditors of the Corporation since October 10, 2013. BDO Canada LLP, Chartered Accountants, was the auditors of the Corporation from October 2009 to October 2013.

The following table sets out the audit and audit-related fees billed by the Corporation's auditors for the years ended December 31, 2015 and 2016.

Service	2016	2015
Audit Fees	\$32,000	\$32,000
Audit-Related Fees	Nil	Nil
Tax Fees	\$4,000	\$4,000
Other Fees	\$4,000	Nil
Total:	\$40,000	\$36,000

For additional information about the Corporation's auditors and the Audit Committee, please refer to the section "Committees of the Board – Audit Committee".

Approval of Stock Option Plan

The Corporation's stock option plan (the "**Stock Option Plan**") is considered to be an "evergreen plan" since the Common Shares covered by options which have been exercised shall be available for subsequent grants under the Stock Option Plan, and the number of options available to grant increases as the number of issued and outstanding Common Shares increase. Therefore, at the Meeting, shareholders of the Corporation entitled to vote on the matter will be asked to consider and, if thought advisable, pass an ordinary resolution re-approving the Stock Option Plan, the full text of which is set out below. A summary of the Stock Option Plan may be found under the heading "Executive Compensation – Long Term Incentives and Options", and a full copy of the Stock Option Plan is attached hereto at

Schedule “A” (the “**Stock Option Plan Resolution**”), In the event that the Stock Option Plan Resolution is not passed by the requisite number of votes cast at the Meeting, the Corporation will not have an operative stock option plan and therefore the Board will not be able to issue additional options until such time as another stock option plan is created and approved, and may consequently have difficulty attracting and retaining high caliber personnel. However, whether or not the Stock Option Plan Resolution is approved, all options currently outstanding under the Stock Option Plan will remain in effect in accordance with their terms.

Unless otherwise indicated, the persons named in the accompanying proxy intend to vote for the resolution with respect to the approval of the Stock Option Plan as described below under the heading “Executive Compensation – Compensation Discussion and Analysis – Components of Compensation – Long-term Incentives and Options.”

TSX Venture Exchange (“TSX-V”) policy requires that the Stock Option Plan be approved and ratified by the Shareholders and submitted to the TSX-V for acceptance on an annual basis. Further Shareholder approval will not be required for option grants made in accordance with the Stock Option Plan, except in certain circumstances as required by the policies of the TSX-V.

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

“RESOLVED, as an Ordinary Resolution, that:

- (a) the Corporation re-approve and ratify, subject to regulatory approval, the adoption of the Stock Option Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Corporation to a maximum of 10% of the issued and outstanding common shares at the time of the grant;
- (a) the Corporation be and is hereby authorized to grant stock options pursuant to and subject to the terms and conditions of the Stock Option Plan entitling the option holders to purchase common shares of the Corporation; and
- (c) any one director or officer of the Corporation be and is hereby authorized to execute any and all documents as the director or officer deems necessary to give effect to the transactions contemplated in the Stock Option Plan.”

Election of Directors

The Corporation has nominated five persons (the “**Nominees**”) for election as directors of the Corporation, who will hold office until the next annual meeting of the Corporation or until his or her successor is elected or appointed. At the Meeting, Shareholders will be asked to elect these Nominees as directors of the Corporation. **The persons in the enclosed form of proxy intend to vote for the election of the Nominees. Management does not contemplate that any of the Nominees will be unable to serve as a director.**

As the Corporation has adopted a Majority Voting Policy, the process for voting for election of each director will be by individual voting and not by slate. The Shareholders can vote for or withhold from voting on the election of each director on an individual basis. See “Corporate Governance Practices” for more information on our Majority Voting Policy.

Director Profiles

Each of the five nominated directors is profiled below, including his or her background and experience, committee memberships, share ownership and other public company directorships. All of the director nominees were elected as directors by the Shareholders at the last annual meeting.

DON DUDEK

DIRECTOR SINCE NOVEMBER 2013

ONTARIO, CANADA

Mr. Dudek has held various roles with junior to senior exploration and mining companies over the past 30 years. Mr. Dudek recently served as Senior Vice President, Technical Services for Endeavour Mining Corporation while managing a feasibility study for the Houndé gold project in Burkina Faso. Previously, he served as Senior Vice President Exploration of Avion Gold Corporation, a successful junior gold producer and explorer in West Africa and as Exploration Manager for Aur Resources Inc. Mr. Dudek holds a B.Sc. Geology (Honors) from the University of Saskatchewan.

SHAREHOLDINGS: 1,949,000 (1.1%)

OTHER PUBLIC COMPANY BOARDS: ROSITA MINING CORPORATION

DANIEL NOCENTE

DIRECTOR SINCE SEPTEMBER 2012

BRITISH COLUMBIA, CANADA

Until September 2012, Mr. Nocente was Vice Chairman of Corporate and Investment Banking with National Bank Financial Inc. Previously, he was Vice Chairman and BC Geography Head with RBC Dominion Securities. Mr. Nocente currently sits on the Vancouver Coastal Health Board and is Chairman of the Audit Committee. In addition, he has served as Director and Audit Committee member of Carmanah Technologies Corporation, Director and Audit Committee Chair with Canada Line Rapid Transit Inc., Chair of St. Paul's Hospital Foundation, Chairman of the Nature Trust of BC, Vice Chair and Director of Providence Healthcare, Director and Head of the Governance Committee with the Arts Club Theatre Company, and was a member of the YMCA Cabinet. Mr. Nocente holds a Bachelor of Arts degree from the University of British Columbia, a Master's degree in Business Administration from George Washington University in Washington, DC and has completed the Leadership in Professional Services Firms course at the Harvard Business School.

Shareholdings: 1,620,000 (<1%)

Other Public Company Boards: Western Forest Products Inc.

THOMAS OLESINSKI

DIRECTOR SINCE JULY 2014

ONTARIO, CANADA

Mr. Thomas Olesinski, CPA, CMA has over 20 years finance and management experience. Mr. Olesinski worked as a managing forensic accountant for BDO Dunwoody where he earned a Certified Fraud Examiner's designation, before moving into the marketing communications industry where he worked for Cossette Communication Group in various roles including Director of Finance and Operations. Mr. Olesinski currently works as the Chief Executive Officer for Havas Media Canada as well as serving as the Chief Financial Officer for Havas Worldwide Canada.

Shareholdings: Nil

Other Public Company Boards: Pitchblack Resources Ltd.
Copper One Inc.

CRAIG PEARMAN

DIRECTOR SINCE SEPTEMBER 2012

BRITISH COLUMBIA, CANADA

Craig Pearman BSc has 25 years exploration and mining geology experience in Ghana, Tanzania and South Africa. Most recently, Mr. Pearman was the President and CEO of Rosita Mining Corporation (formerly Midlands Minerals Corporation) and prior to that he held the roles of Chief Exploration Geologist for Kinross Gold Corporation at the Chirano Mine in Ghana, Consultant Geologist for Newmont Ghana Gold at the Ahafo and Akyem gold mines, and Exploration Manager and Managing Director for Volta Resources in Ghana. Mr. Pearman received his BSc Geology (Honours) from the University of Natal, Durban, South Africa in 1991 and is a member of the South African Council for Natural Scientific Professions.

Shareholdings: 150,000 common shares (<1%)

Other Public Company Boards: N/A

PAOLO LOSTRITTO

DIRECTOR SINCE JULY 2014

ONTARIO, CANADA

Mr. Paolo Lostritto is a former Director in the Mining Equity Research Group for National Bank Financial. Since 1997, he has worked in mining equity research at Wellington West, Scotia Capital and TD Securities. Mr. Lostritto holds a Bachelor of Applied Science in Geological and Mineral Engineering from the University of Toronto and is a registered Professional Engineer in the Province of Ontario. Mr. Lostritto currently serves as a consultant to an Exempt Market Dealer called Red Cloud Klondike Strike Inc, which is focused on providing unique and innovative financing and growth solutions to mining companies.

Shareholdings: 3,590,000 Common Shares (2%)

Other Public Company Boards: N/A

Other Information about the Director Nominees

No proposed director of the Corporation is, or within the 10 years prior to the date of this Information Circular, has been, a director, chief executive officer or chief financial officer of any company that while that person was acting in that capacity:

- (a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in such capacity.

No proposed director of the Corporation is, or within the 10 years prior to the date of this Information Circular, has been, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director has individually, within the 10 years prior to the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

No proposed director of the Corporation has been subject to: (a) 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 (b) any other penalties or sanctions

imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

CORPORATE GOVERNANCE

On June 30, 2005, the Canadian Securities Administrators introduced in final form National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”) and National Policy 58-201 – *Corporate Governance Guidelines* (“**NP 58-201**”). The Corporation has reviewed its own corporate governance practices in light of the NP 58-201 guidelines. In certain cases, the Corporation’s practices comply with NP 58-201, however, the Board of Directors considers that some of the guidelines are not suitable for the Corporation at its current stage of development and therefore certain guidelines have not been adopted.

Set out below is a description of certain corporate governance practices of the Corporation, as required by NI 58-101.

Board of Directors

NP 58-201 recommends that boards of directors of reporting issuers be composed of a majority of independent directors. As at December 31, 2016, the Board of Directors was composed of a majority of independent directors, with four of the five directors considered independent. Don Dudek is the current President and CEO of the Corporation and therefore is not considered independent. Daniel Nocente, Craig Pearman, Paolo Lostritto and Thomas Olesinski are the four directors that were considered independent.

The current slate of five directors nominated for election as directors of the Corporation for the ensuing year consists of four independent directors. The four independent directors are Daniel Nocente, Craig Pearman, Paolo Lostritto and Thomas Olesinski.

The Board of Directors considers that Management is effectively supervised by the independent directors on an informal basis, as the independent directors are actively and regularly involved in reviewing the operations of the Corporation and have regular and full access to Management.

Orientation and Continuing Education

The Board of Directors is responsible for ensuring that new directors are provided with an orientation and education program, which will include information about the duties and obligations of directors, the business and operations of the Corporation, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. Directors are expected to attend all meetings of the Board and are also expected to prepare thoroughly in advance of each meeting in order to actively participate in the deliberations and decisions.

The Board of Directors recognizes the importance of ongoing director education and the need for each director to take personal responsibility for this process. The Board of Directors notes that it has benefited from the experience and knowledge of individual members of the Board of Directors in respect of the evolving governance regime and principles. The Board of Directors ensures that all directors are apprised of changes in the Corporation’s operations and business.

Ethical Business Conduct

The Board of Directors expects Management to operate the business of the Corporation in a manner that enhances shareholder value and is consistent with the highest level of integrity. The Board of Directors is apprised of the activities of the Corporation and ensures that it conducts such activities in an ethical manner. The Board of Directors had not adopted a written code of business conduct and ethics, however, the Board of Directors encourages and promotes an overall culture of ethical business conduct by promoting compliance with applicable laws, rules and regulations; providing guidance to consultants,

officers and directors to help them recognize and deal with ethical issues; promoting a culture of open communication, honesty and accountability; and ensuring awareness of disciplinary actions for violations of ethical business conduct. In particular, the Board of Directors ensure that directors exercise independent judgement in considering transactions and certain activities of the Corporation by holding in camera sessions of independent directors, when applicable, and by having each director declare his or her interest in a particular transaction and abstaining from voting on such matters, where applicable.

Nomination of Directors

The Corporation does not at this time have a specific committee responsible for the nomination of directors. The nomination of directors is currently addressed by the Board of Directors as a whole.

The process by which candidates are identified is through recommendations presented to the Board of Directors, which establishes and discusses qualifications based on corporate law and regulatory requirements as well as education and experience related to the business of the Corporation.

Compensation

As at the date of this Information Circular, the Board of Directors had a Compensation Committee consisting of Craig Pearman (Chair), Daniel Nocente and Paolo Lostritto. The process for determining executive compensation is relatively informal, in view of the size and stage of the Corporation and its operations. Generally, the Corporation does not maintain specific performance goals or use benchmarks in determining the compensation of executive officers, with the exception of the President and CEO, whose consulting agreement provides for specific milestone-driven bonuses based on the delivery of various technical reports and mineral resource identification. In addition, the Board of Directors may at its discretion award either a cash bonus or stock options for high achievement or for accomplishments that the Board of Directors deems as worthy of recognition.

Further details about the Corporation compensation practices are disclosed in this Information Circular under the heading "Statement of Executive Compensation".

Other Board Committees

The Corporation does not have any standing committees other than the Audit Committee, the Compensation Committee and the Corporate Governance Committee.

Majority Voting Policy

The Corporation has adopted a Majority Voting Policy to provide a meaningful way for the Corporation's shareholders to hold individual directors accountable and to require the Corporation to closely examine directors that do not have the support of a majority of Shareholders. The policy provides that forms of proxy for the election of directors will permit a Shareholder to vote in favour of, or to withhold from voting, separately for each director nominee and that where a director nominee has more votes withheld than are voted in favour of him or her, the nominee will be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law. Pursuant to the policy, such a nominee will forthwith submit his or her resignation to the Board, such resignation to be effective on acceptance by the Board. The Board will then establish an advisory committee (the "**Committee**") to which it shall refer the resignation for consideration. In such circumstances, the Committee will make a recommendation to the Board as to the director's suitability to continue to serve as a director after reviewing, among other things, the results of the voting for the nominee and the Board will consider such recommendation. This policy does not apply where an election involves a proxy battle (i.e., where proxy material is circulated in support of one or more nominees who are not part of the director nominees supported by the Board).

Assessments

The Board of Directors does not, at present, have a formal process in place for assessing the effectiveness of the Board of Directors as a whole, its committees or individual directors, but will consider implementing one in the future should circumstances warrant. The Board of Directors and its individual directors are assessed on an informal basis continually as to their effectiveness and contribution. The Chairman of the Board of Directors encourages discussion amongst the Board of Directors as to evaluation of the effectiveness of the Board of Directors as a whole and of each individual director. All directors are free to make suggestions for improvement of the practice of the Board of Directors at any time and are encouraged to do so.

ABOUT THE BOARD

Independence of the Board

The Board is currently comprised of five members, four members of whom the Board has determined are independent.

Director	Independent	Not Independent	Reason for Non-Independence
Don Dudek		√	President and Chief Executive Officer of the Corporation
Daniel Nocente	√		
Paolo Lostritto	√		
Craig Pearman	√		
Thomas Olesinski	√		

The Board Mandate

The Board does not have a written mandate. The duties and responsibilities of the Board are to supervise the management of the business and affairs of the Corporation, and to act with a view towards the best interests of the Corporation. In discharging its mandate, the Board is responsible for the oversight and review of:

- the strategic planning process of the Corporation;
- identifying the principal risks of the Corporation's business
- ensuring the implementation of appropriate systems to manage identified risks;
- succession planning, including appointing, training and monitoring senior management;
- a communications policy to facilitate communications with investors and other stakeholders; and
- the integrity of the Corporation's internal control and management information systems.

The Board discharges its responsibilities directly and through its committees, currently consisting of the Audit Committee, the Compensation Committee and the Corporate Governance Committee.

COMMITTEES OF THE BOARD

As of the Record Date, the Board had the following three standing committees:

- Audit Committee;
- Compensation Committee; and
- Corporate Governance Committee.

All of the committees are comprised of directors who are independent of management and each of the committees report directly to the Board. From time to time, when appropriate, ad hoc committees of the Board may be appointed by the Board.

The Audit Committee

The Audit Committee Charter is attached as Schedule “B” to this Information Circular.

Composition of the Audit Committee

The following are the current members of the Committee:

Daniel Nocente	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Thomas Olesinski	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Craig Pearman	Independent ⁽¹⁾	Financially Literate ⁽¹⁾

⁽¹⁾ As defined by National Instrument 52-110 – *Audit Committees* (“**NI 52-110**”).

Relevant Education and Experience

All of the Audit Committee members are senior level businesspersons with extensive experience in financial matters; each has a broad understanding of accounting principles used to prepare financial statements and varied experience as to general application of such accounting principles, as well as the internal controls and procedures necessary for financial reporting, garnered from working in their individual fields of endeavour. In addition, each of the members of the Audit Committee has knowledge of the role of an audit committee in the realm of reporting companies from their years of experience as directors of public companies other than the Corporation.

Daniel Nocente BA, MBA, was Vice Chairman of Corporate and Investment Banking with National Bank Financial Inc. until September 2012. Prior to joining National Bank, he was Vice Chairman and BC Geography Head with RBC Dominion Securities. Mr. Nocente currently sits on the Vancouver Coastal Health Board and is Chairman of the Audit Committee. In addition, he has served as Director and Audit Committee member of Carmanah Technologies Corporation, Director and Audit Committee Chair with Canada Line Rapid Transit Inc., Chair of St. Paul's Hospital Foundation, Chairman of the Nature Trust of BC, Vice Chair and Director of Providence Healthcare, Director and Head of the Governance Committee with the Arts Club Theatre Company, and was a member of the YMCA Cabinet. Mr. Nocente holds a Bachelor of Arts degree from the University of British Columbia, a Master's degree in Business Administration from George Washington University in Washington, DC and has completed the Leadership in Professional Services Firms course at the Harvard Business School.

Mr. Thomas Olesinski, CPA, CMA has over 20 years finance and management experience. Mr. Olesinski worked as a managing forensic accountant for BDO Dunwoody where he earned a Certified Fraud Examiner's designation, before moving into the marketing communications industry where he worked for Cossette Communication Group in various roles including Director of Finance and Operations. Mr. Olesinski currently works as the Chief Executive Officer for Havas Media Canada as well as serving as the Chief Financial Officer for Havas Worldwide Canada.

Craig Pearman has 25 years' exploration and mining geology experience in Ghana, Tanzania and South Africa. Most recently Mr. Pearman served as the President and CEO of Rosita Mining Corporation (formerly Midlands Minerals Corporation). He has gained relevant financial statement experience through his involvement in publically traded junior mining companies. Mr. Pearman received his B.Sc. Geology (Honours) from the University of KwaZulu Natal, Durban, South Africa in 1991 and is a member of the South African Council for Natural Scientific Professions.

Audit Committee Oversight

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

Reliance on Certain Exemptions

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

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services; however, as provided in NI 52-110, the Audit Committee must pre-approve all non-audit services to be provided to the Corporation or its subsidiaries, unless otherwise permitted by NI 52-110.

External Auditor

Please see above for the fees paid to external auditors in 2015 and 2016.

Corporate Governance Committee

The Corporate Governance Committee is comprised of Craig Pearman (Chair), Daniel Nocente and Paolo Lostritto, each of whom is an independent director.

The Corporate Governance Committee's responsibilities include periodically reviewing the charters of the Board and the committees of the Board; preparing and recommending to the Board a set of corporate governance guidelines and annually preparing and reviewing the Corporation's Corporate Governance disclosure to be included in the Corporation's management information circular; annually reviewing the Board's relationship with management to ensure the Board is able to, and in fact does, function independently of management; assisting the Board by identifying individuals qualified to become Board members and members of Board committees; leading the Board in its annual review of the Board's performance; and assisting the Board in monitoring compliance by the Corporation with legal and regulatory requirements.

The members of the Corporate Governance Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

Compensation Committee

The Compensation Committee is comprised of Craig Pearman (Chair), Daniel Nocente and Paolo Lostritto, each of whom is an independent director.

The Compensation Committee is established by the Board to assist the Board in fulfilling its responsibilities relating to human resources and compensation issues and to establish a plan of continuity for executive officers and other members of senior management (collectively, "**Executive Management**").

The Compensation Committee's role is to review compensation philosophy and practices for the Corporation, which includes reviewing the compensation philosophy and practices (a) for Executive Management, for recommendation to the Board for its consideration and approval, and (b) relating to all employees, including annual salary and incentive policies and programs, and material new benefit programs, or material changes to existing benefit programs.

The members of the Compensation Committee are appointed annually by the Board and serve at the pleasure of the Board until their successors are duly appointed.

It is the general compensation philosophy of the Corporation to provide a blend of base salaries, bonuses and an equity incentive component in the form of options, as summarized under the heading "Compensation Discussion & Analysis".

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The objective of the Corporation's compensation strategy is to ensure that compensation for its Named Executive Officers (as defined herein) is sufficiently attractive to recruit, retain and motivate high performing individuals to assist Savary in achieving its goals. The Corporation also ensures that compensation is fair, balanced and generally linked to the performance of the Corporation and the individual Named Executive Officer.

With guidance from the Compensation Committee's recommendations, the Board is responsible for approving the compensation of the directors and Named Executive Officers. Compensation for the Named Executive Officers is composed primarily of three components: base fees, performance bonuses and stock-based compensation. The Compensation Committee recommends to the Board the base salary, performance bonus and stock options to be granted to the Named Executive Officers and the Compensation Committee recommends to the Board the fees and stock options to be granted to directors. The Corporation does not engage in benchmarking practices. Compensation of NEOs is determined primarily via informal discussions of the Compensation Committee and the Board based on their personal experience.

Approach

While the Corporation does not have a formal compensation policy, the general objectives of the Corporation's executive compensation are to:

- attract, retain and motivate executives critical to the success of the Corporation;
- link the interests of management with those of the Shareholders; and
- provide rewards, through discretionary bonuses, for outstanding corporate and individual performance.

The following principles guide the Corporation's overall compensation philosophy:

- compensation is determined on an individual basis by the need to attract and retain talented, entrepreneurial, high-achievers;
- an appropriate portion of total compensation is variable and linked to achievements, both individual and corporate; and
- all compensation and compensation objectives shall be fully and plainly disclosed.

The Board and the Compensation Committee are responsible for ensuring the application of the compensation policy is appropriately aligned to support its stated objectives and encourage the appropriate management behaviours, while avoiding excessive risk-taking by executive officers. The Board believes that the compensation paid to each NEO during the last financial year was commensurate with each NEO's position, experience and performance.

Risks Associated with Compensation

In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's executive compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

Financial Instruments

The Corporation does not currently have a policy that restricts directors or NEOs from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of

equity. However, to the knowledge of the Corporation as of the date of hereof, no director or NEO of the Corporation has participated in the purchase of such financial instruments.

Components of Compensation

The Corporation's Named Executive Officers are compensated through consulting agreements and or management services arrangements. The Board of Directors does not have a pre-determined compensation plan and does not engage in benchmarking practices. In addition, the Board of Directors, nor any committee of the Board of Directors, has not specifically considered the implications of the risks associated with the Corporation's compensation policies or practices. It is the general compensation philosophy of the Corporation to provide a blend of base compensation, bonuses and an equity incentive component in the form of options. The following summarizes these aspects of compensation:

Base Salary

In determining the base salary of an executive officer, the Board of Directors begins its analysis with a recommendation from the President and CEO of the Corporation and also places weight on the following factors: the particular responsibilities related to the position; the experience level of the executive officer; the difficulties in recruiting new talent and his or her overall performance.

Bonus Payments

Executive officers are eligible for annual cash bonuses. In general, the Board of Directors does not currently prescribe a set of formal objective measures to determine discretionary bonus entitlements. Rather, the Board of Directors uses informal goals typical for exploration and development stage companies such as strategic acquisitions, advancement of exploration, operations and development, equity and debt financings and other transactions and developments that serve to increase the Corporation's valuation. In general, precise goals or milestones are not pre-set by the Board of Directors, however, Mr. Dudek, the Corporation's President and CEO's consulting agreement provides for specific milestone-driven bonuses based on the delivery of various technical reports and mineral resource identification.

Hedging Restrictions

The Corporation does not have any policies that restrict a NEO or director from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

Long-term Incentives and Options

The Board believes that granting stock options to officers, directors, consultants and employees encourages retention and more closely aligns the interests of such key personnel with the interests of shareholders while at the same time not drawing on the limited cash resources of the Corporation.

The only equity compensation plan which the Corporation has in place is the Stock Option Plan. The Stock Option Plan has been established to attract and retain employees, consultants, officers or directors to the Corporation and to motivate them to advance the interests of the Corporation by affording them with the opportunity to acquire an equity interest in the Corporation.

The Stock Option Plan is administered by the directors of the Corporation. The Stock Option Plan currently provides that the number of common shares issuable under the Stock Option Plan, together with all of the Corporation's other previously established or proposed share compensation arrangements may not exceed 10% of the number of issued and outstanding common shares outstanding at the time of the closing of the Corporation's initial public offering.

The Corporation currently has 181,654,284 common shares outstanding which means 18,165,428 common shares could be reserved for issuance upon the exercise of stock options, if no additional shares were issued in the next 12 months. As of the Record Date, there is an aggregate of 9,165,000 stock options outstanding under the Stock Option Plan, which represents approximately 5% of the outstanding Common Shares of the Corporation.

The purpose of the Stock Option Plan is to allow the Corporation to grant options to director, officers, employees and consultants, as additional compensation, and as an opportunity to participate in the success of the Corporation. The granting of such options is intended to align the interests of such persons with that of the shareholders.

A summary of the Stock Option Plan is set forth below.

The Stock Option Plan reserves for issuance a maximum of 10% of the common shares at the time of a grant of options under the Stock Option Plan. The Stock Option Plan will be administered by the Board of Directors and provide for grants of non-transferable options under the Stock Option Plan at the discretion of the Board of Directors to directors, senior officers, employees, management company employees of, or consultants to, the Corporation and its subsidiaries, or their permitted assigns (each an "Eligible Person").

The exercise price per common share shall be determined by the Board of Directors at the time the option is granted, but such price shall not be less than the closing price of the common shares on the Exchange on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. In the event that the common shares are not listed and posted for trading on any stock exchange or other quotation system, the exercise price shall be the fair market value of the common shares as determined by the Board of Directors in its sole discretion.

Options to acquire more than 2% of the issued and outstanding common shares may not be granted to any one consultant in any 12-month period and options to acquire more than an aggregate of 2% of the issued and outstanding common shares may not be granted to persons employed to provide Investor Relations Activities (as such term is defined by the policies of the Exchange) in any 12-month period. Options to acquire more than 5% of the issued and outstanding common shares may not be granted to any one individual in any 12-month period.

The term of any options granted under the Stock Option Plan will be fixed by the Board of Directors and may not exceed ten years. In general, should an Eligible Person cease to qualify as an Eligible Person under the Stock Option Plan prior to expiry of the term of their respective options, those options will terminate on the earlier of the period of time permitted for exercise of the option and the 90th day after the optionee ceases to be an Eligible Person for any reason other than death, disability or cause and if an option holder providing Investor Relations Activities ceases to provide such Investor Relations Activities to the Corporation, options granted to such option holder will expire on the 30th day after such cessation, however, this section is subject to any agreement with any option holder with respect to the rights of such option holder upon termination or change in control of the Corporation. If such cessation as an Eligible Person is on account of disability or death, the options terminate on the first anniversary of such cessation, and if it is on account of termination of employment with cause, the options terminate immediately.

The Stock Option Plan also provides for adjustments to outstanding options in the event of any disposition of substantially all of the assets of the Corporation, dissolution or any merger, amalgamation or consolidation of the Corporation with or into any other company, or the merger, amalgamation or consolidation of any other company with or into the Corporation.

The directors of the Corporation may, at their discretion at the time of any grant, impose a schedule over which period of time options will vest and become exercisable by the optionee; however, for so long as the common shares are listed on the Exchange, options granted to persons performing Investor Relations Activities must vest in stages over 12 months with no more than one quarter of the options vesting in any three-month period.

Subject to any required approval of the Exchange, the Board of Directors may terminate, suspend or amend the terms of the Stock Option Plan. However, any amendment of the Stock Option Plan which would materially:

- A. increase the benefits under the Stock Option Plan;
- B. increase the number of common shares which may be issued under the Stock Option Plan; or
- C. modify the requirements as to the eligibility for participation in the Stock Option Plan;

shall be effective only upon the approval of the Shareholders. Any amendment to any provision of the Stock Option Plan shall be subject to any necessary approvals by the Exchange or other regulatory body having jurisdiction over the securities of the Corporation. Disinterested shareholder approval shall be obtained for any reduction in the exercise price per common share if the participant is an insider of the Corporation at the time of the proposed amendment.

The Stock Option Plan allows the Corporation to withhold from any remuneration otherwise payable to a participant any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of their participation in the Stock Option Plan. This inclusion in the Stock Option Plan is necessary as a result of certain amendments to the *Income Tax Act* (Canada) relating to the taxation of share options which came into effect on January 1, 2011.

The table below sets out the outstanding options under the Stock Option Plan, being the Corporation's only compensation plan under which Common Shares are authorized for issuance, as of the Record Date.

Plan Category	Number of securities to be issued upon exercise of outstanding options and rights⁽¹⁾	Weighted-average exercise price of outstanding options and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	9,165,000	\$0.09	9,000,428
Equity compensation plans not approved by securityholders ⁽¹⁾	Nil	Nil	Nil
Total	9,165,000	\$0.09	9,000,428

⁽¹⁾ The Corporation has a "rolling" stock option plan that reserves 10% of the Corporation's outstanding common shares from time to time for issuance as stock options.

Other Compensation Matters

Indebtedness of Directors and Officers

As at the date of this Circular, and during the financial year ended December 31, 2016, no director or executive officer of the Corporation or Nominee (as defined herein) (and each of their associates and/or affiliates) was indebted, including under any securities purchase or other program, to (i) the Corporation or its subsidiaries, or (ii) any other entity which is, or was at any time during the financial year ended December 31, 2016, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or its subsidiaries.

Directors' and Officers' Insurance and Indemnification

The Corporation maintains insurance for the benefit of its directors and officers against liability in their respective capacities as directors and officers. The Corporation has purchased in respect of directors and officers an aggregate of \$5,000,000 in coverage. The approximate amount of premiums paid by the Corporation during the financial year ended December 31, 2016 in respect of such insurance was \$11,500.

2016 Executive Compensation

Summary Compensation Table

The following table summarizes the compensation paid during the three financial years ended December 31, 2016, 2015 and 2014 in respect of the individuals who were carrying out the role of the CEO, the Chief Financial Officer of the Corporation (“**CFO**”) and each of the three most highly compensated executive officers other than the CEO and CFO at the end of the most recently completed financial year whose total compensation was individually more than \$150,000 for that financial year (the “**Named Executive Officers**” or “**NEOs**”).

Name and principal position	Year Ended	Salary (\$) ⁽¹⁾	Share awards (\$)	Option awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		All other compensation (\$) ⁽⁴⁾	Total compensation (\$)
					Annual incentive plans ⁽³⁾	Long-term incentive plans		
Don Dudek President & Chief Executive Officer ⁽⁵⁾	2016	\$180,000	NIL	\$20,000	NIL	N/A	NIL	\$200,000
	2015	\$165,000	NIL	\$30,000	NIL	N/A	NIL	\$195,000
	2014	\$120,000	NIL	\$36,000	NIL	N/A	NIL	\$156,000
Greg Duras Chief Financial Officer ⁽⁶⁾	2016	\$77,000	NIL	\$7,500	NIL	N/A	NIL	\$84,500
	2015	\$51,000	NIL	\$7,500	NIL	N/A	NIL	\$58,500
	2014	\$30,000	NIL	\$13,500	NIL	N/A	NIL	\$43,500

Notes:

- (1) Compensation has been paid as consulting fees under the independent contractor agreement with the Named Executive Officer as described under the heading “Executive Compensation – Termination of Employment, Change in Responsibilities and Employment Contracts” of this Circular.
- (2) The value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Sholes Model as at the date of grant, as follows: expected dividend yield — 0%; expected volatility — 136% and 140%; risk-free interest rate — 0.50% and 0.77%; and expected life — 5 years. This is consistent with the accounting values used in the Corporation’s financial statements. The Corporation selected the Black-Scholes model given its prevalence of use in North America.
- (3) Compensation paid in the form of discretionary performance based bonuses.
- (4) Other benefits did not exceed the lesser of \$50,000 and 10% of the total annual compensation for the Named Executive Officer.
- (5) Mr. Dudek was appointed as President and CEO of the Corporation on November 28, 2013.
- (6) Mr. Duras was appointed as Chief Financial Officer on June 27, 2013.

Incentive Plan Awards

The following table provides information regarding the incentive plan awards for each Named Executive Officer outstanding as of December 31, 2016.

Outstanding Share-Based Awards and Option-Based Awards

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) (2)}	Number of shares or units of shares that have not vested (#)	Market or payout value of share awards that have not vested (\$)	Market or payout value of vested share-based awards not paid out or distributed
Don Dudek President & Chief Executive Officer	640,000 400,000 600,000 400,000 400,000	\$0.05 \$0.10 \$0.06 \$0.05 \$0.09	November 28, 2018 March 13, 2019 March 31, 2020 February 17, 2021 January 20, 2022	\$80,000	N/A	N/A	N/A
Greg Duras Chief Financial Officer	125,000 150,000 150,000 150,000 200,000	\$0.10 \$0.10 \$0.06 \$0.05 \$0.09	June 27, 2018 March 13, 2019 March 31, 2020 February 17, 2021 January 20, 2022	\$15,500	N/A	N/A	N/A

Notes:

- (1) Based on the closing market price of \$0.10 of the Common Shares on December 30, 2016, being the last trading day of the financial year ended December 31, 2016 and subtracting the exercise price of the options.
- (2) These options have not been, and may never be, exercised and actual gains, if any, on exercise will depend on the value of the Common Shares on the date of exercise.

Value on Pay-Out or Vesting of Incentive Plan Awards

None of the Named Executive Officers exercised any options during the year ended December 31, 2016.

Termination of Employment, Change in Responsibilities, and Employment Contracts

The following describes the respective consulting agreements entered into by the Corporation and the Named Executive Officers.

Name	Notice Period	Monthly Fees	Severance on Termination	Severance on Change of Control
Don Dudek, President and CEO*	30 days	\$15,000	Six months' fees	24 months base fees plus aggregate cash bonuses paid in the 24 months prior to the Change in Control.
Greg Duras, CFO	30 days	\$7,000	Six months' fees	12 months base fees plus aggregate cash bonuses paid in the 12 months prior to the Change in Control.

* Mr. Dudek's consulting agreement provides for specific milestone driven bonuses based on the delivery of various technical reports and mineral resource identification.

Change of Control Provisions

As used herein, "Change in Control" shall be defined as the acquisition by any person (person being defined as an individual, a corporation, a partnership, an unincorporated association or organization, a trust, a government or department or agency thereof and the heirs, executors, administrators or other legal representatives of an individual and an associate or affiliate of any thereof as such terms are defined in the Canada Business Corporations Act) of: (1) shares or rights or options to acquire shares of the Corporation or securities which are convertible into shares of the Corporation or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 50% or more of the votes entitled to be cast at a meeting of the shareholders of the Corporation; (2) shares or rights or options to acquire shares, or their equivalent, of any material subsidiary of the Corporation or

securities which are convertible into shares of the material subsidiary or any combination thereof such that after the completion of such acquisition such person would be entitled to exercise 50% or more of the votes entitled to be cast a meeting of the shareholders of the material subsidiary; (3) more than 50% of the material assets of the Corporation, including the acquisition of more than 50% of the material assets of any material subsidiary of the Corporation; or (4) as a result of or in connection with: (A) a contested election of directors; or (B) a consolidation, merger, amalgamation, arrangement or other reorganization or acquisitions involving the Corporation or any of its Affiliates and another corporation or other entity, the nominees named in the most recent Management Information Circular of the Corporation for election to the Board shall not constitute a majority of the Board;

Summary of Termination Payments

The estimated incremental payments, payables and benefits that might be paid to the Named Executive Officers pursuant to the above noted agreements in the event of termination without cause or after a Change in Control (assuming such termination or Change in Control is effective as of December 31, 2016) are detailed below:

Named Executive Officer	Termination not for Cause (\$)	Termination on a Change of Control (\$)
Don Dudek		
Salary and Quantified Benefits	90,000	360,000
Bonus	-	-
Total	90,000	360,000
Greg Duras		
Salary and Quantified Benefits	42,000	84,000
Bonus	-	-
Total	42,000	84,000
TOTAL	132,000	444,000

Other Arrangements

Other than as disclosed below or elsewhere in this Information Circular, none of the directors of the Corporation were compensated by the Corporation during the financial year ended December 31, 2016 pursuant to any other arrangement or in lieu of any standard compensation arrangement.

Management Contracts

The Corporation entered into a contract with RG Management Services Inc (“RGMI”), as amended, of which Ms. Daniella Tintor is an employee effective July 1, 2015 pursuant to which Ms. Tintor agreed to provide services as Corporate Secretary of the Corporation. RGMI is entitled to compensation for the provision of such services of base fees of \$1,250 per month, plus any such increments thereto, bonuses and grants of options under the Stock Option Plan (as defined herein) as may from time to time be determined. The term of this agreement is for a renewable 12-month period (expiring July 31, 2017) but may be terminated at any time for just cause without notice or payment in lieu of notice and without payment of any termination fees and may terminated without cause on 60 days written notice by either party.

DIRECTOR COMPENSATION

No cash compensation was paid to the directors of the Corporation in their capacity as directors during the financial year ended December 31, 2016. The directors of the Corporation are eligible to receive options to purchase common shares pursuant to the terms of the Stock Option Plan, which is designed to give each option holder an interest in preserving and maximizing shareholder value in the longer term. Individual grants are determined by an assessment of an individual's current and expected future performance, level of responsibilities and the importance of his/her position and contribution to the Corporation.

Compensation of directors in the financial year ended December 31, 2016 was determined on a case-by-case basis with reference to the role that each director provides to the Corporation. The following information details compensation paid in financial year ended December 31, 2016.

Executive officers who also act as directors of the Corporation do not receive any additional compensation for services rendered in their capacity as directors.

The following table contains information about the compensation paid to, or earned by Directors of the Corporation who were not Named Executive Officers. During the financial year ended December 31, 2016, the Corporation had four directors who were not Named Executive Officers as set out below.

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Daniel Nocente ⁽¹⁾ Non-Executive Chairman of the Board	Nil	Nil	\$10,000	N/A	N/A	Nil	\$10,000
Craig Pearman ⁽¹⁾ Director	Nil	Nil	\$7,500	N/A	N/A	Nil	\$7,500
Paolo Lostritto ⁽²⁾ Director	Nil	Nil	\$7,500	N/A	N/A	Nil	\$7,500
Thomas Olesinski ⁽²⁾ Director	Nil	Nil	\$7,500	N/A	N/A	Nil	\$7,500

⁽¹⁾ Msrs. Nocente and Pearman were appointed as directors effective September 12, 2012.

⁽²⁾ Msrs. Lostritto and Olesinski were appointed as directors effective July 14, 2014

⁽³⁾ The value of the option-based awards reflects the fair value of options granted on the date of grant. The fair value was computed using the Black Scholes option pricing model with the following assumptions: a) average risk-free interest rate of 0.50%; b) expected life of five years; c) the price of the stock on the grant date \$0.05 d) expected volatility of 136% and d) no expected dividend payments. The Black Scholes model was used to compute option fair values because it is the most commonly used option pricing model and is considered to produce a reasonable estimate of fair value.

Incentive plan awards - Outstanding share-based awards and option-based awards granted to directors

The following table provides details with respect to outstanding option-based awards and share-based awards, granted to the directors of the Corporation who were not Named Executive Officers as at the year ended December 31, 2016.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#) ⁽²⁾	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 (#)	Market or payout value of share-based awards that have not vested (\$)
Daniel Nocente Non-Executive Chairman of the Board	400,000	\$0.29	October 11, 2017	\$20,500	N/A	N/A
	200,000	\$0.10	June 27, 2018		N/A	N/A
	200,000	\$0.10	March 13, 2019		N/A	N/A
	200,000	\$0.06	March 31, 2020		N/A	N/A
	200,000	\$0.05	February 17, 2021			
250,000	\$0.09	January 20, 2022				
Craig Pearman Director	125,000	\$0.29	October 11, 2017	\$8,000	N/A	N/A
	125,000	\$0.10	June 27, 2018		N/A	N/A
	100,000	\$0.10	March 13, 2019		N/A	N/A
	150,000	\$0.06	March 31, 2020		N/A	N/A
	150,000	\$0.05	February 17, 2021			
200,000	\$0.09	January 20, 2022				
Paolo Lostritto Director	100,000	\$0.06	July 14, 2019	\$19,500	N/A	N/A
	150,000	\$0.06	March 31, 2020		N/A	N/A
	150,000	\$0.05	February 27, 2021			
	200,000	\$0.09	January 20, 2022			
Thomas Olesinski Director	100,000	\$0.06	July 14, 2019	\$19,500	N/A	N/A
	150,000	\$0.06	March 31, 2020		N/A	N/A
	150,000	\$0.05	February 27, 2021			
	200,000	\$0.09	January 20, 2022			

⁽¹⁾ Based on the difference between the exercise price of the option and the closing market price of the Corporation's common shares on the Exchange on the last day of the most recently completed financial year, being \$0.10

⁽²⁾ Options are granted for a period of five years and 100% of options granted vest immediately upon grant.

Incentive plan awards – value vested or earned during the financial year ended December 31, 2016

None of the Directors exercised any options during the year ending December 31, 2016.

ADDITIONAL INFORMATION AND CONTACT INFORMATION

Additional Information

Additional information relating to the Corporation may be found under the profile of the Corporation on SEDAR at www.sedar.com. Additional financial information is provided in the Corporation's audited consolidated financial statements and related management's discussion and analysis for the financial year ended December 31, 2016, which can be found under the profile of the Corporation on SEDAR. Shareholders may also request these documents from the Corporate Secretary of the Corporation by email at info@savarygold.com or by telephone at (647) 401-9138

Board of Directors Approval

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

BY ORDER OF THE BOARD OF DIRECTORS

"Don Dudek"

President and Chief Executive Officer

Toronto, Ontario
May 10, 2017

SCHEDULE "A"

STOCK OPTION PLAN

ARTICLE 1 PURPOSE AND INTERPRETATION

1.1 Purpose. The purpose of the Plan is to advance the interests of the Corporation by encouraging equity participation in the Corporation through the acquisition of Common Shares of the Corporation by directors, officers, employees and consultants of the Corporation.

1.2 Definitions. In the Plan, the following capitalized words and terms shall have the following meanings:

- (a) **"Act"** means the *Business Corporations Act* (Ontario) or its successor, as amended from time to time.
- (b) **"Affiliate"** shall have the meaning ascribed thereto in the Securities Act.
- (c) **"Associate"** shall have the meaning ascribed thereto in the Securities Act.
- (d) **"Board of Directors"** means the board of directors of the Corporation as constituted from time to time and any committee of the board of directors.
- (e) **"Change in Control"** shall be deemed to have occurred if:
 - (i) any person, other than the Corporation or an employee benefit plan of the Corporation, acquires directly or indirectly the beneficial ownership (as such term is defined in the Act) of any voting security of the Corporation and immediately after such acquisition such person is, directly or indirectly, the beneficial owner of voting securities representing 50% or more of the total voting power of all of the then outstanding voting securities of the Corporation;
 - (ii) the shareholders of the Corporation shall approve a merger, consolidation, recapitalization, or reorganization of the Corporation, a reverse stock split of outstanding voting securities, or consummation of any such transaction if shareholder approval is not sought or obtained, other than any such transaction which would result in at least 50% of the total voting rights represented by the voting securities of the surviving entity outstanding immediately after such transaction being beneficially owned by the holders at least 50% of the outstanding voting securities of the Corporation immediately prior to the transaction, with the voting rights of each such continuing holder relative to other such continuing holders not being substantially altered in the transaction; or
 - (iii) the shareholders of the Corporation shall approve a plan of complete liquidation of the Corporation or an agreement for the sale or disposition by the Corporation of all or a substantial portion of the Corporation's assets (i.e., 50% or more of the total assets of the Corporation).
- (f) **"Common Shares"** means the common shares of the Corporation as constituted on the date hereof.
- (g) **"Consultant"** means, in relation to an Issuer, an individual or company, other than an employee or a director of the Issuer, that:

- (i) is engaged to provide on a ongoing bona fide basis, consulting, technical, management or other services to the Issuer or to an Affiliate of the Issuer, other than services provided in relation to a Distribution;
 - (ii) provides the services under a written contract between the Issuer or the Affiliate and the individual or the Consultant Company;
 - (iii) in the reasonable opinion of the Issuer, spends or will spend a significant amount of time and attention on the affairs and business of the Issuer or an Affiliate of the Issuer; and
 - (iv) has a relationship with the Issuer or an Affiliate of the Issuer that enables the individual to be knowledgeable about the business and affairs of the Issuer.
- (h) **“Consultant Company”** means for an individual consultant, a company or partnership of which the individual is an employee, shareholder or partner.
- (i) **“Corporation”** means Savary Gold Corp., a corporation continued under the Act, and its successors from time to time.
- (j) **“Designated Affiliate”** means the Affiliates of the Corporation designated by the Board of Directors for purposes of the Plan from time to time.
- (k) **“director”** means directors, senior officers and Management Company Employees of the Corporation, or directors, senior officers and Management Company Employees of the Corporation’s subsidiaries to whom stock options can be granted in reliance on a Prospectus exemption under applicable securities laws.
- (l) **“Exchange”** means the TSX Venture Exchange or such other stock exchange or quotation system as the Common Shares may from time to time be listed or quoted for trading.
- (m) **“employee”** means:
- (i) an individual who is considered an employee of the Issuer or its subsidiary under the *Income Tax Act* (Canada) (i.e. for whom income tax, employment insurance and CPP deductions must be made at source);
 - (ii) an individual who works full-time for an Issuer or its subsidiary providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source; or
 - (iii) an individual who works for an Issuer or its subsidiary on a continuing and regular basis for a minimum amount of time per week (the number of hours should be disclosed in the submission) providing services normally provided by an employee and who is subject to the same control and direction by the Issuer over the details and methods of work as an employee of the Issuer, but for whom income tax deductions are not made at source.
- (n) **“Holding Company”** shall have the meaning specified in Section 2.2 hereof.
- (o) **“Insider”** shall have the meaning ascribed thereto in the Securities Act, other than a person who is an Insider solely by virtue of being a director or senior officer of a subsidiary of the Corporation and any Associate of an Insider.

- (p) **“Issuer Bid”** shall have the meaning ascribed thereto in the Securities Act.
- (q) **“Investor Relations Activities”** means any activities, by or on behalf of an Issuer or Shareholder of the Issuer, that promote or reasonably could be expected to promote the purchase or sale of securities of the Issuer, but does not include:
 - (i) the dissemination of information provided, or records prepared, in the ordinary course of business of the Issuer
 - (A) to promote the sale of products or services of the Issuer, or
 - (B) to raise public awareness of the Issuer, that cannot reasonably be considered to promote the purchase or sale of securities of the Issuer;
 - (ii) activities or communications necessary to comply with the requirements of
 - (A) applicable securities laws,
 - (B) Exchange Requirements or the by-laws, rules or other regulatory instruments of any other self regulatory body or exchange having jurisdiction over the Issuer;
 - (iii) communications by a publisher of, or writer for, a newspaper, magazine or business or financial publication, that is of general and regular paid circulation, distributed only to subscribers to it for value or to purchasers of it, if
 - (A) the communication is only through the newspaper, magazine or publication, and
 - (B) the publisher or writer receives no commission or other consideration other than for acting in the capacity of publisher or writer; or
 - (iv) activities or communications that may be otherwise specified by the Exchange.
- (r) **“Management Company Employee”** means an individual employed by a person providing management services to the Corporation, which are required for the ongoing successful operation of the business enterprise of the Corporation, but excluding a person engaged in Investor Relations Activities;
- (s) **“Option Agreements”** shall have the meaning specified in Section 2.15 hereof.
- (t) **“Option Period”** means the period of time an option may be exercised as specified in Subsection 2.8(a) hereof.
- (u) **“Participant”** means a participant under the Plan.
- (v) **“Plan”** means the share incentive plan provided for herein.
- (w) **“RRSP”** shall have the meaning specified in Section 2.2 hereof.
- (x) **“Securities Act”** means the *Securities Act* (Ontario) as amended from time to time.
- (y) **“Share Compensation Arrangement”** means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of securities of the Corporation to one or

more service providers, including a share purchase from treasury which is financially assisted by the Corporation by way of a loan, guarantee or otherwise.

- (z) **“Take-Over Bid”** shall have the meaning ascribed thereto in the Securities Act.

ARTICLE 2 SHARE OPTION PLAN

2.1 The Plan. The Plan is hereby established for certain employees, directors and Consultants of the Corporation and Designated Affiliates.

2.2 Participants. Participants in the Plan shall be bona fide directors, employees and Consultants of the Corporation or any of its Designated Affiliates (including officers thereof, whether or not directors) who, by the nature of their positions or jobs are, in the opinion of the Board of Directors, upon the recommendation of the President of the Corporation, in a position to contribute to the success of the Corporation. At the request of any Participant, options granted to such Participant may be issued to and registered in the name of a personal holding company controlled by such Participant the shares of which are held directly by the Participant (**“Holding Company”**) or to a registered retirement savings plan established for the sole benefit of such Participant (**“RRSP”**) and, in such event, the provisions of this Plan shall apply to such options mutatis mutandis as though they were issued to and registered in the name of the Participant.

2.3 Maximum Number of Common Shares. The number of Common Shares issuable pursuant to Options to purchase Common Shares granted pursuant to the Plan shall not in the aggregate exceed 10% of the Common Shares issued and outstanding from time to time, subject to any adjustments made pursuant to section 2.11. If any Option has been exercised, the number of Common Shares into which such Option was exercised shall become available to be issued upon the exercise of Options subsequently granted under the Plan.

2.4 Limits with Respect to Insiders and Consultants.

- (a) The number of Common Shares issuable to Insiders pursuant to options granted under the Plan, together with Common Shares issuable to Insiders under any other Share Compensation Arrangement of the Corporation, shall not:
- (i) exceed 10% of the number of Common Shares outstanding immediately prior to the grant of any such option; or
 - (ii) result in the issuance to Insiders, within a one-year period, of an excess of 10% of the number of Common Shares outstanding immediately prior to the grant of any such option.
- (b) The number of Common Shares issuable to any Insider and such Insider’s Associates pursuant to options granted under the Plan, together with Common Shares issuable to such Insider or such Insider’s Associates under any other Share Compensation Arrangement of the Corporation shall not, within a one year period, exceed 5% of the number of Common Shares outstanding immediately prior to the grant of any such option.
- (c) The number of Common Shares issuable to any one Consultant shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option.
- (d) The number of Common Shares issuable to all employees employed in Investor Relations Activities shall not, within a one year period, exceed 2% of the number of Common Shares outstanding immediately prior to the grant of any such option.

2.5 Price. The exercise price per Common Share shall be determined by the Board of Directors at the time the option is granted, but such price shall not be less than the closing price of the Common Shares on the Exchange on the last trading day preceding the date on which the grant of the option is approved by the Board of Directors. In the event that the Common Shares are not listed and posted for trading on any stock exchange or other quotation system, the exercise price shall be the fair market value of the Common Shares as determined by the Board of Directors in its sole discretion.

2.6 Vesting. The issuance of options under the Plan will be subject to the vesting periods, if any, as determined by the Board of Directors in its discretion; provided, however, that any options issued to Consultants performing Investor Relations Activities must vest in stages over 12 months with no more than 1/4 of the options vesting in any three month period, or as otherwise required by the Exchange.

2.7 Lapsed Options. In the event that options granted under the Plan terminate or expire without being exercised in whole or in part in accordance with the terms of the Plan, the Common Shares reserved for issuance but not purchased under such lapsed options shall be available for subsequent options to be granted under the Plan.

2.8 Consideration, Option Period and Payment.

- (a) The period during which options may be exercised shall be determined by the Board of Directors, in its discretion, to a maximum of ten years from the date the option is granted (the "Option Period"), except as the same may be reduced with respect to any option as provided in Sections 2.9 and 2.10 hereof respecting termination of employment or death of the Participant or amended from time to time by the Board of Directors, in its discretion, subject to the approval of any stock exchange or regulatory requirements.
- (b) Subject to any other provision of this Plan, and in particular the vesting provisions set forth in Section 2.6 hereof, an option may be exercised from time to time during the Option Period, subject to vesting limitations by delivery to the Corporation at its registered office of a written notice of exercise addressed to the Assistant Corporate Secretary of the Corporation specifying the number of Common Shares with respect to which the option is being exercised and accompanied by payment in full of the exercise price therefor. Certificates for such Common Shares shall be issued and delivered to the Participant as soon as practicable following receipt of such notice and payment.
- (c) Except as set forth in Sections 2.9 and 2.10 hereof, no option may be exercised unless the Participant is, at the time of such exercise, a director, employee or Consultant of the Corporation or any of its Designated Affiliates and shall have been continuously a director, employee or Consultant since the grant of his or her option. Absence on leave with the approval of the Corporation or a Designated Affiliate shall not be considered an interruption of employment for purposes of the Plan.
- (d) The exercise of any option will be contingent upon receipt by the Corporation of cash payment of the full exercise price of the Common Shares, which are the subject of the exercised option. No Participant or his or her legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any Common Shares with respect to which he or she was granted an option under the Plan, unless and until certificates for such Common Shares are issued to him or her under the terms of the Plan.
- (e) Notwithstanding any other provision of this Plan or in any option granted to a Participant, the Corporation shall not be obligated to issue or deliver Common Shares to a Participant upon the exercise of any option or take other actions under the Plan until the Corporation shall have determined that applicable federal and state laws, rules, and regulations have been complied with and such approvals of any stock exchange, regulatory or governmental agency have been obtained and contractual obligations to which the grant

of the option exercisable for such Common Shares may be subject have been satisfied. In particular, the Corporation, in its discretion, may postpone the issuance or delivery of Common Shares under any option until:

- (i) completion of such stock exchange listing or registration or other qualification of such Common Shares or obtaining approval of such regulatory authorities as the Corporation shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; and
 - (ii) the receipt from the Participant of such information, representations, warranties, agreements and undertakings, including as to future dealings in such Common Shares, as the Corporation or its counsel determines to be necessary or advisable in order to ensure compliance with all applicable securities laws.
- (f) An option may be exercised at any time after the date the option has been granted, subject to any vesting provisions attaching thereto, up to 5:00 p.m. (Toronto time) on the last day of the Option Period and shall not be exercisable thereafter.

2.9 Termination of Employment and Cessation of Investor Relations Activities. Subject to the next following sentence, if a Participant shall cease to be:

- (a) a director or Consultant of the Corporation or any of its Designated Affiliates (and is not or does not continue to be an employee thereof for any reason other than death); or
- (b) an employee of the Corporation or any of its Designated Affiliates (and is not or does not continue to be a director thereof) for any reason (other than death);

(collectively, "Termination") he or she or it may, but only within 90 days next succeeding such Termination, exercise his or her or its options to the extent that he or she or it was entitled to exercise such options at the date of such Termination; provided that in no event shall such right extend beyond the Option Period. If a Participant is terminated for cause, his or her options shall expire immediately. This section is subject to any agreement with any Participant with respect to the rights of such Participant upon Termination or Change in Control of the Corporation.

In the case of an employee or Consultant engaged in Investor Relations Activities, he or she or it may, but only within 30 days next succeeding such employee ceasing to be employed to provide Investor Relations Activities (a "Cessation"), exercise his or her or its options to the extent that he or she or it was entitled to exercise such options at the date of such Cessation; provided that in no event shall such right extend beyond the Option Period. If a Participant is terminated for cause, his or her options shall expire immediately. This section is subject to any agreement with any Participant with respect to the rights of such Participant upon Termination or Change in Control of the Corporation.

2.10 Death of Participant. In the event of the death of a Participant who is a director or Consultant of the Corporation or any of its Designated Affiliates or who is an employee having been continuously in the employ of the Corporation or any of its Designated Affiliates, the options theretofore granted to him or her shall be exercisable within the one year next succeeding such death and then only:

- (a) by the person or persons to whom the Participant's rights under the options shall pass by the Participant's will or the laws of descent and distribution; and
- (b) to the extent that he or she was entitled to exercise the options at the date of his or her death, provided that in no event shall such right extend beyond the Option Period.

2.11 Adjustment in Shares Subject to the Plan. In the event that:

- (a) there is any change in the Common Shares of the Corporation through subdivisions or consolidations of the share capital of the Corporation, or otherwise;
- (b) the Corporation declares a dividend on Common Shares payable in Common Shares or securities convertible into or exchangeable for Common Shares; or
- (c) the Corporation issues Common Shares, or securities convertible into or exchangeable for Common Shares, in respect of, in lieu of, or in exchange for, existing Common Shares,

the number of Common Shares available for option, the Common Shares subject to any option, and the option price thereof, shall be adjusted appropriately by the Board of Directors in its sole discretion and such adjustment shall be effective and binding for all purposes of the Plan.

2.12 Effect of Reorganization, Amalgamation or Merger. If the Corporation is reorganized, amalgamated or merges with or into another company, any Common Shares receivable on the exercise of an option shall be converted into the securities, property or cash which the holder would have received upon such reorganization, amalgamation or merger if the holder had exercised his option immediately prior to the record date applicable to such reorganization, amalgamation or merger, and the exercise price shall be adjusted appropriately by the Board of Directors and such adjustment shall be effective and binding for all purposes of the Plan; provided however that the Corporation may satisfy any obligations to a holder hereunder by paying to the said holder in cash the difference between the exercise price of all unexercised options granted hereunder and the fair market value of the securities to which the holder would be entitled upon exercise of all unexercised options, regardless of whether all conditions of exercise relating to continuous employment have been satisfied. Adjustments under this paragraph or any determinations as to the fair market value of any securities shall be made by the Board of Directors, or any committee thereof specifically designated by the Board of Directors to be responsible therefor, and any reasonable determination made by the said Board of Directors or committee thereof shall be binding and conclusive.

2.13 Take-Over Bids and Changes of Control.

- (a) *Effect of a Take-Over Bid.* If a bona fide offer (an “**Offer**”) for Common Shares is made to shareholders of the Corporation generally, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Corporation, within the meaning of subsection 1(1) of the Securities Act, the Corporation shall, immediately upon receipt of notice of the Offer, notify each Participant of full particulars of the Offer, whereupon all options will become fully vested and may be exercised in whole or in part by each Participant so as to permit the Participant to tender the Common Shares received upon such exercise, pursuant to the Offer. However, if:
 - (i) the Offer is not completed within the time specified therein; or
 - (ii) all of the Common Shares tendered by the Participant pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then, with the consent of the Corporation, the Common Shares received upon such exercise, or in the case of clause (ii) above, the Common Shares that are not taken up and paid for, may be returned by the Participant to the Corporation and reinstated as authorized but unissued Common Shares and the options with respect to such returned Common Shares, shall be reinstated as if they had not been exercised and the terms upon which such options were to become vested shall be reinstated. If any Common Shares are returned to the Corporation under this Section 2.13(a), the Corporation shall as soon as reasonably practicable refund the exercise price to the Participant for such Common Shares, net of any tax withholdings the Corporation was obliged to make pursuant to this Plan. If a Participant wishes to exercise options under this Section

2.13(a) it must so notify the Corporation at the time of exercise and in such event, Common Shares issued upon exercise of such options must be tendered to the Offer.

- (b) *Acceleration of Expiry Date.* If, at any time when an option granted under the Plan remains unexercised, an Offer is made by an offeror, the Board of Directors may in its sole discretion, upon notifying each Participant of full particulars of the Offer, declare all options granted under the Plan, vested, and declare that the expiry date for the exercise of all unexercised options granted under the Plan is accelerated so that all options will either be exercised or will expire prior to the date upon which Common Shares must be tendered pursuant to the Offer, provided such Offer is completed and, if not completed, the respective Expiry Dates of the options shall revert to the original Expiry Date.
- (c) *Effect of a Change of Control.* Unless otherwise provided for at the time a grant is made pursuant to this Plan and subject to any resolution of the Board of Directors, if there is a Change in Control, all options outstanding under the Plan shall vest immediately prior to such Change of Control to become immediately exercisable, whereupon such options may be exercised in whole or in part by any such Participant.
- (d) *Compulsory Acquisition or Going Private Transaction.* If and whenever, following a take-over bid or an issuer bid, there shall be a compulsory acquisition of the Corporation's Common Shares pursuant to Division 6 of Part 9 of the Act or any successor or similar legislation, or any amalgamation, merger or arrangement in which securities acquired in a formal take-over bid may be voted under the conditions described in section 8.2 of Multilateral Instrument 61-101, *Protection of Minority Security Holders in Special Transactions*, then following the date upon which such compulsory acquisition, amalgamation, merger or arrangement is effective, a Participant shall be entitled to receive, and shall accept, for the same exercise price, in lieu of the number of Common Shares to which such Participant was theretofore entitled to purchase, the aggregate amount of cash, shares, or other securities or other property which such Participant would have been entitled to receive as a result of such bid if he or she had tendered such number of Common Shares to the bid, net of withholding taxes as contemplated by this Plan.

2.14 Record Keeping. The Corporation shall maintain a register in which shall be recorded:

- (a) the name and address of each Participant in the Plan; and
- (b) the number of options granted to a Participant and the aggregate number of options outstanding, the exercise price and the expiry date thereof.

2.15 Option Agreements. All options granted pursuant to the Plan shall be evidenced by written agreements between the Corporation and each Participant to whom options are granted hereunder and containing such terms and conditions, not inconsistent with the provisions of the Plan, as may be established by the Board of Directors, including the following:

- (a) subject to and in accordance with the provisions of Section 2.4 hereof, the number of options covered by any grant of options and the number of Common Shares which such options shall entitle the Participant the right to purchase;
- (b) subject to and in accordance with the provisions of Section 2.5, the price of the Common Shares covered by any option, stated and payable in Canadian dollars; and
- (c) subject to and in accordance with the provisions of Section 2.8, the Option Period.

2.16 Tax Withholding. The Corporation may withhold from any amount payable to a Participant, either under this Plan or otherwise, such amount as may be necessary to enable the Corporation to

comply with the applicable requirements of any federal, provincial, state or local law, or any administrative policy of any applicable tax authority, relating to the withholding of tax or any other required deductions with respect to grants hereunder (“**Withholding Obligations**”). The Corporation shall also have the right in its discretion to satisfy any liability for any Withholding Obligations by selling, or causing a broker to sell, on behalf of any Participant such number of Shares issued to the Participant sufficient to fund the Withholding Obligations (after deducting commissions payable to the broker), or retaining any amount payable which would otherwise be delivered, provided or paid to the Participant hereunder. The Corporation may require a Participant, as a condition to exercise of an Option, to make such arrangements as the Corporation may require so that the Corporation can satisfy applicable Withholding Obligations, including, without limitation, requiring the Participant to (i) remit the amount of any such Withholding Obligations to the Corporation in advance; (ii) reimburse the Corporation for any such Withholding Obligations; or (iii) cause a broker who sells Shares acquired by the Participant under the Plan on behalf of the Participant to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Corporation.

Any Shares of a Participant that are sold by the Corporation, or by a broker engaged by the Corporation (the “**Broker**”), to fund Withholding Obligations will be sold as soon as practicable in transactions effected on the Exchange. In effecting the sale of any such Shares, the Corporation or the Broker will exercise its sole judgement as to the timing and manner of sale and will not be obligated to seek or obtain a minimum price. Neither the Corporation nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the manner or timing of such sales, the prices at which the Shares are sold or otherwise. In addition, neither the Corporation nor the Broker will be liable for any loss arising from a delay in transferring any Shares to a Participant. The sale price of Shares sold on behalf of Participants will fluctuate with the market price of the Corporation’s shares and no assurance can be given that any particular price will be received upon any such sale.

ARTICLE 3 GENERAL

3.1 Assignability and Transferability. The benefits, rights and options accruing to any Participant in accordance with the terms and conditions of the Plan shall not be assignable or transferable by the Participant except (i) from the Participant to his or her Holding Company or RRSP or from a Holding Company or RRSP to the Participant and, in either such event, the provisions of this Plan shall apply mutatis mutandis as though they were originally issued to and registered in the name of the Participant, or (ii) as otherwise specifically provided herein. During the lifetime of a Participant, all benefits, rights and options shall only be exercised by the Participant or by his or her guardian or legal representative.

3.2 Employment. Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continuance of employment with the Corporation or any Affiliate, or interfere in any way with the right of the Corporation or any Affiliate to terminate the Participant’s employment at any time. Participation in the Plan by a Participant shall be voluntary.

3.3 Delegation to Compensation Committee. All of the powers exercisable by the Board of Directors under the Plan may, to the extent permitted by applicable law and authorized by resolution of the Board of Directors of the Corporation, be exercised by a Compensation Committee of not less than three (3) directors. The members of any such Compensation Committee shall not be employees of the Corporation. In addition, if determined appropriate by the Board of Directors of the Corporation, the Board of Directors may delegate any or all of the powers of the Board of Directors of the Corporation under the Plan to an independent consultant.

3.4 Administration of the Plan. The Board of Directors of the Corporation shall administer the Plan. The Board of Directors shall be authorized to interpret and construe the Plan and may, from time to time, establish, amend or rescind rules and regulations required for carrying out the purposes, provisions and administration of the Plan and determine the Participants to be granted options, the number of Common Shares covered thereby, the exercise price therefor and the time or times when they may be exercised. Any such interpretation or construction of the Plan shall be final and conclusive. The Corporation shall

pay all administrative costs of the Plan. The senior officers of the Corporation are hereby authorized and directed to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary for the implementation of the Plan and of the rules and regulations established for administering the Plan.

3.5 Amendment, Modification or Termination of the Plan. Subject to Section 3.3, the Board of Directors reserves the right to amend, modify or terminate the Plan at any time if and when it is advisable in the absolute discretion of the Board of Directors. However, any amendment of the Plan which would materially:

- (a) increase the benefits under the Plan;
- (b) increase the number of Common Shares which may be issued under the Plan; or
- (c) modify the requirements as to the eligibility for participation in the Plan;

shall be effective only upon the approval of the shareholders of the Corporation. Any amendment to any provision of the Plan shall be subject to any necessary approvals by the Exchange or other regulatory body having jurisdiction over the securities of the Corporation. The Board of Directors is authorized to make any non-substantive amendments to the Plan after shareholder approval of the Plan is received if such amendments are requested by the Exchange or other regulatory body having jurisdiction over the securities of the Corporation.

Disinterested shareholder approval shall be obtained for any reduction in the exercise price per Common Share if the Participant is an Insider of the Corporation at the time of the proposed amendment.

3.6 No Representation or Warranty. The Corporation makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plan.

3.7 Governing Law. This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario.

3.8 Approval and Effective Date. This Plan shall be effective as of the date it is approved by the Board of Directors and any regulatory body having jurisdiction over the securities of the Corporation.

3.9 Compliance with Applicable Law. If any provision of the Plan or any Option Agreement contravenes any law or any order policy, by-law or regulation of any regulatory body or Exchange having authority over the Corporation or the Plan, then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith.

3.10 Rights of Participant. A Participant shall have no rights whatsoever as a shareholder of the Corporation in respect of any of the unexercised options (including, without limitation, voting gifts or any right to receive dividends, warrants or rights under any rights offering).

3.11 Conflict. In the event of any conflict between the provisions of this Plan and an Option Agreement, the provisions of this Plan shall govern.

3.12 Time of Essence. Time is of the essence of this Plan and each Option Agreement. No extension of time will be determined to be or to operate as a waiver thereof.

3.13 Compliance with U.S. Laws. As a condition to the exercise of an option, the Corporation may require the Participant to represent and warrant in writing at the time of such exercise that the Common Shares are being purchased only for investment and without any then-present intention to sell or distribute such Common Shares. At the option of the Corporation, a stop-transfer order against such Common Shares may be placed on the stock books and records of the Corporation, and a legend indicating that the stock may not be pledged, sold or otherwise transferred unless an opinion of counsel is

provided stating that such transfer is not in violation of any applicable law or regulation, may be stamped on the certificates representing such Common Shares in order to assure an exemption from registration. The Corporation may require such other documentation as may from time to time be necessary to comply with United States' federal and state laws. The Corporation has no obligation to undertake registration of options or the Common Shares issuable upon the exercise of the options. In order to comply with all applicable federal or state income tax laws or regulations, the Corporation may take such action as it deems appropriate to ensure that all applicable U.S. federal or state payroll, withholding, income or other taxes that are the sole and absolute responsibility of a U.S. Participant are withheld or collected from such U.S. Participant.

3.14 Entire Agreement. This Plan and each Option Agreement set out the entire agreement between the Corporation and the Participant to which any particular Option Agreement relates relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

SCHEDULE "A"

EXERCISE OF STOCK OPTION FORM

_____, 20____

(Exercise Date)

Savary Gold Corp.

Suite 2400-120 Adelaide Street West

Toronto ON

M5H 1T1

**Attention: Don Dudek, President & CEO or
Greg Duras, Chief Financial Officer**

Please be advised that I would like to exercise _____ Stock Options exercisable at \$ _____ per option pursuant to a Stock Option Agreement between myself and Savary Gold Corp. dated _____.

I am enclosing herewith my payment in the amount of \$ _____, representing payment in full for the exercise of the aforementioned stock options plus the estimated amount of applicable source deductions that I have calculated after consultation with the Chief Financial Officer. I would like the share certificate registered as follows:

Please deliver the share certificate representing the _____ shares to me at the following address:

I further acknowledge that Savary Gold Corp. makes no guarantee with respect to the proceeds that will be realized by me following the exercise of my options and I expressly indemnify and release Savary

Gold Corp. from any liability howsoever arising in relation to the exercise of the aforementioned options, the withholding amount and the proceeds resulting therefrom.

ACKNOWLEDGEMENT AND ACCEPTANCE

Acknowledged and agreed to this _____ day of _____, 20____.

Signed: _____ **Witnessed:** _____

Print Name of Optionee

Print Name of Witness

SCHEDULE "B"

AUDIT COMMITTEE CHARTER

Purpose

The overall purpose of the Audit Committee (the "Committee") of **SAVARY GOLD CORP.** (formerly Savary Capital Corp.) (the "Company") is to ensure that the Company's management has designed and implemented an effective system of internal financial controls, to review and report on the integrity of the consolidated financial statements and related financial disclosure of the Company, and to review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company's Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company's independent auditors.

Composition, Procedures and Organization

- (1) The Committee shall consist of at least three members of the Board of Directors (the "Board").
- (2) At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee, who in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members' independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.
- (3) The Board, at its organizational meeting held in conjunction with each Annual General Meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
- (4) Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
- (5) The quorum for meetings shall be a majority of the members of the Committee, 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.
- (6) The Committee shall have access to such officers and employees of the Company and to the Company's external auditors, and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
- (7) Meetings of the Committee shall be conducted as follows:
 - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
 - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and

- (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
- (8) The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary, and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

ROLES AND RESPONSIBILITIES

- (9) The overall duties and responsibilities of the Committee shall be as follows:
- (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly consolidated financial statements and related financial disclosure;
 - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
 - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
 - (d) to report regularly to the Board on the fulfilment of its duties and responsibilities.
- (10) The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
- (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
 - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
 - (c) review the audit plan of the external auditors prior to the commencement of the audit;
 - (d) to review with the external auditors, upon completion of their audit:
 - A. contents of their report;
 - B. scope and quality of the audit work performed;
 - C. adequacy of the Company's financial and auditing personnel;
 - D. co operation received from the Company's personnel during the audit;
 - E. internal resources used;
 - F. significant transactions outside of the normal business of the Company;
 - G. significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - H. the non audit services provided by the external auditors;
 - (e) to discuss with the external auditors the quality and not just the acceptability of the Company's accounting principles; and
 - (f) to implement structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.

- (11) The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
 - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
 - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
 - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
- (12) The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
 - (b) review and approve the financial sections of:
 - A. the annual report to Shareholders;
 - B. the annual information form, if required;
 - C. annual and interim MD&A;
 - D. prospectuses;
 - E. news releases discussing financial results of the Company; and
 - F. other public reports of a financial nature requiring approval by the Board, and report to the Board with respect thereto;
 - (a) review regulatory filings and decisions as they relate to the Company's consolidated financial statements;
 - (b) review the appropriateness of the policies and procedures used in the preparation of the Company's consolidated financial statements and other required disclosure documents, and consider recommendations for any material change to such policies;
 - (c) review and report on the integrity of the Company's consolidated financial statements;
 - (d) review the minutes of any audit committee meeting of subsidiary companies;
 - (e) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the consolidated financial statements;
 - (f) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and

- (g) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each Annual and Special Meeting of shareholders.
- (13) The Committee shall have the authority:
- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
 - (b) to set and pay the compensation for any advisors employed by the Committee; and
 - (c) to communicate directly with the internal and external auditors.