



MINCO 明科金矿公司
GOLD CORPORATION

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

Time: June 25, 2015, at 10:00 a.m. (Vancouver time)

Place: 2772 - 1055 West Georgia Street
Vancouver, British Columbia
Canada

MINCO GOLD CORPORATION

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 25, 2015

TO: The Shareholders of Minco Gold Corporation.

NOTICE IS HEREBY GIVEN that the annual general and special meeting of shareholders of Minco Gold Corporation (the "**Corporation**") will be held at Suite 2772, 1055 West Georgia Street, Vancouver, British Columbia, Canada, on Thursday, June 25, 2015 at 10:00 a.m. (Vancouver time) (the "**Meeting**"), for the following purposes:

1. to receive the audited financial statements of the Corporation for the financial year ended December 31, 2014, together with the report of the auditors thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation for the ensuing year and to authorize the directors to fix their remuneration;
4. to consider and, if deemed appropriate, approve a special resolution in the form set out in the accompanying management information circular for the sale of substantially all of the Corporation's assets; and
5. to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this Notice of Meeting is management's information circular (the "**Information Circular**"), a form of proxy (the "**Form of Proxy**") and a financial statement request form (collectively, the "**Meeting Materials**").

This year, as described in the notice and access notification mailed to shareholders of the Corporation, the Corporation has decided to deliver the Meeting Materials to shareholders by posting the Meeting Materials on its website (www.mincogold.com). The use of this alternative means of delivery is more environmentally friendly as it will help reduce paper use and it will also reduce the Corporation's printing and mailing costs. The Meeting Materials will be available on the Corporation's website as of the date that the Meeting Materials, including this Notice of Meeting, the Information Circular and the Form of Proxy, are filed on SEDAR, and will remain on the website for one (1) full year thereafter. The Meeting Materials will also be available on SEDAR at www.sedar.com.

The Corporation has decided to mail paper copies of the Meeting Materials to those registered and beneficial shareholders who had previously elected to receive paper copies of the Corporation's Meeting Materials. All other shareholders will receive a notice and access notification which will contain information on how to obtain electronic and paper copies of the Meeting Materials in advance of the Meeting.

Registered shareholders may make their request through the Corporation's website, www.mincogold.com, or by calling 1-888-288-8288.

Non-registered shareholders may make their request online at www.proxyvote.com or by telephone at 1-800-474-7493 by entering the 12-digit control number located on the voting instruction form and following the instructions provided.

To receive the Meeting Materials in advance of the proxy deposit date and Meeting date, the Corporation must receive requests for printed copies at least five (5) business days in advance of the proxy deposit deadline.

Registered shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the enclosed Form of Proxy in accordance with the instructions set out therein and in the Information Circular accompanying this Notice of Meeting. A proxy will not be valid unless it is received by Computershare Investor Services Inc., Attn.: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

DATED at Vancouver, British Columbia, this 22nd day of May, 2015.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ Ken Z. Cai

Ken Z. Cai

Chief Executive Officer, President and Director

If you are a non-registered shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.

MANAGEMENT INFORMATION CIRCULAR

UNLESS OTHERWISE NOTED, INFORMATION IS PROVIDED AS AT MAY 22, 2015 FOR THE ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 25, 2015 (THE "MEETING").

This management information circular (the "Information Circular") is furnished in connection with the solicitation of proxies by management of Minco Gold Corporation (the "Corporation") for use at the Meeting and at any adjournment(s) or postponement(s) thereof, at the time and place and for the purposes set forth in the accompanying notice of meeting dated May 22, 2015 (the "Notice of Meeting").

Notice and Access Process

The Corporation uses the notice and access model ("**Notice and Access**") provided for under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* for the delivery of the Information Circular, form of proxy, financial statement request form, financial statements for the year ended December 31, 2014 and the related management's discussion and analysis (collectively, the "**Meeting Materials**") to shareholders for the Meeting. The Corporation has adopted this alternative means of delivery in order to further its commitment to environmental sustainability and to reduce its printing and mailing costs.

Under Notice and Access, instead of receiving printed copies of the Meeting Materials, shareholders receive a notice ("**Notice**") with information on the Meeting date, location and purpose, as well as information on how they may access the Meeting Materials electronically.

Shareholders with existing instructions on their account to receive printed materials and those shareholders with addresses outside of Canada and the United States will receive a printed copy of the Meeting Materials with the Notice.

The deadline for receiving duly completed and executed forms of proxy or submitting your proxy by telephone or over the internet is by 10:00 a.m. (Vancouver time) on June 23, 2015 or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned or postponed Meeting.

The Corporation urges shareholders to review this Information Circular before voting.

Requesting Printed Meeting Materials

The Meeting Materials will be available on the Corporation's website (www.mincogold.com) as of the date this Information Circular is filed on SEDAR and will remain on the website for one full year thereafter. The Meeting Materials will also be available on SEDAR at www.sedar.com. Shareholders can request that printed copies of the Meeting Materials be sent to them by postal delivery at no cost to them up to one year from the date this Information Circular is filed on SEDAR.

Registered shareholders may make their request through the Corporation's website, www.mincogold.com, or by calling 1-888-288-8288.

Non-registered shareholders may make their request online at www.proxyvote.com or by telephone at 1-800-474-7493 by entering the 12-digit control number located on the voting instruction form and following the instructions provided.

To receive the Meeting Materials in advance of the proxy deposit date and Meeting date, the Corporation must receive requests for printed copies at least five (5) business days in advance of the proxy deposit deadline.

RECORD DATE

The board of directors of the Corporation (the "**Board**") has set the close of business on May 13, 2015, as the record date (the "**Record Date**") for determining which shareholders of the Corporation shall be entitled to receive notice of and to vote at the Meeting. Only shareholders of record as of the Record Date are entitled to receive notice of and to vote at the Meeting, unless after the Record Date a shareholder of record transfers his, her or its common shares and the transferee (the "**Transferee**"), upon establishing that the Transferee owns such common shares, requests in writing, at least ten (10) days prior to the Meeting or at any adjournment(s) or postponement(s) thereof, that the Transferee may have his, her or its name included on the list of shareholders entitled to vote at the Meeting. In such case, the Transferee, upon fulfilling the necessary requirements, will be entitled to vote such shares at the Meeting. Such written request by the Transferee shall be filed with the Corporate Secretary of the Corporation at 2772-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 3R5.

APPOINTMENT OF PROXYHOLDERS

The persons named in the accompanying form of proxy (the "Proxy") as proxyholders are management's representatives. A shareholder of the Corporation wishing to appoint some other person or company (that need not be a shareholder of the Corporation) to represent him, her or it at the Meeting may do so either by striking out the printed names and inserting the desired person or company's name in the blank space provided in the Proxy or by completing another Proxy and, in either case, delivering the completed Proxy to the office of Computershare Investor Services Inc., Attn.: Proxy Department, 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time fixed for the Meeting or any adjournment(s) or postponement(s) thereof. The chairman of the Meeting has the discretion to accept proxies received after that time.

VOTING OF COMMON SHARES

Registered shareholders at the close of business on May 13, 2015 may vote in person at the Meeting or by proxy as follows:

By telephone: Call the toll free number indicated on the Proxy and follow the instructions. If you choose to vote by telephone, you cannot appoint any person other than the individuals named on the Proxy as your proxy holder.

On the internet: Go to the website indicated on the Proxy and follow the instructions on the screen. If you return your Proxy via the internet, you can appoint another person, who need not be a shareholder, to represent you at the Meeting by inserting such person's name in the blank space provided on the Proxy. Complete your voting instructions and date and submit the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.

By mail: Complete the Proxy and return it in the envelope provided. If you return your Proxy by mail, you can appoint another person, who need not be a shareholder, to represent you at the Meeting by inserting such person's name in the blank space provided in the Proxy. Complete your voting instructions and date and sign the form. Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.

VOTING OF PROXIES

If the Proxy is completed, signed and delivered to the Corporation, the person(s) named as proxyholders therein shall vote or withhold from voting the common shares in respect of which they are appointed as proxyholders at the Meeting in accordance with the instructions of the shareholder of the Corporation appointing them, on any show of hands and/or on any ballot that may be called for, and if the shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the person(s) appointed as proxyholder shall vote accordingly.

The Proxy confers discretionary authority upon the person(s) named therein with respect to: (a) each matter or group of matters identified therein for which a choice is not specified; (b) any amendment to or variation of any matter identified therein; and (c) to transact such other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof. As of the date of this Information Circular, the Board knows of no such amendments, variations or other matters to come before the Meeting, other than matters referred to in the Notice of Meeting. However, if other matters should properly come before the Meeting, the Proxy will be voted on such matters in accordance with the best judgment of the person(s) voting the Proxy.

If no choice is specified by a shareholder of the Corporation with respect to any matter identified in the Proxy or any amendment or variation to such matter, it is intended that the persons designated by management in the Proxy will vote the shares represented thereby in favour of such matter.

NON-REGISTERED HOLDERS

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Corporation are "non-registered shareholders" because the shares they own are not registered in their name but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased their shares. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the "**Non-Registered Holder**") but which are registered either: (a) in the name of an intermediary (an "**Intermediary**") that the Non-Registered Holder deals with in respect of the shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (b) in the name of a depository (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant. In accordance with the requirements of applicable securities laws, the Corporation has distributed copies of the Meeting Materials to the depositories and Intermediaries for onward distribution to Non-Registered Holders.

Intermediaries are required to forward the Meeting Materials to Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a Proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the Proxy, this Proxy is not required to be signed by the Non-Registered Holder when submitting the Proxy. In this case, the Non-Registered Holder who wishes to submit the Proxy should otherwise properly complete the Proxy and deliver it to the offices of the Corporation; or
- (b) more typically, be given a voting instruction form which is not signed by the Intermediary and which, when properly completed and signed by the Non-Registered Holder and returned to the Intermediary or its service company, will constitute voting instructions (often called a proxy authorization form) which the Intermediary must follow.

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own. Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the management proxyholders and insert the Non-Registered Holder's name in the blank space provided, or in the case of a proxy authorization form, follow the corresponding instructions on the form. **In either case, Non-Registered Holders should carefully follow the instructions of their Intermediary, including those regarding when and where the Proxy or proxy authorization form is to be delivered.**

REVOCABILITY OF PROXY

Any shareholder of the Corporation returning the enclosed Proxy may revoke the same at any time insofar as it has not been exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing duly executed by the shareholder or by his attorney authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorized, and delivered either to Computershare Investor Services Inc. or to 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(s) or postponement(s) thereof, or with the chairperson of the Meeting prior to the commencement of the Meeting. A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Corporation's authorized capital consists of an unlimited number of common shares without par value. As at the Record Date, there were a total of 50,592,881 common shares of the Corporation outstanding. Each common share entitles the holder thereof to one vote.

To the knowledge of management of the Corporation, as at the date hereof, there are no persons or companies who beneficially own, directly or indirectly, or exercise control or direction over, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities of the Corporation.

ELECTION OF DIRECTORS

The Board is recommending four persons (the "**Nominees**") for election at the Meeting. Each of the four persons whose name appears below is proposed by the Board to be nominated for election as a director of the Corporation to serve until the next annual general meeting of the shareholders or until the director sooner ceases to hold office.

In accordance with the rules of the Toronto Stock Exchange (the "**TSX**"), the Board has adopted a majority voting policy, which requires, at uncontested shareholder meetings, that any nominee for director who has more votes withheld than are voted in favour of him or her shall submit his or her resignation to the Board, effective on the acceptance of the Board. The Nominating Committee will, in such circumstances, put forward a recommendation to the Board whether to accept the tendered resignation or reject it. The Board will promptly accept the resignation unless the Board determines, after consideration of the committee's recommendation, that there are exceptional circumstances relating to the composition of the Board or the voting results or otherwise that should delay the acceptance of the resignation or justify rejecting it. In any event, the resignation shall be accepted, absent such exceptional circumstances, within 90 days of the Meeting.

The following table states the names of the Nominees, all offices of the Corporation now held by him, his present principal occupation, the period of time for which he has been a director of the Corporation and the securities of the Corporation beneficially owned by him, directly or indirectly, or over which he exercises control or direction, as at the date hereof.

Name, Province and Country of Residence	Present Principal Occupation	Current Position(s) with the Corporation	Director Since	Number of Securities Held
Ken Z. Cai Beijing, China	Chief Executive Officer and President of Minco Gold Corporation, Chairman and Chief Executive Officer of Minco Silver Corporation and Minco Base Metals Corporation	Chief Executive Officer, President and Director	February 29, 1996	Common Shares: 4,618,736 ⁽¹⁾ Options: 2,355,000
Robert M. Callander ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾ Ontario, Canada	Vice President of Caldwell Securities Ltd.	Director	August 23, 1996	Common Shares: 30,277 Options: 725,000
Malcolm Clay ⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾ British Columbia, Canada	Self-employed consultant	Director	November 16, 2007	Common Shares: 30,000 Options: 600,000
Michael Doggett ⁽²⁾⁽⁴⁾⁽⁵⁾⁽⁷⁾ British Columbia, Canada	Principal Consultant at Michael Doggett & Associates	Director	July 16, 2007	Common Shares: 12,000 Options: 600,000

(1) Includes 3,634,052 common shares held by Pacific Canada Resources Inc., a private company over which Dr. Cai has control and direction.

(2) Member of the Audit Committee.

(3) Chair of the Audit Committee.

(4) Member of the Compensation Committee.

(5) Member of the Nominating Committee.

(6) Chair of the Compensation Committee.

(7) Chair of the Nominating Committee.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Except as otherwise disclosed herein, to the knowledge of management of the Corporation, none of the proposed directors is as at the date hereof nor has been within the past ten (10) years: (i) a director, chief executive officer or chief financial officer of any company (including the Corporation) that, while he was acting in such capacity, or after he ceased to act in such capacity and which resulted from an event that occurred while he was acting in such capacity, was subject to a cease trade order, an order similar to a cease trade order or an order that denied such company access to any exemption under securities legislation, that was in effect for more than thirty (30) consecutive days; (ii) a director or executive officer of any company (including the Corporation) that, while he was acting in such capacity or within a year of him ceasing to act in such 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; or (iii) has been 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 any of his assets.

To the knowledge of management of the Corporation, none of the proposed directors has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has had any other penalties or sanctions imposed on him by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for him as director of the Corporation.

Ken Cai was formerly the Chairman, Chief Executive Officer and a Director of Pacific Link Mining Corp. (formerly Tranzcom China Security Networks Inc. ("**Tranzcom**")). On September 18, 2006, a cease trade order was issued against Tranzcom by the British Columbia Securities Commission. The cease trade order was issued in response to Tranzcom's failure to file its financial statements within the time periods mandated by National Instrument 51-102 – *Continuous Disclosure Obligations*. The cease trade order against Tranzcom was revoked on December 18, 2006.

STATEMENT OF EXECUTIVE COMPENSATION

Pursuant to applicable securities legislation, the Corporation is required to provide a summary of all annual and long-term compensation for services in all capacities to the Corporation and its subsidiaries for the most recently completed financial year in respect of the Chief Executive Officer, the Chief Financial Officer and the other three most highly compensated executive officers of the Corporation whose individual total compensation for the most recently completed financial year exceeded \$150,000, and any individual who would have satisfied these criteria but for the fact that the individual was neither serving as an executive officer, nor was acting in a similar capacity at the end of the most recently completed financial year (the "**Named Executive Officers**" or "**NEOs**").

Compensation Discussion and Analysis

The objective of the Corporation's compensation program is to compensate its executive officers for their services to the Corporation at a level that is both in line with the Corporation's financial resources and competitive with companies of a similar size and stage of development. The Compensation Committee does not benchmark its executive compensation program but from time to time does review compensation practices of companies of similar size and stage of development to ensure that the compensation paid is competitive with similar sized issuers within the Corporation's industry and geographic location. Success in this regard depends to a great extent on the Corporation's ability to attract, retain and motivate high performing employees within the organization. Executive officers are rewarded on the basis of the skill and level of responsibility involved in their position, the individual's experience and qualifications, taking into consideration the Corporation's resources and current industry practices, and overall contribution to the success of the Corporation. To date, given the Corporation's stage of development, the Board has not considered it appropriate to implement formal performance goals or milestones through which to assess executive performance. The Corporation relies solely on the Compensation Committee's review and recommendation for determining executive compensation.

The Compensation Committee has implemented three forms of compensation for the Corporation's executive officers.

1. *Base Salary/Consulting Fees*

Executive officers are paid a base salary or consulting fee to reward individual performance and the discharge of duties. This component of compensation is determined with reference to industry norms, experience, past performance and level of responsibility. The Corporation shares common management with Minco Base Metals Corporation ("Minco Base Metals") and Minco Silver Corporation (collectively with Minco Base Metals and the Corporation as the "Minco Group"). In the past, a base compensation amount payable to each executive officer on the basis of his/her service to the entire Minco Group was set annually through a negotiated process among the boards of directors of each Minco Group company. Through this negotiation process the boards arrive at a global salary amount for each executive officer to be shared among each entity in the Minco Group. The amount of an executive officer's salary allocated to a particular entity at the end of a fiscal period was determined based on the percentage of the executive officer's working time spent on projects relating to that company.

Annually, the Board negotiates directly with the NEOs to set a base salary or consulting fee for the upcoming fiscal year. Base compensation for the most recently completed financial year should not be considered as an indicator of expected base compensation levels in future periods as compensation levels may fluctuate depending on the outcome of the Board's salary negotiations with the NEOs. All compensation is subject to and dependent on the Corporation's financial resources and forecasts.

2. *Annual Bonuses*

Annual bonuses are variable components of compensation and are short-term incentives. In special circumstances the Compensation Committee may award annual cash bonuses that are designed to reward

executives for corporate, business or individual achievements. The Compensation Committee does not have pre-existing performance criteria or objectives for the grant of cash bonuses. The Compensation Committee assesses the Corporation's achievement of its business strategy and the individual performance of each executive officer annually and determines the amount of the award, if any, at its discretion.

3. *Option Grants*

The Compensation Committee may award executive officers long-term incentives in the form of options to purchase common shares of the Corporation ("**Options**") pursuant to the Corporation's incentive stock option plan (the "**Option Plan**"). The Corporation believes that compensation to executive officers in the form of Options better aligns the interests of executive officers and shareholders and encourages long-term value creation for shareholders. The Compensation Committee believes that Options motivate a goal driven management team and build long-term employee loyalty and retention. Previous grants of Options are taken into account when considering new grants, however, the Compensation Committee does not have pre-existing performance criteria or objectives for the grant of Options. The Compensation Committee has discretion when making an award of Options to impose a vesting schedule for such award as it deems appropriate.

As the Corporation pays each element of compensation for a different purpose it makes decisions about each component independent of the others. Notwithstanding this fact, the Compensation Committee is always cognisant of the total size of each executive officer's compensation package and works to ensure that on the whole, it is appropriate given the financial resources, size and stage of development of the Corporation.

In 2014, the Compensation Committee did not consider the implications or the risks associated with the Corporation's compensation policies and practices. The Corporation periodically reviews its compensation practices to ensure they do not promote excessive risk taking or are likely to have a material adverse effect on the Corporation. There is currently no prohibition on an executive officer or director of the Corporation from purchasing financial instruments to offset a decrease in market value of equity securities held directly or indirectly by that executive officer. To the Corporation's knowledge no executive officer or director of the Corporation has entered into or purchased such a financial instrument.

Compensation Governance

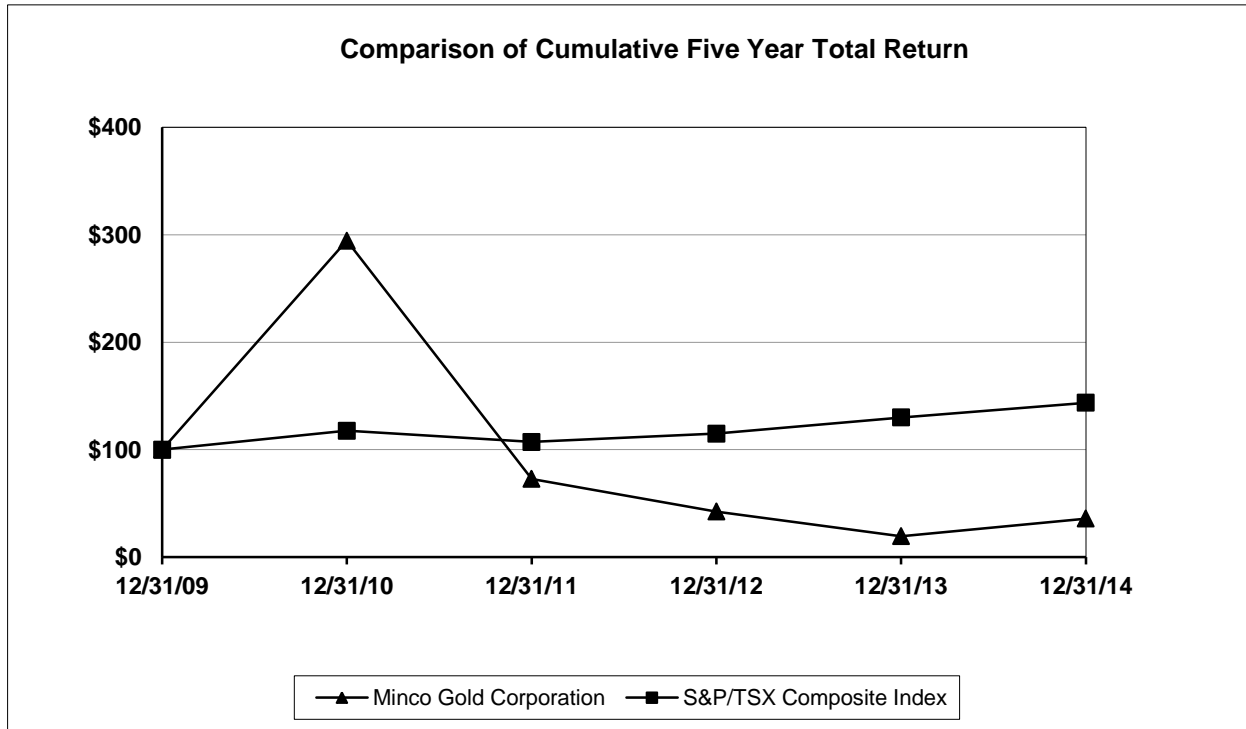
The Corporation's Compensation Committee is comprised of Robert M. Callander (Chair), Malcolm Clay and Michael Doggett, all of whom are independent directors within the meaning set out in National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). All three of the members of the Compensation Committee are experienced participants in the capital markets who have had experience sitting on the corporate boards in addition to that of the Corporation. The Compensation Committee has the responsibility of recommending stock option grants and bonus awards to the Board in addition to negotiating the NEOs' annual salaries or consulting fees.

Performance Graph

The Corporation's common shares trade on the Toronto Stock Exchange (the "**TSX**") under the symbol "MMM". The following graph compares the Corporation's cumulative total shareholder return on its common shares with the cumulative total return on the S&P/TSX Composite Index for the period from December 31, 2009 to December 31, 2014. The graph illustrates the cumulative return on a \$100 investment in the Corporation's common shares made on December 31, 2009 as compared with the cumulative return on a \$100 investment in the S&P/TSX Composite Index (assuming the reinvestment of dividends). The performance of the common shares as set out in the graph below does not necessarily indicate future price performance. Executive compensation has generally followed the trend in shareholder returns.

INDEXED RETURNS
Years Ending

Company / Index	Base Period					
	12/31/09	12/31/10	12/31/11	12/31/12	12/31/13	12/31/14
Minco Gold Corporation	100	294.57	72.83	42.39	19.57	35.87
S&P/TSX Composite Index	100	117.56	107.26	114.94	129.91	143.60



The following table (and notes thereto) states the name of each Named Executive Officer and his or her annual compensation, consisting of salary, bonus and other annual compensation, including Options granted, for the three most recently completed financial years of the Corporation:

Name and principal position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽³⁾	Annual non-equity incentive plan compensation (\$) ⁽⁴⁾	Pension value (\$)	All Other Compensation (\$)	Total Compensation (\$)
Ken Z. Cai Chief Executive Officer and President ⁽¹⁾	2014	83,333 ⁽²⁾	N/A	76,147	30,000	N/A	11,181 ⁽⁵⁾	200,661
	2013	83,333	N/A	137,234	35,000	N/A	11,277	266,844
	2012	83,333	N/A	385,020	Nil	N/A	14,098	482,451
Samson Siu Interim CFO	2014	43,333 ⁽⁶⁾	N/A	5,313	4,000	N/A	Nil	52,646
	2013	41,666	N/A	29,061	2,500	N/A	Nil	73,227
	2012	6,666	N/A	Nil	Nil	N/A	Nil	6,666
Ellen Wei Former CFO	2014	20,485 ⁽⁷⁾	N/A	12,396	Nil	N/A	39,000 ⁽⁸⁾	71,881
	2013	49,833	N/A	48,435	4,000	N/A	Nil	102,268
	2012	56,858	N/A	51,113	Nil	N/A	Nil	107,971

- (1) As a management director of the Corporation, Dr. Cai does not receive any director's fees relating to his role as a Director.
- (2) Represents fees paid to MLK Capital Corporation ("MLK") and Sinocan Capital Limited ("Sinocan"), companies controlled by Dr. Cai, through which Dr. Cai provides services to the Corporation.
- (3) The Black Scholes valuation methodology was used to determine fair value on the date of grant. Accordingly, the value shown for these options are not in-the-money value at the time of grant, but the theoretical value of the options at that time based on the Black Scholes option pricing formula. Key assumptions and estimates used in the pricing model include: a risk-free interest rate of 1.27%-1.68%, based on average yields of five-year Government of Canada benchmarks bonds, dividend yield of 0%; volatility ranging from 87% to 91% based on historical volatility of the stock price of the Corporation for the five-year period immediately preceding the grant date, and expected option life of 5 years. Please see the table under "Outstanding Share-based Awards and Option-based Awards for Named Executive Officers" for the in-the-money value of these options as at December 31, 2014.
- (4) Amounts represent cash bonuses awarded to the NEOs in respect of the financial year.
- (5) Represents life insurance premiums paid during the year.
- (6) Mr. Siu's 2014 salary includes \$17,333 as the Corporation's Corporate Controller from January 1, 2014 to June 2, 2014, and also \$26,000 as the Company's Interim CFO from June 2, 2014 to December 31, 2014.
- (7) Ms. Wei ceased to act as Chief Financial Officer of the Corporation effective May 22, 2014.
- (8) Amounts represent termination benefits paid.

Outstanding Share-based Awards and Option-based Awards for Named Executive Officers

Name and principal position	Option-based Awards			
	Number of securities underlying unexercised options (#) ⁽¹⁾	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽²⁾
Ken Z. Cai Chief Executive Officer and President	430,000	0.26	January 17, 2019	30,100
	525,000	0.45	December 4, 2017	Nil
	425,000	0.46	January 14, 2018	Nil
	475,000	0.67	March 28, 2017	Nil
	500,000	2.14	January 14, 2016	Nil
Samson Siu Interim CFO	30,000	0.26	January 17, 2019	2,100
	30,000	0.46	January 14, 2018	Nil

- (1) Represents the number of outstanding Options, both vested and unvested. All outstanding Options are vested except for options expiring January 17, 2019 (67% unvested).
- (2) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on December 31, 2014, based on the difference between market price of the Corporation's common shares and the exercise price on such date.

The table above states, as at December 31, 2014, the number of Options unexercised, the Option exercise price and the expiration date for each Option for each NEO named therein. As at December 31, 2014, the value of in-the-money unexercised Options held by the Named Executive Officers was \$32,200. The NEOs were not provided with any other share based awards.

Incentive Plan Awards – Value Vested or Earned During the Year for Named Executive Officers

Name and principal position	Option-based awards – Value vested during the year (\$) ⁽¹⁾	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Ken Z. Cai Chief Executive Officer and President	25,800	N/A	Nil
Samson Siu Interim CFO	1,800	N/A	Nil

(1) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on the vesting date during the year, based on the difference between market price of the Corporation's common shares and the exercise price on such vesting date.

During the most recently completed financial year, the Named Executive Officers exercised Options to purchase 60,000 common shares of the Corporation under the Option Plan.

Pension Plan Benefits

The Corporation does not provide pension plan benefits to any NEO.

Termination and Change of Control Benefits and Employment Contracts

Chief Executive Officer and President

The Corporation's subsidiary, Minco Resources Limited ("**Minco Resources**") has entered into a consulting agreement (the "**Agreement**") with Dr. Cai dated January 1, 2014. Dr. Cai's time and salary are allocated 40% to the Corporation. Under the terms of the Agreement, Dr. Cai is entitled to compensation based on his remuneration at the time, in the event of termination without cause.

If the Corporation terminates the Agreement without cause, Dr. Cai shall receive 24 months of compensation.

The Agreement shall terminate on the occurrence of any of the following events: (i) the mutual consent in writing of both parties to the Agreement to terminate the services; (ii) the termination of Dr. Cai's services by the Corporation with cause, which shall include a material breach by Dr. Cai of one or more of the terms of the Agreement; (iii) written notice given by one party to the other setting out a date for termination effective not less than six (6) months after the date on which the notice is deemed to be given; or in the event that Dr. Cai's services are terminated with cause, no severance shall be provided. In the event that Dr. Cai's services are terminated, the Corporation shall pay severance equal to 24 months of fees.

In the event that there is a take-over or change of control of Minco Resources or the Corporation resulting in the actual or constructive termination of Dr. Cai's services under the Agreement, the Corporation shall pay compensation equal to 24 months of fees in addition to the termination. This severance shall be paid as a lump sum payment on the day after Dr. Cai's termination.

If the Agreement had been terminated without cause on December 31, 2014, Dr. Cai would have received a cash payment of \$160,000. Dr. Cai's vested options would be cancelled 30 days after the date of termination without cause and immediately if terminated with cause.

Compensation of Directors

The Corporation's directors receive an annual retainer fee of \$10,000 per year along with a fee of \$500 for their attendance at each meeting. The Chairman of each of the Corporation's committees receives an additional fee of \$1,000 per year. The Corporation's directors are granted Options on an annual basis as recommended by the Corporation's Compensation Committee.

The following table discloses the compensation of the non-management directors of the Corporation for the most recently completed financial year:

Name	Fees earned (\$)	Share-based awards (\$)	Option-based awards (\$) ⁽¹⁾	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Robert M. Callander	18,500	N/A	26,563	Nil	N/A	Nil	45,063
Malcolm Clay	19,500	N/A	22,136	Nil	N/A	Nil	41,636
Michael Doggett	17,000	N/A	22,136	Nil	N/A	Nil	39,136

(1) The Black Scholes valuation methodology was used to determine fair value on the date of grant. Accordingly, the value shown for these options are not in-the-money value at the time of grant, but the theoretical value of the options at that time based on the Black Scholes option pricing formula. Key assumptions and estimates used in the pricing model include a risk-free interest rate of 1.68% based on average yields of five-year Government of Canada benchmarks bonds, dividend yield 0%, volatility of 87% based on historical volatility of the stock price of the Corporation for the five-year period immediately preceding the grant date, and expected option life of 5 years. Please see the table under "Outstanding Share-based Awards and Option-based Awards for Directors" for the in-the-money value of these options on December 31, 2014.

The Corporation's non-management directors were granted a total of 400,000 Options during the 2014 fiscal year.

Outstanding Share Based Awards and Option Based Awards for Directors

Currently, no directors hold any share based awards.

The table below states the name of each non-management director, the number of option based awards and the value of the awards if the directors were to have exercised their Options on December 31, 2014.

Name	Option-based Awards			
	Number of securities underlying unexercised options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of unexercised in-the-money options (\$) ⁽¹⁾
Robert M. Callander	150,000	0.26	January 17, 2019	10,500
	150,000	0.45	December 4, 2017	Nil
	150,000	0.46	January 14, 2018	Nil
	150,000	0.67	March 28, 2017	Nil
	125,000	2.14	January 14, 2016	Nil
Malcolm Clay	125,000	0.26	January 17, 2019	8,750
	125,000	0.45	December 4, 2017	Nil
	125,000	0.46	January 14, 2018	Nil
	125,000	0.67	March 28, 2017	Nil
	100,000	2.14	January 14, 2016	Nil
Michael Doggett	125,000	0.26	January 17, 2019	8,750
	125,000	0.45	December 4, 2017	Nil
	125,000	0.46	January 14, 2018	Nil
	125,000	0.67	March 28, 2017	Nil
	100,000	2.14	January 14, 2016	Nil

- (1) The amount represents the aggregate dollar value that would have been realized if the Options had been exercised on December 31, 2014, based on the difference between market price of the Corporation's common shares and the exercise price on such date.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table sets out information relating to the Option Plan as at December 31, 2014:

Equity compensation plans approved by shareholders	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Option Plan	6,460,501	\$0.79	1,116,731

Stock Option Plan

The Corporation adopted the Option Plan for certain directors, employees and consultants (collectively, the "Eligible Persons") of the Corporation and its affiliates. The maximum number of common shares to be reserved for issuance at any one time under the Option Plan is 15% of the issued and outstanding common shares of the Corporation. As of the date of this Information Circular, there were 5,834,501 issued and outstanding Options, representing 11.53% of the outstanding common shares. Under the terms of the Option Plan, the maximum number of common shares that may be issued to insiders of the Corporation as a group within any 12 month period shall not exceed 15% of the number of common shares then outstanding. In addition, the aggregate number of common shares issuable to insiders under the plan and any other security based compensation arrangement of the Corporation shall not exceed 15% of the issued and outstanding common shares of the Corporation. The exercise price for an Option granted under the Corporation's Option Plan may not be less than the market price being the closing price of the common shares on the TSX on the business day preceding the date of grant of the Option of the Corporation's common shares on the date of the grant. Options granted under the Option Plan may be subject to vesting requirements. Unless otherwise determined by the Board, one third of the Options granted vest within six months of the grant date, one third of the Options granted vest within 12 months of the grant date and the final one third of the Options granted vest within 18 months of the grant date. Options granted under the plan may include stock appreciation rights ("SARs"). A SAR granted under the Option Plan shall entitle the Eligible Person to elect to surrender to the Corporation an unexercised Option, and to receive from the Corporation in exchange for that number of shares having an aggregate value equal to the difference between the exercise price of such Option and the weighted average sale price per share on the TSX for the five (5) trading days preceding the date the notice of exercise of the SAR is received by the Corporation. To date, no SARs have been issued under the Option Plan.

Options will be granted for a period which may not exceed five (5) years from the date of grant (unless otherwise extended if the expiry date of an Option shall fall on date during a trading black out period that has been self imposed by the Corporation, in which case the expiry date of the Option shall be extended to the fifth (5th) business day following the date that such black out period is lifted by the Corporation but will expire by the earlier of 30 days of an Eligible Person ceasing to be a director, employee of or consultant to the Corporation and the expiry date of the Option in most circumstances. In cases of death, Options granted shall be exercisable by the Eligible Person's heirs or legal representatives by the earlier of 12 months of the Eligible Person's death and the expiry date of the Option. No rights under the Option Plan and no Option awarded pursuant to the Option Plan are assignable or transferable by any Eligible Person.

The Option Plan also contains the following material terms and conditions (unless otherwise defined herein, all capitalized terms have the meaning set forth in the Option Plan):

- (a) Disinterested Shareholder Approval must be obtained:
 - (i) for any reduction in the exercise price of an Option if the Optionee is an Insider of the Corporation at the time of the proposed amendment; and
 - (ii) in all other circumstances where disinterested shareholder approval is required by any stock exchange on which the common shares are listed or by any regulatory authority having jurisdiction over the Corporation.
- (b) If any Option granted under the Option Plan shall expire or terminate for any reason without having been exercised in full, the unpurchased common shares subject thereto shall again be available for issuance after 30 days.
- (c) The Board may, subject to prior TSX approval, but without shareholder approval, amend from time to time the expiry date, the vesting conditions and/or exercise price of Options granted to Eligible Persons (other than Insiders). All other amendments to the Option Plan or to Options granted pursuant to the Option Plan shall not become effective until TSX and shareholder approval, as required, has been received.
- (d) Options are non-assignable and non-transferable.

The Option Plan is subject to the rules and policies of the TSX, including the requirement for shareholder approval of all unallocated Options every three years following institution.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at the date of this Information Circular, no individual who is or was a director, executive officer or employee of the Corporation or any of its subsidiaries, any proposed nominee for election as a director of the Corporation or any associate of such director or officer, is or was, at the end of the most recently completed financial year, indebted to the Corporation or any of its subsidiaries since the beginning of the most recently completed financial year of the Corporation, or is or has been indebted to another entity that is or has been 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 during that period.

MANAGEMENT CONTRACTS

To the best of the knowledge of the directors and officers of the Corporation, management functions of the Corporation are not, to any substantial degree, performed by a person other than the directors and senior officers of the Corporation.

AUDIT COMMITTEE

For information regarding the Corporation's Audit Committee, please refer to the Corporation's Annual Report on Form 20-F for the year ended December 31, 2014 under the heading "Audit Committee", available on SEDAR at www.sedar.com. The full text of the Audit Committee's charter is attached hereto as Schedule "A".

CORPORATE GOVERNANCE

Board of Directors

The Board is responsible for managing and supervising the management of the business and affairs of the Corporation. Each year, the Board must review the relationship that each director has with the Corporation in order to satisfy themselves that the relevant independence criteria have been met.

Other than interests arising from shareholdings in the Corporation, all of the directors of the Corporation, other than Dr. Cai, are "independent" within the meaning set out in NI 52-110 in that they are free from any interest which could reasonably interfere with their exercise of independent judgment as directors of the Corporation. Dr. Cai is an executive officer of the Corporation and therefore not independent.

In order to facilitate its exercise of independent judgment in carrying out its responsibilities, the Board may establish informal committees on an as needed basis consisting solely of independent directors to consider certain matters to be considered by the Board. The Board, or any committee, may also seek advice from outside advisors. The Board also follows a practice whereby any director who has an interest in a matter that the Board is considering must abstain from voting on the matter and exit the Board meeting while such matter is being considered by the Board.

The following directors of the Corporation hold directorships in other reporting issuers as set out below:

Name of Director	Name of Other Reporting Issuer
Ken Z. Cai	Minco Silver Corporation Minco Base Metals Corporation
Malcolm Clay	Powertech Uranium Corp. Hanwei Energy Services Corp. Oakmont Minerals Corp. Wolverine Minerals Corp.
Michael Doggett	Altan Nevada Minerals Limited Murgor Resources Inc. Pacific Link Mining Corp. Riverside Resources Inc.

The independent directors have not in the past held regularly scheduled meetings at which non-independent directors and members of management are not in attendance. However, in order to facilitate open and candid discussion among independent directors, communication among the independent directors occurs on an informal and ongoing basis as such need arises.

Although Mr. Cai, Chief Executive Officer and President of the Corporation, generally chairs meetings of the Board, the Corporation does not have a Chairman of the Board. Rather, the Corporation has appointed Robert M. Callander as "Lead Director" to provide leadership to the independent directors of the Corporation. The primary role and responsibility of the Lead Director is to provide leadership in ensuring Board effectiveness. The Lead Director is responsible for facilitating and encouraging open and effective communication between the management of the Corporation and the Board, consulting with the Chief Executive Officer and President in setting the agenda for Board meetings, ensuring Board committees function appropriately, chairing meetings of the independent members of the Board and chairing Board meetings when the Chief Executive Officer and President is absent. The Board believes that this structure best reflects the entrepreneurial leadership of the

Corporation. The Board is satisfied that the autonomy of the Board and its ability to function independently of management are protected through measures such as the Audit Committee, the Compensation Committee and the Nominating Committee being composed of all independent directors. In addition, the independent members of the Board meet separately from the non-independent members and the Board encourages its independent members to seek the advice of financial, legal or other consultants when necessary.

The Board committees assist in the effective functioning of the Board. All Board committees are currently comprised of all independent directors, which ensures that the views of independent directors are effectively represented. The Board has three committees: the Compensation Committee, the Nominating Committee and the Audit Committee. Special committees may be formed from time to time as required to review particular matters or transactions.

The Compensation Committee is responsible for the development, implementation and monitoring of the Corporation's compensation policy for executive officers and members of the Board.

The following are the members of the Compensation Committee:

Robert M. Callander (Chair)
Malcolm Clay
Michael Doggett

The Nominating Committee was appointed by the Board to propose new nominees from time to time as the need arises.

The following are the members of the Nominating Committee:

Michael Doggett (Chair)
Robert M. Callander
Malcolm Clay

The Audit Committee is appointed by the Board to assist in monitoring: (i) the integrity of the financial statements of the Corporation; (ii) the compliance by the Corporation with the legal and regulatory requirements; and (iii) the independent performance of the Corporation's external auditors, which shall report directly to the Audit Committee.

The following are the members of the Audit Committee:

Malcolm Clay (Chair)
Robert M. Callander
Michael Doggett

The following table sets forth the number of Board and committee meetings held and attendance by directors for the most recently completed financial year:

The following table summarizes the number of Board and committee meetings held during the 2014 fiscal year.

Meeting Type	Totals
Board of Directors	8
Independent Board of Directors Meetings	3
Compensation Committee	2
Nominating Committee	0
Audit Committee	4
Total number of meetings held	17

The Corporation's current Board mandate, which is reviewed on an annual basis, is attached hereto as Schedule "B". The Board has not developed written descriptions for the Chief Executive Officer or the chairs of each committee of the Board. The chairs of each committee of the Board follow the charter for the respective committee, if any.

Orientation and Continuing Education

The Corporation does not have a formal process of orientation and education for new members of the Board. The current directors are experienced in boardroom procedure and corporate governance and generally have a good understanding of the business. As necessary, new members of the Board are provided with information about the Corporation, the role of the Board, the Board's committees, the Board's directors and the Corporation's industry. In addition, the Corporation provides continuing education for its directors as such need arises.

Ethical Business Conduct

The Corporation adopted a Code of Ethics (the "**Code**"), which is available on the Corporation's website at www.mincogold.com. The Code sets out the principles that should guide the behavior of the Corporation's directors, officers and employees. The Board is responsible for monitoring compliance with the Code.

The Corporation has also adopted a Whistleblower Policy which is incorporated within the Corporation's Communications Policy. A copy of the Communications Policy may be obtained by written request to the Corporation's offices located at 2772-1055 West Georgia Street, Vancouver, BC V6E 3P3, Attn: Corporate Secretary.

To ensure directors of the Corporation exercise independent judgment in considering transactions, agreements or decisions in respect of which a director or executive officer has declared a material personal interest (in accordance with relevant corporate law requirements), the Board follows a practice whereby any such Board member must be absent during any Board discussion pertaining thereto and not cast a vote on any such matter. Significant contracts that may be deemed to be a conflict are also reviewed and approved by the Corporation's Audit Committee.

The Board advocates a high standard of integrity for all its members and the Corporation. To this end, all directors and officers are required to read and understand the Corporation's Code of Ethics and Communications Policy. The Board relies upon the selection of directors, officers, employees and consultants whom it considers as meeting the highest ethical standards to promote a culture of ethical business conduct. In addition, the Board must comply with conflict of interest provisions in Canadian corporate law and relevant securities regulatory

instruments in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.

Nomination of Directors

The Nominating Committee is composed entirely of independent directors and analyzes the needs of the Board when vacancies arise and identifies and proposes new nominees who have the necessary competencies and characteristics to meet such needs. New candidates are introduced to the Board by members of the Nominating Committee. In order to foster an objective nomination process, the independent members of the Board are encouraged to recommend nominees for the Board.

Compensation

The Compensation Committee is appointed by the Board to, among other things, discharge the Board's responsibilities relating to compensation of the Corporation's directors and officers. The Compensation Committee periodically reviews the adequacy and form of compensation to ensure it realistically reflects the responsibilities and risks involved in being an effective director or officer and allows the Corporation to attract qualified candidates. Such review includes an examination of publicly available data as well as independent compensation surveys.

The Compensation Committee annually reviews and approves corporate goals and performance milestones relevant to the compensation of the Chief Executive Officer, Chief Financial Officer and other executive officers (collectively, the "**Senior Officers**"). It evaluates the Senior Officer's performance in light of those goals and objectives and sets the Chief Executive Officer's compensation level based on this evaluation. The Compensation Committee meets without the presence of other executive officers when approving the Chief Executive Officer's compensation.

The Compensation Committee is comprised of independent directors. In order to ensure an objective process for determining compensation, the Compensation Committee reviews independent materials such as pay survey data and industry reports. The Compensation Committee benchmarks against other companies using peer group studies compiled for the Compensation Committee. In addition, the Compensation Committee may consult with outside independent compensation advisory firms if it deems advisable.

Assessments

The Board is responsible for keeping management informed of its evaluation of the performance of the Corporation and its senior officers in achieving and carrying out the Board's established goals and policies, and is also responsible for advising management of any remedial action or changes which it may consider necessary. Additionally, directors are expected to devote the time and attention to the Corporation's business and affairs as necessary to discharge their duties as directors effectively.

The Board does not have a formal process to monitor the effectiveness of the Board, its committees and individual members, but rather relies on an informal review process. In order to gauge performance, the Board considers the following:

- (a) input from directors, where appropriate;
- (b) attendance of directors at meetings of the Board and any committee;
- (c) the charter of each committee; and
- (d) the competencies and skills each individual director is expected to bring to the Board and each committee.

Term Limits and Representation of Women on the Board

At this time, there are no directors on the Board who are women. The Corporation has not adopted term limits for the directors of the Company, a written policy relating to the identification and nomination of women directors, or a target regarding women on the Board and women in executive officer positions. In addition, neither the Board nor the Nominating Committee have considered the level of representation of women on the Board in identifying and nominating candidates for election and re-election. The Board believes that the imposition of director term limits on a board may discount the value of experience and continuity amongst board members and runs the risk of excluding experienced and potentially viable board members. The Board relies on an annual director assessment procedure in evaluating Board members and believes that it can best strike the right balance between continuity and fresh perspectives without mandated term limits.

While the Board has not adopted a written policy nor targets relating to the identification and nomination of women directors, the Board does take into consideration a nominee's potential to contribute to diversity within the Board. The Corporation ensures the most talented and strongest leaders are recruited, developed and retained to achieve its business objectives and recognizes the value of diversity, including knowledge, experience, skills, expertise, gender and background in making its decisions.

APPOINTMENT OF AUDITORS

Management of the Corporation will recommend at the Meeting that shareholders re-appoint PricewaterhouseCoopers LLP, Chartered Accountants ("**PwC**"), as auditors of the Corporation until the next annual meeting of shareholders and to authorize the directors to fix their remuneration. PwC were first appointed as auditors of the Corporation on June 28, 2010.

PARTICULARS OF MATTERS TO BE ACTED UPON

Sale of Substantially All Assets

At the Meeting, shareholders of the Corporation will be asked to approve a special resolution authorizing the sale of substantially all of the Corporation's assets.

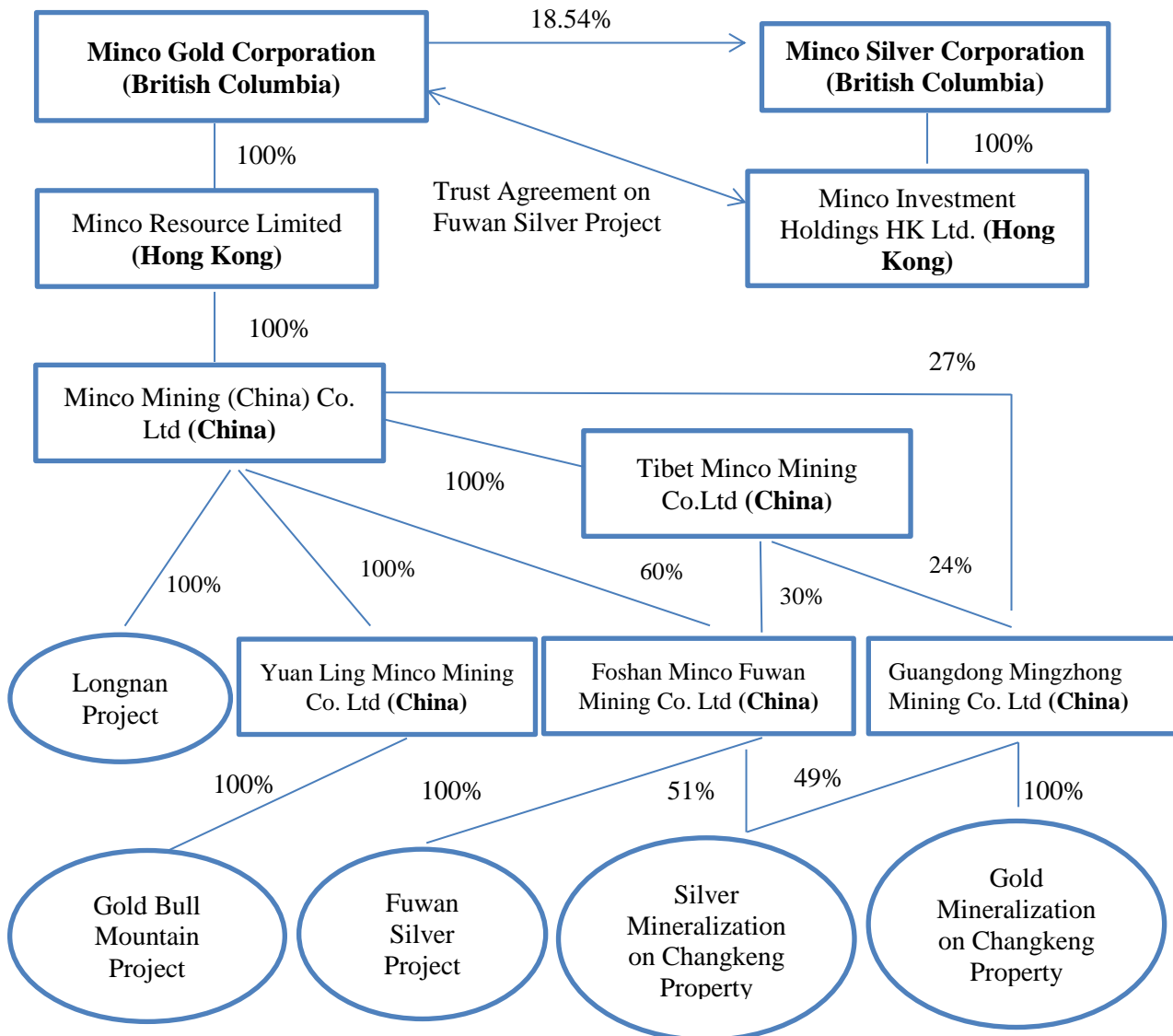
The Corporation operates a number of mineral exploration projects in China indirectly through Minco Mining (China) Co. Ltd., a wholly-owned Chinese subsidiary of Minco Resource Limited ("**Minco Resources**"). Minco Resources is a wholly-owned Hong Kong subsidiary of the Corporation. The mineral exploration property known as the Changkeng Property is held by Guangzhou Mingzhong Mining Co. Ltd. ("**Guangzhou**"). Guangzhou is a Chinese corporation owned 51% by two indirect wholly owned subsidiaries of the Corporation, with the remaining 49% held by an unrelated third party (the "**Changkeng Joint Venture**"). See corporate organizational chart below.

The Corporation's 51% undivided interest in the silver mineralization of the Changkeng Property was assigned to Minco Silver Corporation ("**Minco Silver**"), however the Corporation retained a 51% undivided interest in the gold mineralization of the Changkeng Property (the "**Changkeng Gold Project**"). Pursuant to the terms of various trust and confirmation agreements, the Corporation and Minco Resources have held the legal title and the beneficial interests in the silver mineralization of the Changkeng Property in trust for Minco Silver.

The Corporation's principal mining asset is the Changkeng Gold Project. The Corporation also holds exploration permits in various other regions in China, including the Longnan Project, Gold Bull Mountain Project and the Tugurige Gold Project (collectively, the "**Other Projects**"). The Corporation considers that the Other Projects have no significant material value as compared to the Changkeng Gold Project and constitute "non-core assets". The Corporation also owns 11,000,000 common shares of Minco Silver, representing approximately 18.4% of Minco Silver's outstanding common shares.

For more information on the Corporation and the Changkeng Property, please refer to the Corporation's most recent annual report on Form 20-F for the fiscal year ended December 31, 2014 and the technical report entitled "Technical Report and Updated Resource Estimate on the Changkeng Gold Project Guangdong Province, China", dated effective February 21, 2009, which documents have been filed on SEDAR at www.sedar.com.

The following chart sets forth the Corporation's corporate structure, including its significant subsidiaries, related parties and their jurisdictions of incorporation along with the various mineral properties held by each of them, as at the date hereof:



Transaction Overview

The Corporation wishes to sell to Minco Investment Holdings HK Ltd. ("**Minco Investments**"), as purchaser, a wholly owned subsidiary of Minco Silver (the "**Transaction**" or the "**Sale**"), all of its interest in the Changkeng Gold Project and the Changkeng Joint Venture for an aggregate purchase price of \$13,732,260 (the "**Purchase Price**"). The Transaction shall be effected by the sale, transfer and assignment by the Corporation to Minco

Investment of all of the issued and outstanding shares of Minco Resources, subject to Minco Silver holding in trust, directly or indirectly, for the benefit of the Corporation, the Other Projects.

The Corporation, Minco Silver and Minco Investments entered into a share purchase agreement dated May 22, 2015 (the "**Share Purchase Agreement**") in respect of the Transaction. Please refer to the Share Purchase Agreement, a copy of which is available on SEDAR at www.sedar.com, for full particulars of the terms of the Sale.

An advance payment in the amount of \$1,600,000 (the "**Advance**") was made by Minco Silver to the Corporation concurrent with the signing of the Share Purchase Agreement, with the Corporation's shares in Minco Silver being pledged as collateral for the Advance. In the event that the Share Purchase Agreement is terminated in accordance with its terms, the Corporation has agreed to repay the Advance to Minco Silver together with accrued interest of 8% per annum.

The Purchase Price will be partially set off by the Advance and the Corporation's outstanding indebtedness to Minco Silver in the amount of \$3,700,000, such that the cash amount payable upon closing of the Sale shall equal \$8,432,260. As of the date of the Share Purchase Agreement, the Changkeng Joint Venture had a cash balance of \$1,226,000, of which \$625,260 is attributable to the Corporation based on its 51% interest in the Changkeng Joint Venture (the "**Remaining Cash**"). As the Remaining Cash has not been allocated for any specific purpose, the Remaining Cash is included in the Purchase Price and the Purchase Price shall be adjusted at the closing of the Sale to the extent that the Corporation's portion of the Changkeng Joint Venture cash balance is less than \$625,260.

The Transaction, if approved by the shareholders of the Corporation and if all other conditions to closing and actions to be taken at closing set forth in the Share Purchase Agreement are met, completed or where applicable, waived, is expected to close on or before July 31, 2015. Closing is conditional on the Transaction being approved by the shareholders of both the Corporation and Minco Silver and receipt of TSX approval. Closing is also conditional on the holders of no more than 5% of the outstanding common shares of the Corporation having exercised their rights of dissent in respect of the Sale Resolution, as defined below.

The Corporation intends to use the proceeds from the Transaction to pursue strategic mineral acquisitions, joint ventures or other transactions outside of China.

Pursuant to Section 301 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), the Transaction constitutes a disposal of substantially all of the Corporation's assets.

Background to the Transaction

Following a strategic review, the Board has determined that the sale of substantially all of the assets of the Corporation is currently the best alternative available to the Corporation to maximize shareholder value based on the future outlook of the Corporation's business. The sale of all of the shares of Minco Resources shall result in the Corporation no longer holding any property or assets in China, except the Other Projects, and will provide the Corporation with the flexibility of pursuing other strategic acquisitions, joint ventures or other transactions elsewhere. By transferring the Corporation's existing Chinese corporate structure to Minco Silver, with Minco Silver holding the Other Projects in trust for the benefit of the Corporation, the Corporation shall preserve its access to any residual value the Other Projects may have, including the proceeds of any future dispositions thereof by Minco Silver. Following completion of the Transaction, the Corporation will continue to hold its shareholdings in Minco Silver.

The following is a summary of the principal events, meetings, negotiations, discussions and actions leading up to the public announcement of the Sale:

- Over the course of the 2014 fiscal year, the Board had various discussions regarding the Corporation disposing of all of its remaining mineral assets in China for the purposes of refocusing the geographical

operations of the Corporation. Preliminary discussions with potential purchasers in China did not materialize.

- Following the Board's meeting in January 2015, the Board determined to pursue the sale of the Changkeng Gold Project and appointed Michael Doggett, an independent member of the Board, to approach Minco Silver, which had expressed interest in the property, and negotiate a potential transaction.
- Detailed discussions took place with Minco Silver throughout January - March, 2015, during which Minco Silver indicated its serious interest in acquiring the Changkeng Gold Project.
- Considerable discussions ensued over the potential pricing of the Corporation's interest in the Changkeng Gold Project. After significant negotiation, the parties agreed to appoint an independent third party valuator to determine the fair value of the Changkeng Gold Project.
- On or about March 12, 2015, the Corporation and Minco Silver retained RWE Growth Partners Inc. ("**RwE**") as an independent third party valuator to prepare a valuation report for the Changkeng Gold Project.
- On May 7, 2015, RWE issued its valuation report (the "**Valuation**") to the Corporation and Minco Silver in respect of the Changkeng Gold Project. The report determined that the Changkeng Gold Project has a fair market value in the range of \$21,700,000 to \$29,600,000, with a midpoint of \$25,700,000, or \$13,100,000 based on the Corporation's 51% interest in the property. The full text of the Valuation is available under Minco Silver's profile on SEDAR at www.sedar.com.
- The Corporation made a final offer to Minco Silver, which was accepted, to sell the Changkeng Gold Project for the Purchase Price based upon the Valuation amount plus the Remaining Cash. The parties proceeded to negotiate the Share Purchase Agreement subject to the Other Projects being held in trust for the Corporation upon closing of the Sale (see "**Transaction Overview**" above).
- On May 22, 2015, the independent members of the Board, having reviewed and approved the Valuation, concluded that it was in the best interests of the Corporation to approve the Transaction and the Share Purchase Agreement. The Share Purchase Agreement was entered into effective the same day and the Corporation issued a news release announcing the Transaction.

Related Party Considerations

The Corporation owns 11,000,000 common shares of Minco Silver, representing approximately 18.4% of Minco Silver's outstanding common stock, and Ken Cai, Chief Executive Officer, President and a director of the Corporation, owns 560,000 common shares of Minco Silver, representing an additional 0.9% of Minco Silver's outstanding common stock. In addition, Dr. Cai serves as Chairman, Chief Executive Officer and a director of Minco Silver. In light of Dr. Cai's role with both the Corporation and Minco Silver, Dr. Cai likely has a beneficial interest, directly or indirectly, in the Transaction. Dr. Cai has disclosed this interest to the Board and has abstained from voting on any resolutions of the Board in respect of the Transaction.

Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") regulates certain types of related party transactions to ensure equality of treatment among securityholders and may require enhanced disclosure, approval by a majority of security holders (excluding "interested parties" under applicable law), independent valuations and, in certain instances, approval and oversight of certain transactions by a special committee of independent directors. For example, Section 5.4 of MI 61-101 requires an issuer to obtain a formal valuation for a related party transaction, and Section 5.6 of MI 61-101 requires an issuer to seek minority shareholder approval before completing a related party transaction.

The Transaction constitutes a "related party transaction" for the Corporation pursuant to MI 61-101, however the requirements for obtaining a formal valuation and minority shareholder approval are not applicable to the Corporation because the Transaction constitutes a "downstream transaction" (as such term is defined in MI 61-101). As such, to be effective, the Transaction must only be approved by the affirmative vote of at least 66 2/3% of all of the votes cast on the Sale Resolution (as defined below) by shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Recommendation of the Board

The Board, with Dr. Cai abstaining, has unanimously approved the Sale and the resulting disposition of substantially all of the Corporation's assets. The Board believes that the Sale is in the best interests of the Corporation and, based on the factors set out below, the Sale is fair to the Corporation's shareholders. Accordingly, the Board unanimously recommends that shareholders allow for the completion of the Transaction with Minco Silver.

Reasons for the Recommendation

The conclusions and recommendations of the Board are based upon the following factors, amongst others:

- Shareholder Value: The Board concluded that the value offered to shareholders under the Share Purchase Agreement is the most favourable option to maximize shareholder value.
- Simplifying Corporate Structure: The Board considers that the resulting simplified corporate structure of the Corporation following the Sale, together with the proceeds from the Sale, would best position the Corporation for pursuing other strategic mineral acquisitions, joint ventures or other transactions while eliminating the costs of carrying and maintaining the Chinese corporate structure and preserving the residual value of the Other Projects.

Factors for Consideration

Factors for further consideration are as follows:

- The Corporation does not intend to declare or pay out any dividends following the closing of the Transaction.
- The Corporation intends to use its enhanced cash resources to seek other mining projects, resource development or producing assets or companies and believes that it would be well positioned to take advantage of opportunities in the current weak resource market.
- The Corporation may be required to delist its shares from the TSX and the NYSE MKT if it is unable to acquire a new project by the time of the closing of this Transaction and/or meet the ongoing listing requirements of the TSX and NYSE MKT. The Corporation intends to reapply for a new listing on a recognized stock exchange or quotation system in Canada and/or the United States in the event its shares are delisted, but there is no assurance that an application to any stock exchange would be approved, or if approved, that the timing of the re-listing would occur as requested or anticipated by the Corporation. Delisting of the Corporation's shares from the TSX and NYSE MKT would adversely impact the liquidity of the Corporation's shares. In addition, the market price at which shareholders may be able to sell their shares may not reflect the net asset value of the Corporation.

- There is no assurance that the Transaction will close even if it is approved by the Corporation's shareholders at the Meeting as closing is conditional upon the receipt of additional regulatory approvals to be obtained by both parties, as well as Dissenting Shareholders (as defined below) representing no more than 5% of the outstanding common shares of the Corporation.
- There may be unanticipated delays in completing the Sale for a number of reasons.
- If the Sale Resolution (as defined below) is approved, the Corporation may determine not to proceed with the Sale if the Board determines it to no longer be in the best interests of the Corporation.

Shareholders' Right to Dissent

Shareholders may dissent in respect of the Sale Resolution under Division 2, Part 8 of the BCBCA. If the Sale is completed, dissenting shareholders ("**Dissenting Shareholders**") who comply with the procedures set forth in the BCBCA will be entitled to be paid the fair value of their shares. This dissent right is summarized in Schedule "C" hereto and the text of Division 8, Part 2 of the BCBCA is set forth in Schedule "D" to this Information Circular. Only registered shareholders are entitled to exercise the right to dissent. Failure to comply strictly with the requirements set forth in Division 2, Part 8 of the BCBCA will result in the loss or unavailability of any right to dissent.

Resolution Sought

At the meeting, shareholders will be asked to approve a special resolution (the "**Sale Resolution**") in substantially the following form:

"**BE IT RESOLVED** as a special resolution that:

- (a) the sale of substantially all of the assets of Minco Gold Corporation (the "**Corporation**"), as described in the management information circular of the Corporation dated May 22, 2015 (the "**Sale**"), be and is hereby authorized and approved;
- (b) the entering into, execution and delivery of the share purchase agreement entered into among the Corporation, Minco Investment Holdings HK Ltd. and Minco Silver Corporation dated May 22, 2015 (the "**Share Purchase Agreement**") be and is hereby ratified, affirmed and approved, and the Corporation be and is hereby authorized to perform all of its obligations thereunder;
- (c) the Corporation be and is hereby authorized to take all such further actions and to execute and deliver all such further instruments or documents relating to, contemplated by or necessary or desirable in connection with the Sale or the Share Purchase Agreement;
- (d) any officer or director of the Corporation be and is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, agreements and instruments, and to perform or cause to be performed all such acts and things, as such officer or director shall determine to be necessary or desirable to give full effect to this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the performing or causing to be performed of such other acts or things; and

- (e) notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation be and is hereby authorized and empowered to defer acting on this special resolution or revoke this special resolution at any time before it is acted upon without further notice to or approval, ratification or confirmation by the shareholders, if it determines that the Sale is no longer in the best interests of the Corporation."

The Board has determined that passing the Sale Resolution is in the best interests of the Corporation and its shareholders and recommends that shareholders vote **IN FAVOUR** of the Sale Resolution. Pursuant to Section 301(1)(b) of the BCBCA, to be approved, the Sale Resolution requires the affirmative vote of at least two-thirds (66 $\frac{2}{3}$ %) of the votes cast by shareholders present in person or by proxy at the Meeting. **In the absence of a contrary instruction, the persons designated by management of the Corporation in the enclosed Proxy intend to vote FOR the Sale Resolution.**

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein, no director, executive officer or proposed nominee for election as a director of the Corporation, or any of their associates or affiliates, has any material interest, direct or indirect, by way of beneficial ownership of common shares of the Corporation or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors or the appointment of auditors of the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no insider of the Corporation, nor the proposed nominees for election as directors of the Corporation, nor any associate or affiliate of such insider or proposed nominees, has had any material interest, direct or indirect, in any transaction since the beginning of the last financial year of the Corporation, or in any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

REGISTRAR AND TRANSFER AGENT

The registrar and transfer agent of the Corporation is Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C 3B9.

OTHER BUSINESS

Management of the Corporation knows of no other matters to come before the Meeting other than as referred to in the Notice of Meeting. However, if any other matter(s) which are not known to management of the Corporation shall properly come before the Meeting, the Proxy given pursuant to the solicitation by management of the Corporation will be voted on such matter(s) in accordance with the best judgment of the person(s) voting the Proxy.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders may contact the Corporation to request copies of the Corporation's financial statements and management's discussion and analysis ("**MD&A**") by sending a written request to 2772-1055 West Georgia Street, Vancouver, British Columbia, Canada V6E 3R5, Attention: Corporate Secretary. Financial information is provided in the Corporation's comparative financial statements and MD&A for its fiscal year ended December 31, 2014, which are also available on SEDAR.

APPROVAL OF INFORMATION CIRCULAR

The undersigned hereby certifies that the contents and the sending of this Information Circular have been approved by the directors of the Corporation.

DATED at Vancouver, British Columbia, Canada, this 22nd day of May 2015.

**BY ORDER OF THE BOARD OF DIRECTORS OF
MINCO GOLD CORPORATION**

/s/ Ken Z. Cai

Ken Z. Cai

Chief Executive Officer, President and Director

Schedule "A"

Audit Committee Charter

MINCO GOLD CORPORATION

AUDIT COMMITTEE CHARTER

(as of November 8, 2012)

Mandate and Purpose of the Committee

The Audit Committee (the "**Committee**") of the board of directors (the "**Board**") of Minco Gold Corporation (the "**Company**") is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- a) the integrity of the Company's financial statements;
- b) the Company's compliance with legal and regulatory requirements, as they relate to the Company's financial statements;
- c) the qualifications, independence and performance of the Company's auditor;
- d) internal controls and disclosure controls;
- e) the performance of the Company's internal audit function;
- f) consideration and approval of certain related party transactions; and
- g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

Authority

The Committee has the authority to:

- a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- b) communicate directly with the Company's auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

Composition and Expertise

The Committee shall be composed of a minimum of three (3) members, each whom is a director of the Company. Each Committee member must be "independent" and "financially literate" as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four (4) times per year and as many additional times as the Committee deems necessary to carry out its duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Toronto Stock Exchange and shall recommend changes to the Board thereon.

Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

Duties and Responsibilities

Financial Reporting

- I. The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.
- II. The Committee is also responsible for:
 - (i) being satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;
 - (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;

- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability of thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

Auditor

- III. The Committee is responsible for recommending to the Board:
 - (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
 - (ii) the compensation of the Company's auditor.
- IV. The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

Relationship with the Auditor

- V. The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:
 - (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
 - (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
 - (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
 - (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

Accounting Policies

- VI. The Committee is responsible for:
 - (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;

- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

Risk and Uncertainty

- VII. The Committee is responsible for reviewing, as part of its approval of the financial statements:
 - (i) uncertainty notes and disclosures; and
 - (ii) MD&A disclosures.
- VIII. The Committee, in consultation with management, will identify the principal business risks and decide on the Company's "appetite" for risk. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board. The Committee is then responsible for communicating and assigning to the applicable Board committee such policies for implementation and ongoing monitoring.
- IX. The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

Controls and Control Deviations

- X. The Committee is responsible for reviewing:
 - (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
 - (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.
- XI. The Committee is also responsible for receiving reports from management when significant control deviations occur.

Compliance with Laws and Regulations

- XII. The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:
 - (i) tax and financial reporting laws and regulations;
 - (ii) legal withholdings requirements;

- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

Related Party Transactions

All transactions between the Company and a related party (each a "related party transaction"), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term "related party" includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the *Securities Act* (Ontario)), as well as all entities with common directors, officers, employees and consultants (each "general related parties"), and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly securities of the Company carrying more than 10% of the voting rights attached to all of the Company's outstanding voting securities (each "10% shareholders").

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company's auditor must be pre-approved by the Committee.

Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Committee and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

PROCEDURE FOR REPORTING OF FRAUD OR CONTROL WEAKNESSES

Each employee is expected to report situations in which he or she suspects fraud or is aware of any internal control weaknesses. An employee should treat suspected fraud seriously, and ensure that the situation is brought to the attention of the Committee. In addition, weaknesses in the internal control procedures of the Company that may result in errors or omissions in financial information, or that create a risk of potential fraud or loss of the Company's assets, should be brought to the attention of both management and the Committee.

To facilitate the reporting of suspected fraud, it is the policy of Company that the employee (the "whistleblower") has anonymous and direct access to the Chair of the Committee. The current Chair, Mr. Malcolm Clay, can be reached at 604-788-0693. Should a new Chair be appointed prior to the updating of this

document, current Chair will ensure that the whistleblower is able to reach the new Chair in a timely manner. In the event that the Chair of the Committee cannot be reached, the whistleblower should contact the Chair of the Board. Access to the names and place of employment of the Company's Directors can be found in the Company's website.

In addition, it is the policy of the Company that employees concerned about reporting internal control weaknesses directly to management are able to report such weaknesses to the Committee anonymously. In this case, the employee should follow the same procedure detailed above for reporting suspected fraud.

Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

Schedule "B"

Board of Directors Mandate

(Please see attached.)

MANDATE OF THE BOARD OF DIRECTORS

The following is the mandate of the board of directors of the Company (the "**Board**"):

- Advocate and support the best interests of the Company;
- Review and approve strategic, business and capital plans for the Company;
- Ensure that specific and relevant corporate measurements are developed and adequate controls and information systems are in place with regard to business performance;
- Review the principal risks of the Company's business and pursue the implementation of appropriate systems to manage such risks;
- Monitor progress and efficiency of strategic, business, and capital plans and require appropriate action to be taken when performance falls short of goals;
- Establish and monitor a Code of Ethics for directors, senior officers, and employees to address, among other matters, conflicts of interest, protection and proper use of corporate assets and opportunities, fair dealing with third parties, compliance with laws, rules and regulations, and reporting of any illegal or unethical behaviour;
- Review measures implemented and maintained by the Company to ensure compliance with statutory and regulatory requirements;
- Review and monitor the effectiveness of the Audit Committee, and the Audit Committee Charter, on at least an annual basis;
- Select, evaluate, and compensate the senior management;
- Grant share options or share appreciation rights, or both, and monitor the evaluation and compensation of senior management;
- Monitor the practices of management to ensure appropriate and timely communication of material information concerning the Company to its shareholders; in addition, assume responsibility for the Communication Policy of the Company to ensure that it addresses how the Company interacts with analysts and the public and that it contains measures for the Company to avoid selective disclosure and ensures that insiders understand their obligations with respect to trading in securities of the Company;
- Monitor compliance with the Communication Policy and be responsible for the granting of any waivers therefrom;
- Monitor overall safety and environmental policies and programs;
- Monitor the development and implementation of programs for management succession and development; and
- Discharge such other duties as may be required for the good stewardship of the Company.

In addressing its mandate above, the Board assumes responsibility for the following approvals:

Financial Approvals:

- Strategic plan;
- Annual business and capital plans and budget;
- Annual financial statements, Management Discussion & Analyses ("**MD&A**") and press releases;
- Quarterly financial statements and press releases;

- Capital expenditures in excess of \$100,000 for any single capital expenditure;
- Acquisitions and divestitures;
- Financings;
- Dividend policy; and
- Share re-purchase programs.

Human Resources Approvals:

- Appointment, succession, or dismissal of the senior management;
- Employment / termination agreements for key senior officers;
- Incentive Plans for directors, employees, consultants and others;
- Compensation for the senior management;
- Executive compensation arrangements and incentive plans; and
- Directors' and officers' liability insurance (if any).

Administration and Compliance Approvals:

- Appointment of Chair;
- Appointment of Board Committees and their Chairs;
- Nomination of Directors;
- Recommendation of Auditors to the Shareholders;
- Audit Committee Charter;
- Management Proxy Information Circular and Notice of Meeting;
- Annual Information Form (if any);
- Communication Policy; and
- Other major compliance policies.

In carrying out its mandate in connection with the compensation of senior management, the Board will:

- consider and recommend executive compensation programs including base salaries, short term and long term incentives, bonuses, stock options and perquisite programs, and to ensure that those programs are linked to the Company's business strategy and performance;
- annually consider, review and recommend approval of the incentive and bonus package of the senior officers;
- monitor succession planning to ensure that, where practical, appropriate successors are being developed for the senior officers;
- assist in the establishment, monitoring and evaluation of objectives and standards of performance for the senior officers, review the compensation of directors annually, and recommend any appropriate changes;
- review and recommend employment agreements and/or contracts of the senior officers; and

- review and approve any regulatory disclosure of executive compensation, such as that contained in the Management Proxy Information Circular, required by stock exchanges, securities commissions or other regulatory bodies.

In carrying out its mandate in connection with the good corporate governance (and until such duties are assumed by a Committee of the Board), the Chair of the Board will:

1. lead the process of recruiting, interviewing and recommending candidates to the Board;
2. annually recommend membership of the Committees of the Board and their respective Chairs to the Board for approval;
3. monitor the orientation and training of new Directors;
4. facilitate the evaluation of the performance of the Board, its Committees and of individual Directors through the administration of a periodic evaluation exercise, and present the results to the Board;
5. periodically review (at least on an annual basis) the Company's governance policies and practices against developments and changes in generally accepted best practices; and
6. periodically assess (at least on an annual basis) the Company's compliance with the governance guidelines of the Exchange.

COMPOSITION OF THE BOARD

The Board recognizes that the appropriate mix of skills, experience, age, and gender will help to enhance its performance. The composition of the Board should reflect business experience compatible with the Company's strategic and business objectives with consideration to the geographic regions in which it operates.

The following summarizes guidelines for future composition:

- The Board should not have less than three (3) members at any time, the majority of which should be "independent", as that term is defined under National Instrument 58-101 ("**NI 58-101**"). The Board will determine annually, based on all relevant facts and circumstances, whether each director satisfies the criteria for independence. The Company will disclose these determinations for each member of the Board and all Committees of the Board in the Company's annual management proxy information circulars or MD&A filings, as the case may be. Based on the principles stated in this Policy, the Board may adopt and disclose categorical standards to assist it in making such determinations;
- The size of the Board may be increased or decreased as permitted by law and the Articles of the Company, as determined to be appropriate by the Board;
- Vacancies created by the resignation or removal of a director or the addition of a director's position may be filled by the majority vote of the directors then in office, and such appointee shall serve in that capacity until the next annual meeting of the shareholders; and
- The Board will seek members from diverse professional and business backgrounds, who combine a broad spectrum of experience and expertise with a reputation for integrity.

Independence of Directors

Under NI 58-101, "*in British Columbia a director is independent: (a) unless a reasonable person with knowledge of all relevant circumstances would conclude that the director is in fact not independent of management or of any significant shareholder; or (b) if the Company is a reporting issuer in any other jurisdiction, the director is independent within the meaning of section 1.4 of MI 52-110, "Audit Committees"*."

The Board interprets these guidelines as meaning that an independent director is in essence a director who is not a member of the senior management of the Company, and is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from a director's direct or indirect shareholdings, provided the director is not directly or indirectly a "control person" as such term is defined under applicable securities legislation.

The Guidelines require that as part of its annual public disclosure of its governance policies, the Board must determine and disclose the number of independent directors on the Board and on each Committee of the Board. This determination may be made and formalized in the context of approval of the annual management proxy information circular or MD&A, as the case may be, and the governance practices disclosure contained in it.

The Role of the Chair

The Chair of the Board is elected by the Directors annually following the annual general meeting of shareholders of the Company. Specific duties of the Chair include:

- Establish the agendas for, schedule, and chair meetings of the Board and of the shareholders of the company;
- Manage the affairs of the Board;
- Monitor the Committees of the Board to ensure that they are working effectively;
- Act as an advisor and sounding board to the President & CEO;
- Provide a link between management and the Board and between the Board and the shareholders;
- Monitor whether the Board is receiving timely information of appropriate quality, before, during and after Board meetings; and
- The Chair shall be an "ex-officio" member of each Committee with full participation and voting rights.

THE ROLE OF DIRECTOR

Directors are elected by and accountable to the shareholders of the Company. Although Directors may be elected by the shareholders to bring their practical experience, special expertise or point of view to Board deliberations, they are not chosen to represent a particular constituency exclusively.

Pursuant to Canadian law, Directors have statutory and fiduciary obligations to "act honestly and in good faith with a view to the best interests of the corporation." The effect of this is that Directors owe the duties of a fiduciary to the Company. This duty is not owed to shareholders, even to a majority shareholder. The duties owed by Directors to shareholders (which are not deemed to be fiduciary in nature), include acting fairly and honestly in the deliberations of the Board. Canadian Courts have held that while it is proper for the Directors to have regard to the interests of the shareholders as well as the corporation, the best way to deal with any

competing interests is to "act in the best interests of the corporation and have the shareholders derive their benefit from a better corporation."

When a Director makes a material change in his principal occupation, the Board will take his or her new circumstances into account to determine whether the Director should be re-nominated.

NEW DIRECTORS

Criteria for selection of New Directors

There are personal qualities sought and a time commitment expected when choosing new Directors. Directors should be loyal to the Company and exercise care, diligence and skill in their dealings on behalf of the Company. They must have adequate time available to serve on the Board and should be willing to commit to an active term of three (3) years, although there is no specific time frame designated for Board membership. Full Board attendance is critical to the ongoing performance of the Board. It is therefore expected that Directors will make every effort to attend all Board meetings.

Qualities generally sought in Board members include integrity, track record of business success, leadership, fairness, decisiveness, and to have an active and committed interest in the work of a Director. Each Director should provide "a window to the world" for the Company and participate in positive networking so as to open doors for new opportunities for the Company.

Orientation and Training for New Directors

Orientation and training is monitored directly by the Board. When a Director is elected to the Board, he will be given an orientation package, including material that will assist him in becoming familiarized with the Company.

The orientation for a new director will include:

- Visits to the Company's facilities;
- Meetings with operating management;
- Familiarization with the Company's properties, partners and potential;
- An outline of the Company's history and other relevant data;
- Recent analysts' reports, if any;
- Copy of the Articles of the Company;
- A copy of this Statement of Governance Policies;
- Information on director and officer liability insurance coverage, if any;
- Guidance concerning trading in the Company's securities; and
- Information pertaining to remuneration.

Schedule "C"

Dissenting Registered Shareholders' Rights

Pursuant section 301(5) of the BCBCA, registered shareholders of the Corporation will be entitled to exercise dissent rights under Division 2 of Part 8 of BCBCA ("**Dissent Rights**") with respect to the Sale Resolution in accordance with the provisions of BCBCA. Any registered Shareholder who dissents (a "**Dissenting Shareholder**") in respect of the Sale and who strictly complies with the procedures and requirements set forth in the BCBCA will be entitled to be paid fair value of the common shares of the Corporation held by the Dissenting Shareholder determined as at immediately before the Sale Resolution was passed.

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of the fair value of such shareholder's shares and is qualified in its entirety by the reference to the full text of Division 2 of Part 8 of the BCBCA, which is attached to this circular at Schedule "D".

A shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Division 2 of Part 8 of the BCBCA. Failure to comply with the provisions of that section and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Persons who are Non-Registered Holders and who wish to dissent, should be aware that only the registered owner of such common shares is entitled to exercise Dissent Rights. Accordingly, a Non-Registered Holder desiring to exercise Dissent Rights must make arrangements for the common shares beneficially owned by such holder to be registered in its name prior to the time the written objection to the Sale Resolution is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of its common shares to dissent on its behalf. Non-Registered Holders who wish to dissent should contact their broker or other intermediary for assistance with exercising Dissent Rights under the BCBCA.

A Dissenting Shareholder must send to the Corporation a written objection to the Sale Resolution (a "**Notice of Dissent**"). The Notice of Dissent must be received by the Corporation c/o Sangra Moller LLP, Suite 1000 – 925 West Georgia Street, Vancouver, British Columbia, V6C 3L2, Attention: Mihai Ionescu, not later than two days before the Meeting or any adjournment(s) or postponement(s) thereof. A shareholder who wishes to dissent must prepare a separate Notice of Dissent for: (i) the shareholder, if the shareholder is dissenting on its own behalf; and (ii) each person who beneficially owns shares in the shareholder's name and on whose behalf such shareholder is dissenting. To be valid, a Notice of Dissent must:

- (a) identify in each Notice of Dissent the person on whose behalf Dissent Rights are being exercised;
- (b) set out the number of common shares of the Corporation in respect of which the shareholder is exercising Dissent Rights (the "**Dissenting Shares**"), which number cannot be less than all of the common shares held by the beneficial owner on whose behalf the Dissent Rights are being exercised;
- (c) if the Dissenting Shares constitute all of the shares of which the Dissenting Shareholder is both the registered owner and beneficial owner and the Dissenting Shareholder owns no other common shares as beneficial owner, a statement to that effect;
- (d) if the Dissenting Shares constitute all of the shares of which the Dissenting Shareholder is both the registered and beneficial owner but the Dissenting Shareholder owns other common shares as beneficial owner, a statement to that effect, and
 - i. the names of the registered owners of those other shares;

- ii. the number of those other shares that are held by each of those registered owners; and
 - iii. a statement that Notices of Dissent are being or have been sent in respect of all those other shares;
- (e) if Dissent Rights are being exercised by the Dissenting Shareholder on behalf of a Non-Registered Holder who is not the Dissenting Shareholder, a statement to that effect, and
- i. the name and address of the Non-Registered Holder, and
 - ii. a statement that the Dissenting Shareholder is dissenting in relation to all of the shares beneficially owned by the Non-Registered Holder that are registered in the Dissenting Shareholder's name.

The giving of a Notice of Dissent does not deprive a Dissenting Shareholder of its right to vote at the Meeting on the Sale Resolution. A vote against the Sale Resolution or the execution or exercise of a proxy does not constitute a Notice of Dissent. A shareholder is not entitled to exercise Dissent Rights with respect to any common shares of the Corporation if such shareholder votes (or instructs or is deemed, by submission of any incomplete proxy, to have instructed his, her or its proxyholder to vote) in favour of the Sale Resolution. A Dissenting Shareholder, however, may vote as a proxy for a shareholder whose proxy required an affirmative vote, without affecting his, her or its right to exercise Dissent Rights.

If the Corporation intends to act on the authority of the Sale Resolution, it must send a notice (the "**Notice to Proceed**") to each Dissenting Shareholder promptly after the later of:

- (a) the date on which the Corporation forms the intention to proceed; and
- (b) the date on which the Notice of Dissent was received.

If the Corporation has acted on the Sale Resolution, it must promptly send a Notice to Proceed to each Dissenting Shareholder. The Notice to Proceed must be dated not earlier than the date on which it is sent and state that the Corporation intends to act or has acted on the authority of the Sale Resolution and advise the Dissenting Shareholder of the manner in which dissent is to be completed under section 244 of the BCBCA.

On receiving a Notice to Proceed, a Dissenting Shareholder is entitled to require the Corporation to purchase all of the Dissenting Shares in respect of which the Notice of Dissent was given and Dissent Rights validly exercised. A Dissenting Shareholder who receives a Notice to Proceed, and who wishes to proceed with the dissent, must send to the Corporation within one month after the date of the Notice to Proceed:

- (a) a written statement that the Dissenting Shareholder requires the Corporation to purchase all of the Dissenting Shares;
- (b) the certificates representing the Dissenting Shares; and
- (c) if dissent is being exercised by the shareholder on behalf of a Non-Registered Holder who is not the Dissenting Shareholder, a written statement signed by the Non-Registered Holder setting out whether the Non-Registered Holder is the Non-Registered Holder of other shares of the Corporation and if so, setting out:
 - i. the names of the registered owners of those other shares;
 - ii. the number of those other shares that are held by each of those registered owners, and

- iii. that Dissent Rights are being exercised in respect of all of those other shares.

The Corporation and the Dissenting Shareholder may agree on the amount of the payout value of the Dissenting Shares and in that event, the Corporation must either promptly pay that amount to the Dissenting Shareholder or send a notice to the Dissenting Shareholder that the Corporation is unable lawfully to pay Dissenting Shareholders for their shares as the Corporation is insolvent or if the payment would render the Corporation insolvent.

If the Corporation and the Dissenting Shareholder do not agree on the amount of the payout value of the Dissenting Shares, the Dissenting Shareholder or the Corporation may apply to the court and the court may:

- (a) determine the payout value of the Dissenting Shares or order that the payout value of the Dissenting Shares be established by arbitration or by reference to the registrar or a referee of the court;
- (b) join in the application each Dissenting Shareholder who has not agreed with the Corporation on the amount of the payout value of its Dissenting Shares; and
- (c) make consequential orders and give directions it considers appropriate.

Promptly after a determination of the payout value of the Dissenting Shares has been made, the Corporation must either pay that amount to the Dissenting Shareholder or send a notice to the Dissenting Shareholder that the Corporation is unable lawfully to pay Dissenting Shareholders for their shares as the Corporation is insolvent or if the payment would render the Corporation insolvent. If the Dissenting Shareholder receives a notice that the Corporation is unable to lawfully pay Dissenting Shareholders for their shares, the Dissenting Shareholder may, within 30 days after receipt, withdraw his or her Notice of Dissent. If the Notice of Dissent is not withdrawn, the Dissenting Shareholder remains a claimant against the Corporation to be paid as soon as the Corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the Corporation but in priority to its other shareholders.

A Dissenting Shareholder who:

- (a) properly exercises Dissent Rights by strictly complying with all of the procedures required to be complied with by a Dissenting Shareholder under the BCBCA, will cease to have any rights as a shareholder other than the right to be paid the fair value of the Dissenting Shares by the Corporation in accordance with the BCBCA; or
- (b) seeks to exercise Dissent Rights, but who for any reason does not strictly comply with the provisions of Division 2 of Part 8 of the BCBCA, the Dissent Rights in respect of such Dissenting Shares terminates.

Shareholders who intend to exercise Dissent Rights should seek legal advice and carefully consider and comply with the provisions of the Dissent Rights. Failure to comply with the applicable Dissent Rights provisions and to adhere to the procedures established therein may result in the loss of the Dissent Rights in respect of the Sale Resolution. **Shareholders should be aware that simply voting against the Sale Resolution at the Meeting does not constitute the exercise of Dissent Rights.**

Schedule "D"

Excerpt from

BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*

PART 8

PROCEEDINGS

Division 2 — Dissent Proceedings

Definitions and application

237(1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

- (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,
- (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,
- (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or
- (d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations,

excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

- (2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that:
 - (a) the court orders otherwise, or
 - (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238(1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

- (a) under section 260, in respect of a resolution to alter the articles
 - (i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on, or
 - (ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91;
 - (b) under section 272, in respect of a resolution to adopt an amalgamation agreement;
 - (c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;
 - (d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;
 - (e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;
 - (f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;
 - (g) in respect of any other resolution, if dissent is authorized by the resolution;
 - (h) in respect of any court order that permits dissent.
- (2) A shareholder wishing to dissent must:
- (a) prepare a separate notice of dissent under section 242 for
 - (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,
 - (b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and
 - (c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.
- (3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must:
- (a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and
 - (b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239(1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

- (2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must:
- (a) provide to the company a separate waiver for
 - (i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and
 - (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and
 - (b) identify in each waiver the person on whose behalf the waiver is made.
- (3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to
- (a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and
 - (b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.
- (4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240(1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
 - (b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.
- (2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

- (a) a copy of the proposed resolution, and
- (b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

- (a) a copy of the resolution,
- (b) a statement advising of the right to send a notice of dissent, and
- (c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

- (a) a copy of the entered order, and
- (b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242(1) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(a), (b), (c), (d), (e) or (f) must,

- (a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,
- (b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or
- (c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of
 - (i) the date on which the shareholder learns that the resolution was passed, and
 - (ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238(1)(g) must send written notice of dissent to the company

- (a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or
 - (b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.
- (3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company
- (a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or
 - (b) if the court order does not specify the number of days referred to in paragraph
 - (c) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.
- (4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:
- (a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;
 - (b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;
 - (c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and
 - (i) the name and address of the beneficial owner, and
 - (ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.
- (5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243(1) A company that receives a notice of dissent under section 242 from a dissenter must,

- (a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of
 - (i) the date on which the company forms the intention to proceed, and
 - (ii) the date on which the notice of dissent was received, or
 - (b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.
- (2) A notice sent under subsection (1) (a) or (b) of this section must
- (a) be dated not earlier than the date on which the notice is sent,
 - (b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and
 - (c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244(1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

- (a) a written statement that the dissenter requires the company to purchase all of the notice shares,
 - (b) the certificates, if any, representing the notice shares, and
 - (c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.
- (2) The written statement referred to in subsection (1) (c) must
- (a) be signed by the beneficial owner on whose behalf dissent is being exercised, and
 - (b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out
 - (i) the names of the registered owners of those other shares,
 - (ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and
 - (iii) that dissent is being exercised in respect of all of those other shares.
- (3) After the dissenter has complied with subsection (1),
- (a) the dissenter is deemed to have sold to the company the notice shares, and
 - (b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245(1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

- (a) promptly pay that amount to the dissenter, or
- (b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

- (a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,
- (b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and
- (c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2)

(a) of this section, the company must

- (a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or
- (b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

- (a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

- (b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

- (a) the company is insolvent, or
- (b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

- (a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;
- (b) the resolution in respect of which the notice of dissent was sent does not pass;
- (c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;
- (d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;
- (e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;
- (f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;
- (g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;
- (h) the notice of dissent is withdrawn with the written consent of the company;
- (i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

- (a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

- (b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and
- (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.