



**2018 NOTICE OF ANNUAL GENERAL MEETING  
OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR  
OF  
OROSUR MINING INC.**

This Management Information Circular is furnished in connection with the solicitation of proxies by management of Orosur Mining Inc. to be voted at the Annual General and Special Meeting of the Shareholders of the Corporation to be held on November 27, 2018 at the hour of 4:00 p.m. GMT at the Offices of Cantor Fitzgerald Europe, One Churchill Place, Canary Wharf, London, England, E14 5RB.

Dated: October 23, 2018

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**OROSUR MINING INC.**

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS  
November 27, 2018**

**TO THE SHAREHOLDERS:**

**TAKE NOTICE** that an Annual General Meeting (the “Meeting”) of the Shareholders of Orosur Mining Inc. (the “Corporation” or “Orosur”) will be held at the Offices of Cantor Fitzgerald Europe, One Churchill Place, Canary Wharf, London, England, E14 5RB on November 27, 2018 at the hour of 4:00 p.m. GMT for the following purposes:

1. to receive and consider the audited financial statements for the year ended May 31, 2018 and the report of the auditors thereon;
2. to fix the board of directors of the Corporation at four (4) members;
3. to elect directors of the Corporation for the ensuing year;
4. to appoint the auditors of the Corporation for the ensuing year and, to authorize the board of directors to fix the auditors’ remuneration; and
5. to transact any such other business as may properly be brought before the Meeting or any adjournment thereof.

Shareholders who are unable to attend the Meeting in person are requested to date and sign the enclosed form of Instrument of Proxy and return it in the envelope provided for that purpose or if you received a machine-readable voting instruction form, please follow the voting instructions specified in the voting instruction form.

**DATED** this 23<sup>rd</sup> day of October, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS**

“John Walmsley”

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**JOHN WALMSLEY, CHAIRMAN**

## COMMONLY ASKED QUESTION AND ANSWERS – VOTING AND PROXIES

### **Q. What is quorum for the Meeting?**

**A.** Quorum is needed to transact business at the Meeting. The Corporation's by-laws require two persons present in person, each being a shareholder entitled to vote or a duly appointed proxy or proxyholder, representing 5% of the issued common shares entitled to vote.

### **Q. Who is entitled to vote?**

**A.** You are entitled to vote if you were a holder of common shares of the Corporation as of the close of business on October 23, 2018. Each common share is entitled to one vote.

### **Q. When are the proxies due?**

**A.** Duly completed and executed proxies must be received by the Corporation's transfer agent at the address indicated on the enclosed envelope no later than 4:00 p.m. GMT on November 23, 2018 or no later than 48 hours before the time of any adjourned meeting (excluding Saturdays, Sundays and holidays).

### **Q. How many votes are required to pass a matter on the agenda?**

**A.** A simple majority of the votes cast, in person or represented by proxy, by those eligible to vote is required for each of the matters specified in this Management Information Circular.

### **Q. How do I vote?**

**A.** If you are eligible to vote and your shares are registered in your name, you can vote your shares in person at the Meeting or by signing and returning your form of proxy by mail in the prepaid envelope provided or by fax to the number indicated on the form or online at the website indicated on the form.

If your shares are not registered in your name but are held by a nominee (usually a bank, trust company, securities broker or other financial institution), please see the question and answer below.

### **Q. If my shares are not registered in my name but are held in the name of a nominee (a bank, trust company, securities broker or other financial institution), how do I vote my shares?**

**A.** If your shares are not registered in your name, but are held in the name of a nominee (usually a bank, trust company, securities broker or other financial institution), you are a "non-registered" shareholder and your nominee is required to seek instructions from you as to how to vote your shares. Your nominee will have provided you with a package of information including these meeting materials and either a form or proxy or a voting instruction form. Carefully follow the instructions accompanying the proxy or voting instruction form.

### **Q. What if I am a non-registered shareholder and do not give voting instructions to my nominee?**

**A.** As a non-registered shareholder, in order to ensure your shares are voted in the way you would like, you must provide voting instructions to your bank, broker or other nominee by the deadline provided in the materials you receive from your bank, broker or other nominee. If you do not provide voting instructions, your shares will not be voted.

**Q. What happens if I want to attend the meeting and vote in person?**

A. If you are a registered shareholder and wish to vote in person, you may present yourself to a representative of the Corporation. Your vote will be taken and counted at the meeting. If you wish to vote in person at the meeting, do not complete or return the form of proxy.

The Corporation does not have the names of its non-registered shareholders. Therefore, if you attend the meeting, the Corporation will have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as a proxy holder. If you wish to vote in person at the meeting, insert your own name in the space provided (appointee section) on the form of proxy or voting instruction form sent to you by your nominee. In doing so, you are instructing your nominee to appoint you as a proxy holder. Complete the form by following the return instructions provided by your nominee. Do not otherwise complete the form as you will be voting in person at the meeting. You should present yourself to a representative of the Corporation upon arrival at the meeting.

**Q. Should I sign the form of proxy enclosed with this Management Information Circular?**

A. If you are a registered shareholder you must sign the enclosed form of proxy for it to be valid. If you are a non-registered shareholder please read the instruction provided by your nominee.

**Q. What if my shares are registered in more than one name or in the name of a company?**

A. If the shares are registered in more than one name, all those persons in whose name the shares are registered must sign the form of proxy. If the shares are registered in the name of a company or any name other than your own, you should provide documentation that proves you are authorized to sign the form of proxy. If you have any questions as to what documentation is required, contact Computershare prior to submitting your form of proxy.

**Q. Can I appoint someone other than the individuals named in the enclosed form of proxy to vote my shares?**

A. Yes, you have the right to appoint some other person of your choice who needs to be a shareholder of the Corporation to attend and act on your behalf at the meeting. If you wish to appoint a person other than those named in the enclosed form of proxy, then strike out those printed names appearing on the form of proxy and insert the name of your chosen proxy holder in the space provided. *NOTE: It is important to ensure that any other person you appoint is attending the meeting and is aware that his/her appointment has been made to vote your shares. Proxy holders should, on arrival at the meeting, present themselves to a representative of the Corporation.*

**Q. How will the shares be voted if I send my proxy?**

A. The shares represented by your proxy must be voted as you instruct in the form of proxy. If you properly complete and return your proxy but do not specify how you wish to vote, your shares will be voted as your proxy holder sees fit. Unless contrary instructions are provided, shares represented by proxies received by management will be voted as follows:

- (a) FOR fixing the Board of Directors of the Corporation at four (4) members;
- (b) FOR the election of Directors of the Corporation as set out in this Management Information Circular; and
- (c) FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants as auditors of the Corporation for the ensuing year and to authorize the Directors to fix their remuneration.

**MANAGEMENT PROXY CIRCULAR**  
**(dated as of October 23, 2018)**

*NOTE: Shareholders who do not hold their shares in their own name as registered shareholders should read “Advice to Beneficial Shareholders” herein for an explanation of their rights.*

**SOLICITATION OF PROXIES**

**This circular (“Management Information Circular”) is provided in connection with the solicitation by management of Orosur Mining Inc. (the “Corporation”) of proxies for the Annual General Meeting of the shareholders of the Corporation (the “Meeting”) to be held at the Offices of Cantor Fitzgerald Europe, One Churchill Place, Canary Wharf, London, England, E14 5RB London, England, on November 27, 2018 at the hour of 4:00 p.m. GMT.**

Management of the Corporation does not contemplate a solicitation of proxies otherwise than by mail. The costs thereof will be borne by the Corporation.

**APPOINTMENT AND REVOCATION OF PROXIES**

**A shareholder has the right to appoint a nominee (who need not be a shareholder) to represent him or her at the Meeting, other than the persons designated in the enclosed proxy form, by inserting the name of his or her chosen nominee in the space provided for that purpose on the form, or by completing another proper form of proxy.** Such shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and should instruct him or her on how the shareholder’s shares are to be voted. In any case, the form of proxy should be dated and executed by the shareholder or, where the form of proxy has been executed by an attorney of the shareholder, by the shareholder’s attorney authorized in writing, with proof of such authorization attached.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the registrar and transfer agent of the Corporation, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1, (Facsimile: +1-416-263-9524 or +1-866-249-7775) (Attention: Proxy Department) or Computershare Investor Services plc, PO Box 82, The Pavilions, Bridgwater Road, Bristol BS99 7NH (Facsimile: +44-20-870-703-6116) (Attention: Proxy Department), at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof.

In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it, any time before it is exercised, by instrument in writing executed by the shareholder or by his attorney authorized in writing and deposited either at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting or any adjournment thereof.

**ADVICE TO BENEFICIAL SHAREHOLDERS**

The non-registered shareholders of the Corporation should review the information set forth in this section carefully. Shareholders who do not hold their shares in their own name (referred to in this Management Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Corporation’s registrar and transfer agent as registered holders of shares will be recognized and acted upon at the Meeting. If shares are listed in an account statement provided to a shareholder by a broker, those shares will, in all likelihood, not be registered

in the shareholder's name. Such shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such shares are registered in the name of CEDE & Co. (the registration name for The Depository Trust Company, which acts as nominee for many U.S. brokerage firms). Shares held by brokers (or their agents or nominees) on behalf of a broker's client can only be voted at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker's clients. Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.

National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the form of proxy provided directly to registered shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (i.e. the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions ("**Broadridge**") in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote shares directly at the Meeting.** The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the shares voted. If you have any questions respecting the voting of shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting shares registered in the name of his or her broker (or an agent of such broker), a Beneficial Shareholder may attend the Meeting as proxy holder for the registered shareholder and vote the shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their shares as proxy holder for the registered shareholder, should enter their own names in the blank space on the proxy form provided to them by their broker (or the broker's agent) and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or the broker's agent). All references to shareholders in this Management Information Circular and the accompanying form of proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

## VOTING OF PROXIES

The persons named in the enclosed form of proxy have been selected by the directors of the Corporation and have indicated their willingness to represent as proxy the shareholder who appoints them. Each shareholder may instruct his proxy how to vote his shares by completing the blanks on the proxy form.

Shares represented by properly executed proxy forms in favor of the person designated on the enclosed form will be voted or withheld from voting in accordance with the instructions given on the proxy forms.

In the absence of such instructions, such shares **WILL BE VOTED FOR THE APPROVAL OF ALL RESOLUTIONS IDENTIFIED IN THIS MANAGEMENT INFORMATION CIRCULAR.**

**The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments and variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. At the time of printing this Management Information Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.**

## **VOTING SHARES AND PRINCIPAL SHAREHOLDERS**

The Corporation is authorized to issue an unlimited number of common shares (“**Common Shares**”).

As of the effective date of this Management Information Circular, that is October 23, 2018 (the “**Effective Date**”), the Corporation has 146,800,091 issued and outstanding Common Shares that are without nominal or par value. Holders of Common Shares on the Record Date (as defined below) are entitled to one (1) vote at the Meeting for each Common Share held.

The Corporation will prepare a list of shareholders of record at the close of business on October 23, 2018 (the “**Record Date**”). A holder of Common Shares named on that list will be entitled to vote the Common Shares then registered in such holder’s name.

To the knowledge of the directors and executive officers, only Newmont Mining Corporation beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Common Shares, being 19.9% of the outstanding Common Shares.

## **PARTICULARS OF MATTERS TO BE ACTED UPON AT THE MEETING**

### **1. Financial Statements**

The audited consolidated financial statements of the Corporation for the year ended May 31, 2018 and the report of the auditors on the financial statements have already been distributed and will also be available at the Meeting.

### **2. Number of Directors**

As of October 23, 2018, there were four (4) directors of the Corporation, all of whose terms expire at the Meeting. Unless otherwise directed, it is the intention of management to vote proxies FOR fixing the number of directors to be elected at four (4).

### **3. Election of Board of Directors**

Unless otherwise directed, it is the intention of management to vote proxies FOR the election as directors of the four (4) nominees listed under the heading “Nominees for Election of the Board of Directors”.

Management does not contemplate that any such nominees will be unable to serve as directors. However, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, the persons named in the form of proxy reserve the right to vote for any other nominee in their sole discretion.



There is no contract, arrangement or understanding between any proposed management nominee or any other person, except the directors and officers of the Corporation acting solely in their capacity as such, pursuant to which the nominee is to be elected.

*Majority Voting*

The Board has adopted a policy stipulating that if the votes in favor of the election of a director Nominee at a shareholders' meeting represent less than a majority of the shares voted and withheld, the Nominee will submit his resignation promptly after the meeting, for the Corporate Governance and Nominating Committee's consideration. The Corporate Governance and Nominating Committee will make a recommendation to the Board after reviewing the matter, and the Board will act on the Corporate Governance and Nominating Committee's recommendation within 90 days following certification of the shareholder vote. The Board's decision to accept or reject the resignation offer will promptly be disclosed to the public by press release. The Nominee will not participate in any Corporate Governance and Nominating Committee or Board deliberations on the resignation offer. The majority voting policy does not apply in circumstances involving contested director elections.

The persons named on the enclosed form of proxy intend to VOTE FOR the election of each of the proposed nominees whose names are set out below unless a shareholder has specified in his or her proxy that his or her Common Shares are to be withheld from voting for the election or a proposed nominee.

<b>Mr. John A. Walmsley</b>		<b>Independent</b>
<b>London, England</b>		<b>Non-Executive Director since July 2013</b>
Mr. Walmsley has over 45 years' experience in the energy sector, including extensive international experience as both an adviser and a principal. He was a partner at Arthur Andersen from 1973 until 1984. He has had 40 years' experience in both executive and non-executive directorial roles primarily for FTSE100/250 and AIM-listed companies. These have included Enterprise Oil plc, Hardy Oil and Gas plc, Seaboard plc, General Healthcare plc (a manager of major London private hospitals such as the Princess Grace and Portland Hospitals), and Elf Enterprise plc, a company formed to redevelop the Piper oil field after the Piper Alpha disaster in 1988. He is also executive chairman of a private international energy advisory company, the Consilience Energy Advisory Group Ltd. and was non-executive chairman of Pantheon Resources plc for 11 years until he stepped aside in October 2018, but with a continuing role as a non-executive director.		
<b>Number of Shares Beneficial Owned</b>	<b>Board/Committee Membership during fiscal year 2018</b>	<b>Attendance at Meetings during Fiscal Year 2018</b>
140,350	Board of Directors (Chairman) Audit Committee (Chairman) Remuneration Committee	<b>6/7</b> <b>4/4</b> <b>n/a</b>
<b>Area of Expertise</b>	<b>Other Public Board Directorships</b>	
Corporate Finance, Business Strategy Accounting and Finance	Pantheon Resources Plc	

<b>Mr. Ignacio Salazar</b>		<b>Non-independent</b>
<b>London, England</b>		<b>Chief Executive Officer since August 2013</b>
<p>Ignacio has been the CEO of Orosur Mining since March 2013. He joined the Corporation in September 2008 as its CFO and has more than 25 years of international experience in mining and oil and gas (O&amp;G). Ignacio is, and has been President of the Chamber of Mines of Uruguay since 2009. Prior to Orosur, he worked in different functions in Finance and New Business Development for the Royal Dutch Shell group living in several countries in Europe and South America. Among others, he was CFO of the multi-billion Shell O&amp;G businesses in Denmark and Germany, in charge of O&amp;G New Business Development in Argentina and in several roles in Head offices both in London and in the Hague (Holland). He holds a MSc in Economics and Business Administration and a Master Degree in Law, both from the University of Deusto in Spain.</p>		
<b>Number of Shares Beneficial Owned</b>	<b>Board/Committee Membership, during fiscal year 2018</b>	<b>Attendance at Meetings during Fiscal Year 2018</b>
723,000	Board of Directors	7/7
<b>Area of Expertise</b>	<b>Other Public Board Directorships</b>	
Business Strategy, Management, Corporate Finance, Legal	-	

<b>Hornq Dih Lee</b>		<b>Independent</b>
<b>Vancouver, Canada</b>		<b>Non-Executive Director since July 10, 2014</b>
<p>Mr. Lee is the Chief Financial Officer of Esrey Resources Ltd., a TSXV publicly traded resource company since October 2017. Mr. Lee obtained his Chartered Accountant designation with Deloitte and holds an MBA from the University of British Columbia. He has more than 30 years of experience in finance, accounting, treasury and administration in public mining companies. Prior to joining Esrey Resources, he held senior financial positions with Eastern Platinum Ltd., Northern Orion Resources Inc., Ivanhoe Mines Ltd. and Diamond Fields Resources Inc.</p>		
<b>Number of Shares Beneficial Owned</b>	<b>Board/Committee Membership, during fiscal year 2018</b>	<b>Attendance at Meetings during Fiscal Year 2018</b>
64,386	Board of Directors Audit Committee Remuneration Committee (Chairman)	6/7 4/4 n/a
<b>Area of Expertise</b>	<b>Other Public Board Directorships</b>	
Corporate Governance, Business Strategy Accounting and Corporate Finance	-	

<b>Robert Schafer</b>		<b>Independent</b>
<b>Salt Lake City, USA</b>		<b>Non- Executive Director since June 19, 2018</b>
<p>Mr. Schafer joined the Corporation in June 2018 and has nearly 40 years of experience in the mineral industry, working in the international sector with both major and junior mining companies. He has held executive and senior management positions with Hunter Dickinson Inc., Kinross Gold Corp., and BHP Minerals over the past 20 years. Throughout his career, Mr. Schafer has worked internationally, with notable experience in the far east of Russia, Southern Africa, South America and Australia. His work has included the structuring and implementation of successful exploration strategies, project reviews and valuations leading to acquisitions, and the management of local and expatriate exploration teams operating in a wide variety of geologic environments. In addition, he is the Past-President of the PDAC and Past-President of the Canadian Institute of Mining and Metallurgy (CIM) in Canada, and a Past President of the Mining and Metallurgical Society of America and the Geological Society of Nevada in the USA.</p>		
<b>Number of Shares Beneficial Owned</b>	<b>Board/Committee Membership, during fiscal year 2018</b>	<b>Attendance at Meetings during Fiscal Year 2018</b>
Nil	n/a	n/a
<b>Area of Expertise</b>	<b>Other Public Board Directorships</b>	
Mining	Amur Minerals Company Volcanic Gold Inc Cardinal Resources, Ltd. Trigon Minerals Inc.	

Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected, unless the office is earlier vacated in accordance with the by-laws of the Corporation.

No proposed director:

- (a) is, as at the date of this Management Information Circular, or has been, within 10 years of the date of this Management Information Circular, a director, chief executive officer or chief financial officer of any company (including the Corporation) that,
  - (i) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
  - (ii) was subject to a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer;
- (b) is, as at the date of this Management Information Circular, or has been within 10 years of the date of this Management Information Circular, a director or executive officer of any company (including the Corporation) that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets;

- (c) has, within the 10 years before the date of this Management 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; or
- (d) has been subject to, at any time, any penalties or sanctions imposed by
  - (i) a court relating to securities legislation or a securities regulatory authority or has entered into, at any time, a settlement agreement with a securities regulatory authority, or
  - (ii) a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

#### 4. Appointment of Auditor

It is the intention of management to propose to the shareholders to reappoint the firm of PricewaterhouseCoopers LLP, Chartered Accountants, Royal Trust Tower, Suite 3000, Toronto Dominion Center, Toronto, Ontario, Canada M5K 1G8 as auditor of the Corporation until the close of the next annual general meeting of shareholders; and to authorize the directors of the Corporation to fix the remuneration of PricewaterhouseCoopers LLP, Chartered Accountants.

The aggregate fees billed by the Corporation's external auditors and their affiliates for the fiscal years in respect of services rendered to the Corporation and its subsidiaries are as follows (in US dollars):

Fiscal Year End	Audit Fees (\$)	Audit Related Fees <sup>(1)</sup> (\$)	Tax Fees <sup>(2)</sup> (\$)	All Other Fees <sup>(3)</sup> (\$)
2018	165,562	-	6,450	-
2017	164,165	11,097	4,042	30,654
2016	168,589	13,783	20,132	31,012

**Notes:**

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

The Audit Committee has adopted policies and procedures whereby any engagement of non-audit services requires the approval of the Audit Committee.

Unless otherwise directed, it is management's intention to vote the proxies FOR an ordinary resolution to reappoint the firm of PricewaterhouseCoopers LLP, Chartered Accountants as auditor of the Corporation and to authorize the directors to fix their remuneration.

## 5. Other Business

While there is no other business other than that mentioned in the Notice of Meeting to be presented for consideration by the shareholders at the Meeting, it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting, or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

No Person has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the issuance of options under the Stock Option Plan or the issuance of shares for salary or fees as described herein. For the purpose of this paragraph, "Person" shall include each person: (a) who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year; (b) who is a proposed nominee for election as a director of the Corporation; or (c) who is an associate or affiliate of a person included in subparagraphs (a) and (b).

### **STATEMENT OF EXECUTIVE COMPENSATION**

(Currency references herein are US dollars (\$) unless otherwise noted)

#### *Compensation Discussion and Analysis*

This compensation discussion and analysis ("**CD&A**") describes and explains the compensation program that existed for the year ended May 31, 2018 for the Chief Executive Officer ("**CEO**") and the other most highly compensated executive officers (collectively the Named Executive Officers or "**NEOs**") as required by Form 51-102F6 under National Instrument 51-102 *Continuous Disclosure Obligations*.

The Corporation's NEOs for fiscal year ended May 31, 2018 are: Ignacio Salazar, CEO, Jorge Aceituno, COO, Alejandra Lopez, CFO, and Ryan Cohen, VP Strategy & Corporate Development and Corporate Secretary.

#### *Role of the Remuneration Committee*

The Remuneration Committee was established by the Board of Directors (the "**Board**") of the Corporation to assist in fulfilling the Board's responsibilities relating to compensation issues and to establish a plan of continuity for executive officers. The Remuneration Committee reviews and recommends the compensation philosophy and guidelines for the Corporation which includes reviewing compensation for executive officers for recommendation to the Board.

The Remuneration Committee makes determinations as to each component of the compensation program with respect to each executive officer based on comparison to other similar size companies taking into account revenue, number of employees, and market capitalisation and internal discussions which drew upon the experience of the members of the Remuneration Committee with respect to industry practices and performance relative to informal expectations. Periodically, external surveys are prepared comparing the remuneration of executives and directors to other comparable companies.

The Corporation has a standard employment contract with the majority of its executive officers that has been approved by the Remuneration Committee. Ryan Cohen, VP Strategy & Corporate Development and Corporate Secretary is engaged under a contract with his personal services company. Ignacio Salazar, CEO, was engaged under a contract with his personal services company until November 1, 2017 after which he

personally became a full-time employee of the Corporation and is currently engaged under an employment agreement. All of the aforementioned contracts, as well as the employment terms for new appointments and amendments to existing agreements, have also been approved by the Remuneration Committee.

#### *Composition of the Remuneration Committee*

The members of the Remuneration Committee were, as of May 31, 2018, Messrs. Horng Dih Lee (Chair of the Committee), Roger Davey, and John Walmsley. Mr. Davey retired from the Board on June 19, 2018 and was replaced on the Remuneration Committee by Mr. Robert Schafer. Each member of the Remuneration Committee neither at present nor in the past, has occupied executive positions in the Corporation nor has been an employee of the Corporation or any subsidiary, and each is considered an independent director for the purposes of NI 58-101. Each member of the Remuneration Committee has direct experience that is relevant to his or her responsibilities in executive compensation.

#### *Elements of Executive Compensation*

The Corporation's policy regarding compensation of the Corporation's executive officers is structured to provide a competitive compensation package that supports both the short-term and long-term goals of the Corporation, attracts and retains suitable and qualified executive management, and establishes a compensation framework which is industry competitive, as well as align the compensation level of each executive to that executive's level of responsibility.

In order to attract and retain key personnel, the Corporation's executive compensation covers the following major types of compensation:

- Base salary
- Participation in the Corporation's Stock Option Plan
- Employee benefits
- Participation in a bonus scheme such as annual cash bonuses

#### *Annual Base Salary*

The objectives of the base compensation are to retain high calibre individuals, recognize market pay and acknowledge the competencies and skill of individuals. Base salary for the NEOs is determined by the Board upon the recommendation of the Remuneration Committee. Executive base salaries are determined having reference to the salary levels in the resource industry for companies with similar production levels, number of employees and market capitalization of the Corporation.

The initial base salaries of the Corporation's executive officers were determined through the assessment of their experience, their level of expertise, their responsibilities, their previous remuneration, and the salaries paid by companies in the comparative group. Thereafter, base salaries were determined through the individual's performance, the Corporation's performance, and comparisons with other companies in the same industry as described below.

In prior years, the Corporation engaged Towers Watson, a compensation advisory firm, to provide support to the Remuneration Committee in assessing the reasonableness of the compensation for the Corporation's executive officers. For the previous three years, the Corporation has not engaged an external third-party review of compensation but performed an internal review using the same methodology as Towers Watson.

The Remuneration Committee compared the Corporation's executive officers to the executives in the comparator group that appear to be performing similar job functions. Where market information for the functional roles was not available, information was provided on a "ranking" basis, where the Corporation's

executive officers were matched to comparative companies' executives based on their ranking within the organization in terms of total compensation.

The comparable companies used by the Corporation in its internal review for the year ended May 31, 2018 are gold mining and gold development companies of similar market capitalization, production or revenue levels to the Corporation, and natural resource companies involved in the acquisition, exploration, financing, development and operation of precious metals properties in Latin America and all are listed on the same public stock markets as the Corporation. They include the following:

- Serabi Gold plc
- Orvana Minerals Corp.
- Miranda Gold Corp.
- Jaguar Mining Inc.
- Northern Vertex
- Metminco
- Atico Mining Corp.
- Antioquia Gold Inc.
- Red Eagle Mining Corp.
- Patagonia Gold PLC
- Gold Mining Inc.

Based on its internal review, for the year ended May 31, 2018, the Corporation's:

- CEO's base salary is above the 75<sup>th</sup> percentile of the peer group;
- COO's base salary is around the 75<sup>th</sup> percentile of the peer group;
- CFO's base salary is below the 50<sup>th</sup> percentile of the peer group; and
- VP's base salary is equal to the minimum data point of the peer group.

Due to the Corporation's ongoing cost-cutting measures implemented during the year ended May 31, 2016, in order to preserve its cash resources and reduce corporate costs, Mr. Lee, Mr. Pablo Marcet (then a director of the Corporation) and Mr. Cohen agreed to receive 20% of their respective base salaries or fees in the form of common shares of the Corporation, in lieu of cash, effective November 1, 2015 until November 30, 2016. At the same time, Mr. Walmsley, Mr. Davey and Mr. Salazar agreed to receive the same amount of options that would be equivalent to the number of shares corresponding to 20% of their respective base salaries resulting in a reduction of their corresponding total salaries/fees. The number of shares to be paid was calculated using the quarterly volume weighted average price of the Corporation's shares on the Toronto Stock Exchange with no discount applied. On October 7, 2015, the Board of Directors approved the issuance of common shares and options for such a purpose, which was subsequently approved by the Corporation's shareholders to run from December 1, 2015 to November 30, 2016.

As a result of this programme, during the year ended May 31, 2017, 196,203 common shares and 433,545 options were issued and/or granted to the Board of Directors and Mr. Cohen as follows:

Name and Principal Position	Date	Shares Issued	Options Granted	Options Exercisable Before	Issue/Exercise Price (Cdn\$/sh)
Ignacio Salazar <i>CEO and Director</i>	Jun. 1, 2016	Nil	89,985	Jun. 1, 2021	\$0.18
	Sept. 1, 2016	Nil	58,517	Sept. 1, 2021	\$0.28
	Nov. 30, 2016	Nil	190,462	Nov. 30, 2021	\$0.235
John Walmsley <i>Chairman</i>	Jun. 1, 2016	Nil	23,396	Jun. 1, 2021	\$0.18
	Sept. 1, 2016	Nil	15,215	Sept. 1, 2021	\$0.28
	Nov. 30, 2016	Nil	18,577	Nov. 30, 2021	\$0.235
Roger Davey <i>Director</i>	Jun. 1, 2016	Nil	15,298	Jun. 1, 2021	\$0.18
	Sept. 1, 2016	Nil	9,948	Sept. 1, 2021	\$0.28
	Nov. 30, 2016	Nil	12,147	Nov. 30, 2021	\$0.235
Horng Dih Lee <i>Director</i>	Jun. 1, 2016	14,398	Nil	n/a	\$0.18
	Sept. 1, 2016	9,363	Nil	n/a	\$0.28
	Nov. 30, 2016	11,432	Nil	n/a	\$0.235
Pablo Marcet <i>Former Director<sup>(1)</sup></i>	Jun. 1, 2016	10,799	Nil	n/a	\$0.18
	Sept. 1, 2016	7,022	Nil	n/a	\$0.28
Ryan Cohen <i>VP, Corporate Development and Corporate Secretary</i>	Jun. 1, 2016	58,580	Nil	n/a	\$0.18
	Sept. 1, 2016	38,095	Nil	n/a	\$0.28
	Nov. 30, 2016	46,514	Nil	n/a	\$0.235

**Notes:**

- (1) Mr. Marcet was director of the Corporation until October 20, 2016.  
(2) Jorge Aceituno was appointed a Director on November 30, 2016 and was not part of this programme.

In late November 2016, the Board reassessed the global gold market conditions and the Corporation's financial situation prior to the then upcoming annual general meeting of shareholders and has determined it appropriate to reinstate the full cash payment of salaries and fees commencing in December 1, 2016.

In the third quarter of fiscal 2018, in large part due to the weak performance of the San Gregorio underground mine, the Corporation implemented a strategic initiative to reduce costs in Uruguay and at the corporate level with an aim to preserve cash. As part of this initiative, directors and officers agreed to reduce their fees and salaries by 20%.

**Stock Options**

The objectives of the incentive stock options are to reward achievement of long-term financial and operation performance and focus on key activities and achievements critical to the ongoing success of the Corporation. The Corporation has adopted a stock option policy which establishes the recurrence and number of stock options to be granted to non-executive directors, executive officers, contractors and employees of the Corporation and its related entities.

According to such policy, an initial higher grant of stock options is given when a director or qualifying employee joins the Corporation, or at the discretion of the Board. All such stock options shall vest 1/3 when granted, 1/3 on the first anniversary from the date granted and 1/3 on the second anniversary from the date granted. It is also foreseen in the policy that a higher amount of stock options can be granted when special circumstances merit doing so.

On November 17, 2017, the Corporation granted an aggregate of 1,925,000 stock options exercisable at a price of Cdn\$0.24 per common share, on or before November 17, 2022. Of these, officers and employees were granted a total of 1,410,000 options and executive and non-executive directors were granted a total of 515,000 options.



### ***Employee Benefits***

The NEOs are entitled to receive other benefits during the term of their employment, which may include all or some of health, life and disability insurance, and private use of a Corporation's automobile. The Corporation's policy is to locate all senior executives in close proximity to the Corporation's operations. Where possible, local executives are employed by the Corporation. When employees are employed from outside of the region, they may be entitled to receive expatriate benefits including housing allowance, one annual return trip for the employee and their family to point of hire and, schooling for the employee's children. For further details, see the "Summary Compensation Table" under "Statement of Executive Compensation" below.

### ***Bonus Schemes***

Annual cash bonuses may be awarded at the sole discretion of the Board, based on recommendations of the Remuneration Committee, for individual achievements, contributions or efforts that the Remuneration Committee has determined can reasonably be expected to have an additional positive impact on the value of the Corporation to shareholders. Cash bonuses are based on the achievement of pre-determined objectives.

In view of the weak gold markets, declining profitability across the industry, and the Corporation's efforts to preserve cash, no cash bonuses were awarded to executive officers of the Corporation for the year ended May 31, 2018.

### ***Compensation Risks***

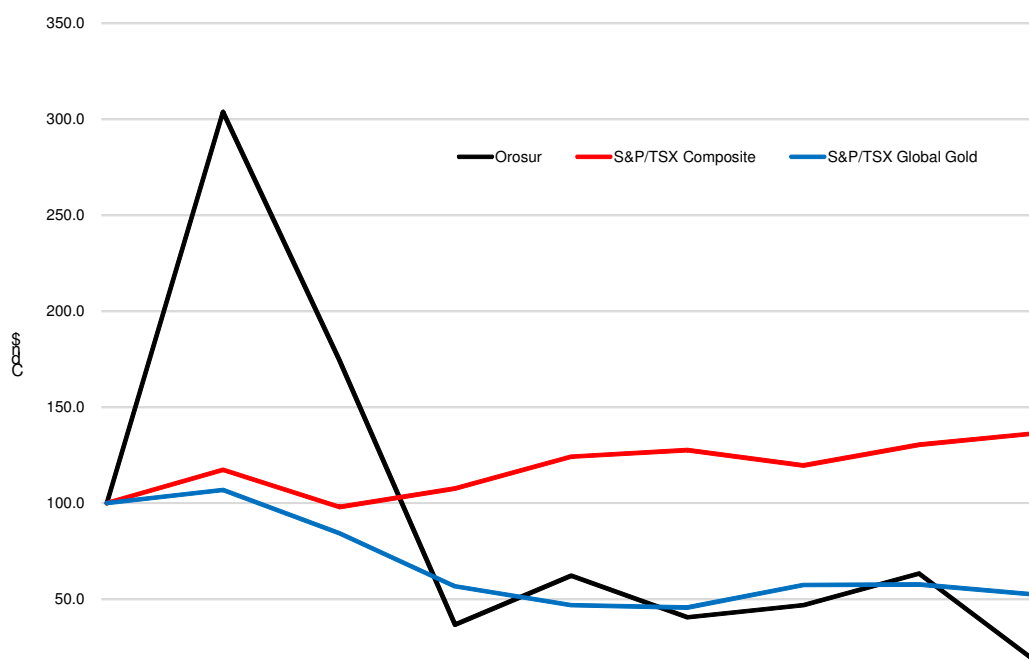
The Corporation believes that it has effective risk management and regulatory compliance relating to its compensation policies. The Remuneration Committee assists the Board of Directors in discharging its duties relating to compensation of the directors and executive officers. The Remuneration Committee reviews the overall executive compensation program on an annual basis and considers the implications of the risks associated with the Corporation's executive compensation policies, philosophy and practices. The Remuneration Committee follows an overall compensation model which aims to ensure that an adequate portion of overall compensation for the NEOs is "at risk" and only realized through the performance of the Corporation over both the short term and long term. Short-term incentive structures (i.e. annual performance-based cash incentives) are designed to include multiple elements so as to mitigate the risk of maximizing one component at the expense of another. In addition, the long-term component, which is currently satisfied by stock option awards, will only be realized if shareholders benefit in the form of appreciation in the Corporation's stock price, or shareholder value.

### ***Performance Graph - Nine Year Shareholder Return Comparison***

The following graph compares the yearly change in the cumulative total shareholder return over the periods indicated of a Cdn.\$100 investment in the Corporation's Common Shares with the cumulative total return of S&P/TSX Composite Index and the S&P/TSX Global Gold Index, assuming the reinvestment of dividends, where applicable, for the comparable period.

### CUMULATIVE VALUE OF A CDN\$100 INVESTMENT

Note: S&P/TSX Global Gold Index is an index of global gold securities which comprises producers of gold and related products, including companies that mine or process gold and finance houses which primarily invest in, but do not operate, gold mines.



	31/May/10	31/May/11	31/May/12	31/May/13	30/May/14	29/May/15	31/May/16	31/May/17	31/May/18
— Orosur	100.0	303.8	174.7	36.7	62.0	40.5	46.8	63.3	17.7
— S&P/TSX Composite	100.0	117.3	97.9	107.5	124.2	127.6	119.6	130.5	136.4
— S&P/TSX Global Gold	100.0	106.9	84.3	56.6	46.9	45.6	57.4	57.6	52.4

### Summary Compensation Table

The following table contains information about the gross compensation paid to, or earned by, the actual Corporation's Named Executive Officers during the Corporation's three most recently completed financial years. Unless otherwise indicated, all currency references are in US dollars.

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) <sup>(2)</sup>	Option-Based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$) <sup>(f)</sup>		Pension Value (\$) <sup>(g)</sup>	All other compensation (\$) <sup>(12)</sup>	Total compensation (\$)
					Annual Incentive Plans (f1)	Long Incentive Plans (f2)			
(a)	(b)	(c)	(d)	(e)	(f1)	(f2)	(g)	(h)	(i)
Ignacio Salazar CEO <sup>(3)</sup>	2018	346,363	Nil	6,247	Nil	Nil	Nil	122,100	474,710
	2017	342,345	Nil	15,404 <sup>(4)</sup>	Nil	Nil	Nil	89,033	446,782
	2016	333,219	Nil	13,387 <sup>(4)</sup>	Nil	Nil	Nil	89,180	435,785
Pablo Marcet Former Exploration and Development Director <sup>(5)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	97,500	198,000 <sup>(6)</sup>	4,570	Nil	Nil	Nil	12,000	312,070

Name and Principal Position	Year	Salary (\$)	Share-Based Awards (\$) <sup>(2)</sup>	Option-Based Awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation (\$) <sup>(f)</sup>		Pension Value (\$)	All other compensation (\$) <sup>(12)</sup>	Total compensation (\$)
					Annual Incentive Plans (f1)	Long Incentive Plans (f2)			
(a)	(b)	(c)	(d)	(e)	(f1)	(f2)	(g)	(h)	(i)
Ryan Cohen VP Corporate Development & Corporate Secretary <sup>(7)</sup>	2018	144,667	Nil	3,122	Nil	Nil	Nil	Nil	147,788
	2017	138,725	16,275	2,092	Nil	Nil	Nil	Nil	157,092
	2016	139,500	15,500	2,758	Nil	Nil	Nil	Nil	157,758
Alejandra Lopez CFO <sup>(8)</sup>	2018	110,860	Nil	4,378	Nil	Nil	Nil	1,313	116,550
	2017	96,677	Nil	2,394	Nil	Nil	Nil	7,038 <sup>(9)</sup>	106,108
	2016	82,475	Nil	1,636	Nil	Nil	Nil	Nil	84,111
Jorge Aceituno Chief Operating Officer <sup>(11)</sup>	2018	226,007	Nil	4,112	Nil	Nil	Nil	14,349	244,468
	2017	185,148	Nil	2,156	Nil	Nil	Nil	11,938	199,242
	2016	22,997	Nil	Nil	Nil	Nil	Nil	36,236	59,234
Daniel Moretti Former CFO <sup>(10)</sup>	2018	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	108,422	Nil	Nil	Nil	Nil	Nil	38,870	147,292

**Notes:**

- (1) These amounts represent the value of stock options granted to the respective Named Executive Officer. The value is calculated using the Black-Scholes model as of the grant date, and is consistent with the values disclosed in the Corporation's audited financial statements for the year ended May 31, 2018. They include the options granted to partially compensate the reduction of 20% of the cash salary applied during the year ended May 31, 2018.
- (2) Except for Pablo Marcet's amounts, share based awards are shares granted in lieu of 20% of the cash salary, as described under "Annual Base Salary" on page 19 of this document.
- (3) Ignacio Salazar was appointed as Chief Financial Officer in September 2008, as Managing Director in March 2013 and as Chief Executive Officer in August 2013. Mr. Salazar is also a director of the Corporation and does not receive compensation for services as director. Part of the amount shown in 2017, and until November 1, 2017, was paid to Nover S.A., a private company controlled by Mr. Salazar. All amounts paid to Nover S.A., were 100% attributable to services provided by Mr. Salazar. Effective November 1, 2017, Mr. Salazar receives his remuneration as an employee of Orosur Mining UK, a new subsidiary incorporated during the year ended May 31, 2018.
- (4) Mr. Salazar agreed to receive the same amount of options that would be equivalent to the amount of shares corresponding to 20% of his respective base salary effective December 1, 2015 as part of the Corporation's ongoing cost-cutting measures in order to preserve its cash resources and reduce corporate costs. For further details, see discussion under "Annual Base Salary" on page 19 of this document.
- (5) Pablo Marcet was Exploration and Development Director from July 10, 2014 to November 30, 2015 and Director of the Corporation until October 20, 2016. All amounts (except for option grants) for Mr. Marcet were paid to Geo Logic SA, a private company controlled by Mr. Marcet. All amounts paid to Geo Logic SA are 100% attributable to services provided by Mr. Marcet.
- (6) Mr. Marcet resigned from his role as Exploration and Development Director effective November 30, 2015 and was issued 2,103,894 common shares (\$195,000) to satisfy his termination consideration.
- (7) Ryan Cohen was appointed VP Strategy & Corporate Development on January 20, 2014, and was a consultant to Orosur prior to this appointment. All amounts (except for option grants) in this table for Mr. Cohen were paid to Pangea Management Corp, a private company controlled by Mr. Cohen. All amounts paid to Pangea Management Corp. are 100% attributable to services provided by Mr. Cohen.
- (8) Alejandra Lopez was appointed CFO on November 30, 2016. Prior to that, Ms. Lopez was Interim CFO and previous to that, controller of the Corporation. The amounts in this table reflect Ms. Lopez's gross compensation for the full year ended May 31, 2018.
- (9) This amount related to a cash bonus for Ms. Lopez's performance for the year ended May 31, 2016. The amount was paid during the year ended May 31, 2017.
- (10) Daniel Moretti was appointed CFO in December 3, 2014 and resigned from the Corporation effective November 30, 2015. Mr. Moretti was paid \$37,500 to satisfy his termination consideration.

- (11) Jorge Aceituno was appointed Operations Manager from January 20, 2014 to July 10, 2015. He left the Corporation and returned on November 30, 2016, when he was appointed Chief Operating Officer and Director of the Corporation. Mr. Aceituno resigned as an officer and director of the Company on October 5, 2018.
- (12) “All other compensation” includes, where applicable, agreed benefits, including expenses and subsistence allowance, health insurance, death and disability insurance, schooling and other agreed benefits, unless otherwise explained in these notes. In the case of Mr. Marcet, it represents the payment of Director’s fees from November 2015 when he moved from Executive to Non-Executive Director.

### ***Employment Contracts, Termination and Change of Control Benefits***

The Corporation is party to the following employment/services agreements with its NEOs. The agreements have an indefinite term and are subject to termination and change of control terms as described under this section.

- Pursuant to an employment agreement between the Corporation and Mr. Salazar, and pursuant to a management agreement between the Corporation and Novert SA, a private company controlled by Mr. Salazar, Mr. Salazar and Novert SA together are entitled to receive a monthly amount aggregating US\$31,700 (aggregate annual amount of US\$380,400). This is comprised of US\$10,867 in salary to Mr. Salazar and US\$20,833 per month in management fees to Novert SA. Effective November 1, 2017, the then-existing arrangements were replaced by a single employment agreement between Mr. Salazar and Orosur Mining UK, a subsidiary of the Corporation. All of the terms of the previous arrangements were consolidated into the employment agreement whereby Mr. Salazar was entitled to receive a monthly amount of US\$31,700 (aggregate annual amount of US\$380,400). Upon termination by the Corporation without cause or upon a change of control, all stock options held by Mr. Salazar would become fully vested and Mr. Salazar would be entitled to receive a payment equivalent to 12 months’ gross salary and management fee, respectively, in the event of termination without cause, and 18 months’ gross salary and management fee, respectively, in the event of a change in control.
- Pursuant to a management agreement between the Corporation and Pangea Management Corp. (“Pangea”), a private company controlled by Mr. Cohen, Pangea receives a monthly management fee equivalent to US\$12,917 (aggregate annual amount of US\$155,000). Upon termination by the Corporation without cause, Pangea would be entitled to receive a payment of 8 months’ management fee, upon termination by the Corporation upon change of control, Pangea would be entitled to receive a payment of 12 months’ management fee.

### **Summary of Termination of Benefits**

The following table sets out the termination notice period and the total termination payment that would be payable to each NEO, who has any agreement with the Corporation different to the legal minimum required by law, in the event of a termination without cause by the Corporation and in the event of a Change in Control<sup>(1)</sup> at May 31, 2018, as discussed above under the heading “Employment Contracts, Termination and Change in Control Benefits.” Amounts are shown in US dollars.

<b>Named Executive Officer</b>	<b>Title</b>	<b>Termination Notice Period</b>	<b>Total Termination Payment upon a Change in Control at May 31, 2018<sup>(1)</sup></b>	<b>Total Termination Payment upon a termination without cause at May 31, 2018</b>
Ignacio Salazar	Chief Executive Officer	1 month	\$570,600	\$380,400
Ryan Cohen	VP Corporate Development & Corporate Secretary	1 month	\$155,000	\$103,333

**Notes:**

- (1) Change of control termination payments are based on 18 months for Mr. Salazar and 12 months for Mr. Cohen and without cause 12 months for Mr. Salazar and 8 months for Mr. Cohen. Both Mr. Salazar and Mr. Cohen accepted during last year, to contribute to the austerity measures implemented in the Company, to reduce their termination payment without cause from 18 months to 12 months and from 12 months to 8 months respectively.

***Incentive Plans Awards***

***Outstanding Share-Based Awards and Option-Based Awards***

The following table provides information for each Named Executive Officer for all awards outstanding at the end of the most recently completed financial year. This includes awards granted before the most recent financial year. All monetary amounts in this table are stated in Canadian dollars.

Name	Option-Based Awards					Share-Based Awards		
	Date of Grant	Number of Securities Underlying Unexercised Options <sup>(1)</sup> (#)	Option Exercise Price (Cdn\$)	Option Expiration Date	Value of Unexercised In-the Money Options <sup>(2)</sup> (Cdn\$)	Number of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (Cdn\$)	Market or Payout Value of Vested Share-based Awards Not Paid Out or Distributed (Cdn\$)
Ignacio Salazar	Feb. 10, 2014	500,000	\$0.23	Feb. 14, 2019	Nil	Nil	Nil	Nil
	Dec. 10, 2014	700,000	\$0.185	Dec. 10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	200,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Mar. 3, 2016	135,580	\$0.130	Mar. 1, 2021	Nil	Nil	Nil	Nil
	Jun. 1, 2016	89,985	\$0.180	Jun. 1, 2021	Nil	Nil	Nil	Nil
	Sep. 1, 2016	58,517	\$0.280	Sep. 1, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	190,462	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	150,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
Nov. 17, 2017	175,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil	
Alejandra López	Dec. 10, 2014	60,000	\$0.185	Dec.10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	150,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	100,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	125,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil
Ryan Cohen	Feb. 10, 2014	250,000	\$0.23	Feb. 10, 2019	Nil	Nil	Nil	Nil
	Dec. 10, 2014	200,000	\$0.185	Dec.10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	150,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	75,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	75,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil
Jorge Aceituno	Nov. 30, 2016	150,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	100,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil

**Notes:**

- (1) Represents options granted pursuant to the Corporation's Stock Option Plan. Stock options granted to NEOs are subject to a vesting schedule. Options vest as to one-third on the date of grant, one-third on the first anniversary of the grant, and one third on the second anniversary of the grant.
- (2) Based on the difference between the market value of the underlying shares at May 31, 2018 of Cdn\$0.07, and the exercise price of the option.

***Incentive Plans Awards – Value Vested or Earned During the Year***

Name	Option-Based Awards— Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards— Value Vested During the Year (\$) <sup>(2)</sup>	Non-equity Incentive Plan Compensation—Value Earned During the Year (\$)
Ignacio Salazar	6,247	Nil	Nil

Name	Option-Based Awards— Value Vested During the Year (\$) <sup>(1)</sup>	Share-Based Awards— Value Vested During the Year (\$) <sup>(2)</sup>	Non-equity Incentive Plan Compensation—Value Earned During the Year (\$)
Ryan Cohen	3,122	Nil	Nil
Alejandra Lopez	4,378	Nil	Nil
Jorge Aceituno	4,112	Nil	Nil

**Notes:**

- (1) For this purpose, the options are valued using the Black-Scholes model as of the grant date, and is consistent with the values disclosed in the Corporation's audited financial statements for the year ended May 31, 2018.
- (2) For this purpose, the Shares are valued at the market value on the day they are granted.

***Pension Plan Benefits***

The Corporation does not have any pension or retirement plan which is applicable to the Named Executive Officers. The Corporation has not provided compensation, monetary or otherwise, during the preceding fiscal year, to any person who now or previously has acted as a Named Executive Officer of the Corporation, in connection with or related to the retirement, termination or resignation of such person and the Corporation has provided no compensation to such persons as a result of change of control of the Corporation, its subsidiaries or affiliates.

***Director Compensation***

As of May 31, 2018, the Board was comprised of three non-executive directors being Messrs. John Walmsley, Roger Davey and Horng Dih Lee and of two executive directors, Messrs. Ignacio Salazar and Jorge Aceituno, who were also the CEO and COO of the Corporation, respectively. On June 19, 2018, Mr. Robert Schafer replaced Mr. Davey as a non-executive director and on October 5, 2018, Mr. Aceituno resigned as COO and director of the Corporation.

In July 2013, Mr. John Walmsley was appointed Director and Chairman of the Board of Directors. As Chairman, he receives an annual retainer of US\$50,000 while non-executive directors receive annual retainers of US\$30,000 each.

Non-executive directors also receive annual fees for their participation in the committees to the Board as follows: the Chairman of the Audit Committee receives US\$10,000 per annum while the other members of the Audit Committee receive US\$5,000 per annum. The Chairmen of the Remuneration, Corporate Governance and Nominating, and Health, Safety and Environment Committees receive US\$5,000 per annum each while other members of each of those committees receive an annual fee of US\$2,500 each.

In May 2011, the Remuneration Committee resolved that directors who were required to perform supporting activities for the Corporation which were not comprised under the regular activities of their position should receive a compensation of US\$ 1,000 per day. During the year ended May 31, 2018, no such compensation was awarded.

All Directors are reimbursed for travel and other expenses they incur when they attend meetings or conduct Corporation business but they do not receive “per attendance” fees.

For the year ended May 31, 2018, outside directors received the following total compensation for services provided to the Corporation in their capacities as directors (monetary amounts are in US dollars):

Name	Fees Earned <sup>(1)</sup> (\$)	Share-Based Awards (\$) <sup>(2)</sup>	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
John Walmsley	58,500	Nil	3,181	Nil	Nil	-	61,681
Roger Davey	38,250	Nil	3,016	Nil	Nil	-	41,266
Hong Dih Lee	38,250	Nil	3,016	Nil	Nil	-	41,266
Robert Schafer <sup>(3)</sup>	Nil	Nil	Nil	Nil	Nil	-	Nil

**Notes:**

The executive director, Mr. Salazar (Director and CEO) does not receive compensation for services as director. His remuneration as Executive is reflected in the Summary Compensation Table set out above.

(1) Fees earned include base and committee retainers.

(2) Relates solely to amounts paid in lieu of compensation via share issuance during the year ended May 31, 2018.

(3) Mr. Schafer was appointed on June 19, 2018

**Directors Share-Based Awards and Option-Based Awards**

The following table provides information for each of the directors for all awards outstanding at May 31, 2018. This includes awards granted before the year ended May 31, 2018. All monetary amounts in this table are in Canadian dollars.

Name of Director <sup>(1)</sup>	Option-Based Awards				Share-Based Awards			
	Date of Grant	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (Cdn\$)	Option Expiration Date	Value of Unexercised In-the Money Options <sup>(2)</sup> (Cdn\$)	Number of Shares that Have Not Vested (#)	Market or Payout Value of Share-Based Awards that Have Not Vested (Cdn\$)	Market or Payout Value of Vested Share-based Awards Not Paid Out or Distributed (Cdn\$)
John Walmsley	Feb 10, 2014	300,000	\$0.23	Feb. 10, 2019	Nil	Nil	Nil	Nil
	Dec 10, 2014	400,000	\$0.185	Dec. 10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	125,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Mar. 3, 2016	35,251	\$0.130	Mar. 1, 2021	Nil	Nil	Nil	Nil
	Jun. 1, 2016	23,396	\$0.180	Jun. 1, 2021	Nil	Nil	Nil	Nil
	Sep. 1, 2016	15,215	\$0.280	Sep. 1, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	18,577	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	90,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	90,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil
Hong Dih Lee	Dec 10, 2014	300,000	\$0.185	Dec. 10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	125,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	75,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	75,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil
Roger Davey	Feb 10, 2014	100,000	\$0.23	Feb. 10, 2019	Nil	Nil	Nil	Nil
	Dec 10, 2014	250,000	\$0.185	Dec. 10, 2019	Nil	Nil	Nil	Nil
	Jan. 21, 2016	125,000	\$0.105	Jan. 20, 2021	Nil	Nil	Nil	Nil
	Mar. 3, 2016	23,049	\$0.130	Mar. 1, 2021	Nil	Nil	Nil	Nil
	Jun. 1, 2016	15,298	\$0.180	Jun. 1, 2021	Nil	Nil	Nil	Nil
	Sep. 1, 2016	9,948	\$0.280	Sep. 1, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	12,147	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 30, 2016	75,000	\$0.235	Nov. 30, 2021	Nil	Nil	Nil	Nil
	Nov. 17, 2017	75,000	\$0.24	Nov. 17, 2022	Nil	Nil	Nil	Nil

**Notes:**

(1) Compensation for Mr. Salazar (Director and CEO) is reflected in the Summary Compensation for NEOs Table set out above.

(2) Based on the difference between the market value of the underlying shares at May 31, 2018 of Cdn\$0.07, and the exercise price of the option.

***Directors Incentive Plan Awards-Value Vested or Earned During the Year***

The following table provides detailed information for each director for the year ended May 31, 2018. (Monetary amounts are in US dollars).

<b>Name <sup>(1)</sup></b>	<b>Option-Based Awards-Value Vested During the Year <sup>(2)</sup></b>	<b>Share-Based Awards-Value Vested During the Year</b>	<b>Non-Equity Incentive Plan Compensation –Value Earned During the Year</b>
	<b>(\$)</b>	<b>(\$)</b>	<b>(\$)</b>
John Walmsley	3,181	Nil	Nil
Hong Dih Lee	3,016	Nil	Nil
Roger Davey	3,016	Nil	Nil

**Note:**

Compensation for Mr. Salazar (Director and CEO) is reflected in the Summary Compensation Table set out above.

- (1) For this purpose, the options are valued using the Black-Scholes model as of the grant date, and is consistent with the values disclosed in the Corporation's audited financial statements for the year ended May 31, 2018.
- (2) For this purpose, the Shares are valued at the market value on the day they are granted.

**EQUITY COMPENSATION PLANS**

***Equity Compensation Plan Information***

The following table sets out information as of May 31, 2018 with respect to compensation plans under which equity securities of the Corporation are authorized for issuance:

<b>Equity Compensation Plan Information</b>			
<b>Plan Category</b>	<b>Number of outstanding options, warrants and rights</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in second column)</b>
<i>Stock Option Plan approved by security-holders <sup>(1)</sup></i>	8,944,093	Cdn\$0.19	2,802,838
<i>Share Performance Award Program</i>	Nil	Nil	Nil
<i>Equity compensation plans not approved by security-holders</i>	Nil	Nil	Nil

**Note:**

- (1) The only equity compensation plans currently in place are the Corporation's Stock Options Plan. The issuance of shares and/or options to directors and officers in lieu of 20% of their standard cash compensation finalized at November 30, 2016.

No stock options were exercised during the year ended May 31, 2018.



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

As of the date hereof no individual who is or, at any time during the most recently completed financial year was, a director or executive officer or an employee of the Corporation or any of its subsidiaries, and no person who is a proposed nominee for election as a director of the Corporation, and no associate of any of the foregoing is or at any time since the beginning of the most recently completed financial year had been (i) indebted to the Corporation or any of its subsidiaries, or (ii) indebted to another entity where such indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

## **DIRECTORS AND OFFICERS LIABILITY INSURANCE AND INDEMNIFICATION**

The Corporation has directors' and officers' liability insurance for the benefit of the directors and officers of the Corporation which was renewed for the period of October 31, 2017 to October 31, 2018. The insurance covers claims up to US\$10 million in aggregate of all claims or losses (costs included). The premium for such policy is US\$38,580 per year paid by the Corporation. The deductible consists of US\$100,000 for Securities Claims and US\$75,000 for any other claims.

Neither the Corporation nor the directors or officers have paid any sums to settle any action or satisfy any judgment incurred by any director or officer in respect of any civil, criminal or administrative action or proceeding to which they were made party because they were or have been directors or officers of the Corporation.

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

Except as set out below, since the commencement of the Corporation's most recently completed financial year, no informed person of the Corporation, nominee for director or any associate or affiliate of an informed person or nominee, had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or would materially affect the Corporation. An "informed person" means: (a) a director or executive officer of the Corporation; (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Corporation; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Corporation or who exercises control or direction over voting securities of the Corporation or a combination of both carrying more than 10% of the voting rights other than voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Corporation itself, if has purchased, redeemed or otherwise acquired any of its shares for so long as it has held any of its securities.

On September 7, 2018, the Corporation completed a private placement of US\$2,000,000 with Newmont Mining Corporation and as a result Newmont acquired ownership of 29,213,186 common shares of the Corporation representing 19.9% of the issued and outstanding shares. In connection with the private placement the Corporation entered into an exploration agreement with venture option (the "Exploration and Option Agreement") with Newmont Colombia S.A.S., a wholly-owned subsidiary of Newmont, for the Anzá exploration property in Colombia. For further details about the Newmont transaction see the material change report filed by the Corporation on [www.sedar.com](http://www.sedar.com) on September 14, 2018.

## **AUDIT COMMITTEE INFORMATION**

Information required by Form 52-110F1 of National Instrument 52-110 Audit Committees can be found in the Corporation's Annual Information Form dated August 31, 2016 under Item 15 "*Information Concerning the Corporation's Audit Committee and External Auditor*".

## CORPORATE GOVERNANCE DISCLOSURE

### Board of Directors

National Instrument 58-101 Disclosure of Corporate Governance Practices (“NI 58-101”) refers to the definition of an “independent” director as a director who has no direct or indirect material relationship with the Corporation which could, in the view of the Board, be reasonably expected to interfere with the exercise of the director’s independent judgment.

As at October 23, 2018, the Board was comprised of four members, three of whom (Messrs. Walmsley, Schafer and Lee) are “independent” within the meaning of NI 58-101. Mr. Ignacio Salazar is not independent as he is Chief Executive Officer of the Corporation. Mr. Jorge Aceituno resigned as a director on October 5, 2018.

The following current directors of the Corporation are also directors of the following other reporting issuers:

Name of Director	Other Reporting Issuers
John Walmsley	Pantheon Resources Plc (AIM)
Robert Schafer	Amur Minerals Company Volcanic Gold Inc Cardinal Resources Ltd. Trigon Minerals Inc.

To facilitate open and candid discussion among independent directors, the independent directors of the Corporation meet regularly with no members of management present. The independent directors have held such sessions since the beginning of the Corporation’s most recently completed financial year which were recorded at the minutes in the framework of duly constituted Board meetings and several more along the financial year which were not recorded as they were not held at the time of Board meetings.

The Chairman of the Board is Mr. John Walmsley, who is an independent director. In his role as Chairman, he provides independent, effective leadership to the Board in the governance of the Corporation. The Chairman sets the “tone” for the Board and its members to foster ethical and responsible decision making, appropriate oversight of management and best-in-class corporate governance practices.

The attendance record of each director for all Board meetings during the Corporation’s most recently completed financial year is as follows:

<u>Name</u>	<u>Meetings attended/Total meetings</u>
John Walmsley	6/7
Ignacio Salazar	7/7
Roger Davey	6/7
Hornng Dih Lee	6/7
Jorge Aceituno	7/7

### Board Mandate

The Board is responsible to the shareholders for the overall direction and control of the Corporation and its subsidiaries (collectively the “Group”), as well as for the corporate governance of the consolidated entity.

It guides and monitors the business affairs of the Corporation on behalf of the shareholders by whom the directors are elected, and to whom they are accountable. (Please see Schedule “A” hereto for the complete Board Mandate).

### **Position Descriptions**

The Board has developed a written position description for the Chairman, the Chair for each Board Committee and for CEO.

### **Orientation and Continuing Education**

The Chief Executive Officer of the Corporation is responsible for providing an orientation and education program for new directors of the Corporation. When a new director is added, he or she will be given the opportunity to become familiar with the Corporation by meeting with the other directors and with the officers and representatives of the Corporation. As each director has a different skill set and professional background, orientation and training activities will be tailored to the particular needs and experience of each director.

### **Ethical Business Conduct**

The Directors of the Corporation have adopted a written code of business conduct and ethics (the “Code”) a copy of which may be found on SEDAR at [www.sedar.com](http://www.sedar.com). Employees who know of or suspect a violation of the Code or of any applicable laws, rules or regulations have an obligation to report this information immediately to a member of management. The directors of the Corporation are responsible for monitoring compliance with the Code and for regularly assessing its adequacy.

The directors of the Corporation as a whole ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer of the Corporation has an interest by requiring that such director or executive officer does not participate in the discussion or decisions regarding the transaction or agreements. Directors and executive officers of the Corporation are urged, where appropriate, to retain independent professional advice to ensure the fulfillment of their duties.

### **Nominations of Directors**

The Board performs the functions of a nominating committee with responsibility for identifying and recommending new candidates. While there are no specific criteria for Board membership, the Corporation attempts to attract and maintain directors with a wealth of business knowledge and a particular knowledge of mineral exploration and development or other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Corporation. The candidates are interviewed by the Chairman and by at least two other Directors of the Corporation separately, who then discuss their views on the candidate and make a recommendation to the Board.

### **Compensation**

The Corporation’s executive remuneration program is administered by the Remuneration Committee whose composition and processes are disclosed under the *Statement of Executive Compensation* above.

### **Director Term limits**

The Corporation has the following written policy in the 4.03 of its Director Handbook: “Each Director named in the Notice of Director filed at the time of continuance shall hold office from the date of the Certificate of Continuance until the first Meeting of shareholders thereafter. An election of Directors shall take place at such first Meeting of Shareholders and at each annual meeting of Shareholders thereafter and all the Directors then in office shall retire but, if qualified, shall be eligible for re-election. A Director shall retain office only until the election of his successor. The number of Directors to be elected at any such meeting shall be the number of Directors then in office unless the Directors or the Shareholders otherwise determine. The election shall be by ordinary resolution of the Shareholders. If an election of Directors is not held at the proper time, the incumbent Directors shall continue in office until their successors are elected.

### **Representation of Women in the Board and in Executive Officer appointments**

The Board has not adopted any policies that specifically address the appointment of female officers and members of the Board of Orosur. The Board believes these appointments should be made on the basis of the skills, knowledge, character and experience of the individual candidates and the requirements of the Corporation. Therefore, the Corporation has not adopted targets regarding the representation of women in the Board nor in executive officer positions. As of the date hereof, one of Orosur’s executive officers is female, Alejandra Lopez, the Corporation’s Chief Financial Officer.

### **Other Committees of the Board of Directors of the Corporation**

Due to the small size of the Board, the Board of Directors does not have any other formal committees other than the Audit Committee and the Remuneration Committee. However, during the year ended May 31, 2018, the Board as a whole assumed all of the functions of a typical Health Safety and Environmental (HSE) Committee and a typical Corporate Governance Committee.

In regard to HSE matters, the Board has oversight responsibilities with respect to due diligence in the development and implementation of systems and programs for the management of health, safety and environment with a view to ensuring the Corporation remains on the leading edge in the ongoing institution of best-in-class practices. As the Corporation has expanded its activities in Colombia in addition to its activities in Uruguay, the Board has considered re-establishing a separate HSE Committee to address all HSE matters commencing this current fiscal year.

In regard to corporate governance matters, the Board ensures that the Corporation adopts sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision making. The Board is of the view that the Corporation’s general approach to corporate governance is appropriate and substantially consistent with objectives reflected in the guidelines adopted by The Toronto Stock Exchange.

### **Assessments**

The Directors assesses, on a regular basis, the contributions of the Board as a whole, and individual Board members contributions to it and to the Committees, in order to determine whether each is functioning effectively. There is a formal assessment process in place wherein the assessment is done by way of a questionnaire to which directors respond anonymously. The Corporate Secretary of the Corporation receives the questionnaires and reports back to the Board where conclusions and issues are discussed by the directors. The most recent formal assessment was conducted during the year ended May 31, 2016.

### **ADDITIONAL INFORMATION**

Additional information relating to the Corporation is on SEDAR at [www.sedar.com](http://www.sedar.com). Security holders may contact the Corporation to request copies of the 2018 Corporation's financial statements and Management Discussion and Analysis. In addition, please note that such documents are available online at the Corporation webpage ([www.orosur.ca](http://www.orosur.ca)).

The financial information of the Corporation is provided in the Corporation's comparative financial statements and Management Discussion and Analysis for its most recently completed financial year ended May 31, 2018.

### **APPROVAL AND CERTIFICATION OF OROSUR MINING INC.**

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

The foregoing contains no untrue statements of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

**On behalf of the Management of Orosur Mining Inc.**

“Ignacio Salazar”

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Ignacio Salazar, Chief Executive Officer  
October 23, 2018

## **SCHEDULE “A”**

### **BOARD MANDATE**

The Board of Directors (Board) of Orosur Mining Inc. (“OMI” or “the Company”) has the oversight responsibility and specific duties described below.

#### **Composition**

The Board will be comprised of between 3 and 15 directors, as determined by the Board, pursuing that the majority of the Board members be independent under the applicable laws and regulations.

The composition of the Board will be reviewed on a regular basis to ensure that its make-up and the diversity of skills and experience are appropriate for the Corporation. The Board performs the functions of a nominating committee with responsibility for identifying and recommending new candidates. While there are no specific criteria for Board membership, the Company attempts to attract and maintain a board of directors that collectively possess a wealth of business knowledge and with particular knowledge of mineral exploration, mining and development or other areas (such as finance) which provide knowledge which would assist in guiding the officers of the Company.

Except as set out in the By-Laws, Board members will be elected at the annual meeting of shareholders each year and will serve until their successors are duly appointed or elected. The Board may from time to time appoint additional directors between AGMs, who will serve until the next AGM.

#### **Responsibility**

The Board is responsible to the shareholders for the overall direction and control of the Company and its subsidiaries, as well as for the corporate governance of the consolidated entity. It guides and monitors the business affairs of the Company on behalf of the shareholders by whom the directors are elected, and to whom they are accountable.

#### **Specific Duties**

The Board will:

##### **Leadership**

1. Provide leadership and vision to supervise the management of OMI in the best interests of its shareholders.
2. Provide leadership in setting the Mission, Vision, Principles, Values, Strategic Plan and Annual Operating Plan of OMI, in conjunction with the Chief Executive Officer (CEO).

##### **CEO**

3. Select, appoint, evaluate and, if necessary, terminate the appointment of the CEO.
4. Define the appropriate or required CEO competencies and skills.
5. Approve or develop the corporate objectives that the CEO is responsible for meeting and assess the CEO against those objectives.

##### **Succession and Compensation**

6. Implement a succession plan, including appointing, training and monitoring the performance of senior Management.

7. With the advice of the Remuneration Committee, approve the compensation of senior Management and approve appropriate compensation programs for OMI's employees.

Corporate Social Responsibility, Ethics and Integrity

8. Provide leadership to OMI in support of its commitment to Corporate Social Responsibility.

9. Foster ethical and responsible decision making by Management.

10. Set the ethical tone for OMI and its Management.

11. Take all reasonable steps to satisfy itself of the integrity of the CEO and Management and satisfy itself that the CEO and Management create a culture of integrity throughout the organization.

12. At the recommendation of the Audit Committee, approve OMI's Code of Ethics.

13. Monitor compliance with OMI's Code of Ethics. Decline or grant and ensure appropriate disclosure of any waivers of the Code of Ethics for officers and directors.

14. With the Audit Committee and the Board Chair, respond to potential conflict of interest situations.

Governance

15. Develop OMI's approach to corporate governance, including adopting a Corporate Governance Policy that sets out the principles and guidelines applicable to OMI.

16. Regularly receive for consideration that Committee's evaluation and any recommended changes, together with the evaluation and any further recommended changes of another Board Committee, if relevant, to each of the following:

- i. Corporate Governance Policy;
- ii. Board Mandate;
- iii. Board Chair Position Description;
- iv. Audit Committee Mandate;
- v. Corporate Governance Committee Mandate;
- vi. Remuneration Committee Mandate;
- vii. Health, Safety and Environment Committee Mandate;
- viii. Position Descriptions of CEO, CFO and Company Secretary;

17. Ensure that OMI's governance practices and policies are appropriately disclosed.

18. Annually determine those individual Directors to be designated as independent under the applicable laws and regulations and ensure appropriate disclosures are made.

Communications, Disclosure and Compliance

19. Adopt a Public Information Policy for OMI which addresses disclosure matters.

20. Ensure policies and procedures are in place to ensure OMI's compliance with applicable law, including timely disclosure of relevant corporate information and regulatory reporting.

21. Adopt measures for receiving feedback from stakeholders and ensure appropriate disclosures of the measures are made.

#### Board Chair

22. Annually appoint an independent Director as the Chair of the Board.

#### Committees

23. Appoint an Audit Committee comprised of all independent directors.

24. Appoint a Remuneration Committee comprised of all independent directors.

25. Appoint a Corporate Governance Committee comprised of all independent directors.

26. Appoint a Health, Safety and Environment Committee comprised if possible, of a majority of independent directors.

27. In the Board's discretion, appoint any other Board Committees that the Board decides are needed and delegate to those Board Committees any appropriate powers of the Board.

28. In the Board's discretion, annually appoint the Chair of each Board Committee.

#### Delegations and Approval Authorities

29. Annually delegate approval authorities to the CEO and review and revise them as appropriate.

30. Consider and, in the Board's discretion, approve financial commitments in excess of delegated approval authorities.

31. In the Board's discretion, annually delegate to the Audit Committee the authority to approve or recommend to the Board for consideration the quarterly results, financial statements, MD&A and news releases prior to filing them with or furnishing them to the applicable securities regulators and prior to any public announcement of financial results for the periods covered.

32. Consider and, in the Board's discretion, approve any matters recommended by the Board Committees.

33. Consider and, in the Board's discretion, approve any matters proposed by Management.

#### Strategy

34. Approve the development of strategic direction.

35. Adopt a strategic planning process and, at least annually, approve a Strategic Plan for OMI to maximize shareholder value that takes into account, among other things, the opportunities and risks of OMI's business.

36. Monitor OMI's performance in light of the approved Strategic Plan.

#### Annual Operating Plan

37. At least annually, approve an Annual Operating Plan for OMI including business plans, operational requirements, organizational structure, staffing and budgets that support the Strategic Plan.

38. Monitor OMI's performance in light of the approved Annual Operating Plan.

#### Risk Management

39. Ensure policies and procedures are in place to: identify OMI's principal business risks and



opportunities; address what risks are acceptable to OMI; and, ensure that appropriate systems are in place to manage the risks.

40. Ensure policies and procedures designed to maintain the integrity of OMI's disclosure controls and procedures are in place.

41. Ensure policies and procedures designed to maintain the integrity of OMI's internal control over financial reporting are in place.

42. Ensure policies and procedures designed to maintain appropriate auditing and accounting principles and practices are in place.

#### Orientation / Education

43. Oversee the development and implementation of the ongoing Director education and orientation programs.

#### Board Performance

44. Oversee the process of the annual evaluation of the performance and effectiveness of the Board, Board Committees, all individual Directors, the Board Chair and Committee Chairs.

#### Board Meetings

45. Meet at least five times annually and as many additional times as needed to carry out its duties effectively. Such meeting may be held by telephone conference call.

46. Meet in separate, non-management, in camera sessions at each regularly scheduled meeting.

#### Advisors / Resources

47. Retain, oversee, compensate and terminate independent advisors to assist the Board in its activities.

48. Receive adequate funding from OMI for independent advisors and ordinary administrative expenses that are needed or appropriate for the Board to carry out its duties.

#### Other

49. Regularly, this Mandate will be fully evaluated and updates recommended to the Board for consideration