

**CORO MINING CORP.**  
Suite 1280 – 625 Howe Street  
Vancouver, BC V6C 2T6

**INFORMATION CIRCULAR**  
(as at May 30, 2016 except as otherwise indicated)

**SOLICITATION OF PROXIES**

This information circular (the “Circular”) is provided in connection with the solicitation of proxies by the management of Coro Mining Corp. (the “Company”). The form of proxy which accompanies this Circular (the “Proxy”) is for use at the annual general and special meeting of the shareholders of the Company to be held on June 29, 2016 (the “Meeting”), at the time and place set out in the accompanying notice of meeting (the “Notice of Meeting”). The Company will bear the cost of this solicitation. The solicitation will be made by mail, but may also be made by telephone.

**APPOINTMENT AND REVOCATION OF PROXY**

The persons named in the Proxy are directors and/or officers of the Company. **A registered shareholder who wishes to appoint some other person to serve as their representative at the Meeting may do so by striking out the printed names and inserting the desired person's name in the blank space provided.** The completed Proxy should be delivered to Computershare Trust Company of Canada by 9:00 a.m. (Pacific time) on June 27, 2016 or not less than 48 hours, (excluding Saturdays, Sundays and holidays) before any adjournment of the Meeting at which the Proxy is to be used.

The Proxy may be revoked by:

- (a) signing a proxy with a later date and delivering it at the time and place noted above;
- (b) signing and dating a written notice of revocation and delivering it at the time and to the place noted above; or
- (c) attending the Meeting or any adjournment of the Meeting and registering with the scrutineer as a shareholder present in person.

**Provisions Relating to Voting of Proxies**

**The shares represented by Proxy in the form provided to shareholders will be voted or withheld from voting by the designated holder in accordance with the direction of the registered shareholder appointing him or her. If there is no direction by the registered shareholder, those shares will be voted for all proposals set out in the Proxy and for the election of directors and the appointment of the auditors as set out in this Circular. The Proxy gives the person named in it the discretion to vote as such person sees fit on any amendments or variations to matters identified in the Notice of Meeting, or any other matters which may properly come before the Meeting. At the time of printing of this Circular, the management of the Company (the “Management”) knows of no other matters which may come before the Meeting other than those referred to in the Notice of Meeting.**

**Advice to Beneficial Holders of Common Shares**

**The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold common shares in their own name. Shareholders who hold their common shares through their brokers, intermediaries, trustees or other persons, or who**

otherwise do not hold their common shares in their own name (referred to herein as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of common shares will be recognized and acted upon at the Meeting. If common shares are listed in an account statement provided to a Beneficial Shareholder by a broker, then those common shares will, in all likelihood, not be registered in the shareholder’s name. Such common shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). In the United States, the vast majority of such common shares are registered under the name of Cede & Co., the registration name for The Depository Trust Company, which acts as nominee for many United States brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted or withheld at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholder meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their common shares are voted at the Meeting. The form of instrument of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form (“**VIF**”), mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge VIF cannot use that form to vote common shares directly at the Meeting. The VIFs must be returned to Broadridge (or instructions respecting the voting of common shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the common shares voted. If you have any questions respecting the voting of common shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

The Notice of Meeting, Circular, Proxy and VIF, as applicable, are being provided to both registered shareholders and Beneficial Shareholders. Beneficial Shareholders fall into two categories - those who object to their identity being known to the issuers of securities which they own (“**OBOs**”) and those who do not object to their identity being made known to the issuers of the securities which they own (“**NOBOs**”). Subject to the provisions of National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers may request and obtain a list of their NOBOs from intermediaries directly or via their transfer agent and may obtain and use the NOBO list for the distribution of proxy-related materials directly (not via Broadridge) to such NOBOs. If you are a Beneficial Shareholder and the Company or its agent has sent these materials directly to you, your name, address and information about your holdings of common shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding the common shares on your behalf.

The Company has distributed copies of the Notice of Meeting, Circular and VIF directly to NOBOs.

The Company's OBOs can expect to be contacted by Broadridge or their brokers or their broker's agents. The Company will assume the costs associated with the delivery of the Notice of Meeting, Circular and VIF, as set out above, to OBOs by intermediaries.

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting common shares registered in the name of his broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the common shares in that capacity. NI 54-101 allows a Beneficial Shareholder who is a NOBO to submit to the Company or an applicable intermediary any document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder. If such a request is received, the Company or an intermediary, as applicable, must arrange, without expenses to the NOBO, to appoint such NOBO or its nominee as a proxyholder and to deposit that proxy within the time specified in this Circular, provided that the Company or the intermediary receives such written instructions from the NOBO at least one business day prior to the time by which proxies are to be submitted at the Meeting, with the result that such a written request must be received by 9:00 a.m. (Vancouver time) on the day which is at least three business days prior to the Meeting. **A Beneficial Shareholder who wishes to attend the Meeting and to vote their common shares as proxyholder for the registered shareholder, should enter their own name in the blank space on the VIF or such other document in writing that requests that the NOBO or a nominee of the NOBO be appointed as proxyholder and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker.**

All references to shareholders in the Notice of Meeting, Circular and the accompanying Proxy are to registered shareholders of the Company as set forth on the list of registered shareholders of the Company as maintained by the registrar and transfer agent of the Company, Computershare Trust Company of Canada, unless specifically stated otherwise.

### **Financial Statements**

The audited consolidated financial statements of the Company for the year ended December 31, 2015, together with the auditor's report on those statements, will be presented to the shareholders at the Meeting.

### **VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES**

As at the date of the accompanying Notice of Meeting, the Company's authorized capital consists of an unlimited number of common shares without par value. All common shares in the capital of the Company carry the right to one vote. Shareholders registered as at May 6, 2016 are entitled to attend and vote at the Meeting. As of May 6, 2016 (being the record date for voting) there were 239,172,180 common shares outstanding. As of May 30, 2016, being the date of this Circular, there are 345,902,180 common shares issued and outstanding. Shareholders who wish to be represented by proxy at the Meeting must, to entitle the person appointed by the Proxy to attend and vote, deliver their Proxies at the place and within the time set forth in the notes to the Proxy.

To the knowledge of the directors and executive officers of the Company, as of May 6, 2016, the following persons beneficially own, directly or indirectly, or exercise control or direction over, directly or indirectly, 10% or more of the issued and outstanding common shares of the Company:

Shareholder	Number of Shares	Percentage of Issued Capital as of May 6, 2016
GREENSTONE RESOURCES LP	79,800,000 <sup>(1)</sup>	33.4% <sup>(1)</sup>

<sup>(1)</sup> As of May 30, 2016, Greenstone Resources L.P. holds 186,530,000 common shares, representing 53.9% of the outstanding common shares.

## ELECTION OF DIRECTORS

The directors of the Company are elected annually and hold office until the next annual general meeting of the shareholders or until their successors are elected or appointed. Management proposes to nominate the persons listed below for election as directors of the Company to serve until their successors are elected or appointed. In the absence of instructions to the contrary, Proxies given pursuant to the solicitation by Management will be voted for the nominees listed in this Circular. Management does not contemplate that any of the nominees will be unable to serve as a director.

The number of directors on the board of directors (the “**Board**”) of the Company is currently set at six.

As part of its on-going review of corporate governance practices, on March 15, 2013 the Board adopted a policy providing that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” (a “**Majority Withhold Vote**”) will tender his or her resignation to the Chairman of the Board or the Company’s Corporate Governance and Nominating Committee promptly following the shareholders’ meeting. The Corporate Governance and Nominating Committee will consider the offer of resignation and will make a recommendation to the Board on whether to accept it. The Corporate Governance Committee and Nominating Committee and the Board will evaluate any such tendered offer or resignation, in accordance with their fiduciary duties to, and in furtherance of the best interests of, the Company and its shareholders. The Board may accept or reject the offer of resignation, or it may decide to pursue additional actions, including, without limitation, the following:

- allow the director to remain on the Board and continue to serve but not be nominated for re-election to the Board at the next election of directors;
- defer the acceptance of the resignation until the director vacancy created by the resignation can be filled by the Board with a replacement/successor director meeting all the necessary qualifications and criteria for Company directors and satisfying all other legal and regulatory requirements with respect to the composition of the Board (such as “independence” requirements established by securities regulators or securities exchange listing requirements);
- defer the acceptance of the resignation if it is determined that the underlying cause of the Majority Withhold Vote can be cured by the director or otherwise within a specified period of time (such as if the Majority Withhold Vote was due to the relevant director receiving such vote serving on the board of directors of another entity, by resigning from such other board); or
- defer the acceptance of the resignation for other reasons determined by the Board to be in the best interests of the Company in the exercise of its fiduciary duties and business judgment.

The Board’s decision will be disclosed in a news release within four business days after the decision.

The following table sets out the names, province or state and country of residence of the nominees for election as directors, the offices they hold within the Company, their principal occupations, business or

employment within the five preceding years, the period or periods during which each director has served as a director of the Company, and the number of shares of the Company and its subsidiaries which each beneficially owns, directly or indirectly, or over which control or direction is exercised, as of the date of this Circular:

Name, province or state and country of residence and positions, current and former, if any, held in the Company	Principal occupation for last five years	Served as director since	Number of common shares beneficially owned, directly or indirectly, or controlled or directed at present <sup>(1)</sup>
<b>ALAN J. STEPHENS</b> West Sussex, United Kingdom  <i>President, Chief Executive Officer and Director</i>	President and Chief Executive Officer of the Company since January 2005.	January 5, 2005	2,376,334 <sup>(5)</sup>
<b>MICHAEL D. PHILPOT</b> British Columbia, Canada  <i>Executive Vice-President and Director</i>	Executive Vice President and Corporate Secretary of the Company since February 2005.	February 15, 2005	18,301,373
<b>GORDON J. FRETWELL</b> <sup>(2)(4)</sup> British Columbia, Canada  <i>Director</i>	Self-employed Solicitor of Gordon Fretwell Law Corporation since 1991 to present.	June 10, 2009	730,488
<b>COLIN KINLEY</b> <sup>(2)(3)(4)</sup> Kansas, United States  <i>Director</i>	Director and Senior Advisor, President and Chief Executive Officer of Kinley Exploration LLC from 2007 to present; President and Chief Executive Officer of Jet Mining Pty LLC from 2010 to present; Director of Excelsior Mining from 2010 to present; Director and Chief Operating Officer of Eco Atlantic Oil and Gas Ltd. from 2011 to present.	February 5, 2016	Nil
<b>RODERICK J. WEBSTER</b> <sup>(3)(4)</sup> Perth, Australia  <i>Director</i>	Chief Executive Officer of Weatherly International PLC (an integrated base metals producer) from July 2005 to June 2015; Director of Weatherly International PLC from July 2005 to present.	October 18, 2006	Nil
<b>MICHAEL HAWORTH</b> <sup>(1)(2)(3)</sup> London, United Kingdom  <i>Director</i>	Managing Partner with Greenstone Capital LLP since August, 2013; Managing Partner with Strata Capital LLP from January 2006 to August 2013.	February 5, 2016.	Nil

**Notes:**

- (1) The information as to common shares beneficially owned or controlled has been provided by the directors themselves.
- (2) Member of the Company's Audit Committee (the "Audit Committee").
- (3) Member of the Company's Compensation Committee (the "Compensation Committee").
- (4) Member of the Company's Corporate Governance and Nominating Committee.
- (5) Includes 66,667 common shares owned by Alan Stephens' spouse.

No proposed director is being elected under any arrangement or understanding between the proposed director and any other person or company except the directors and executive officers of the Company acting solely in such capacity.

### **Corporate Cease Trade Orders or Bankruptcies**

Other than disclosed below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or
- (c) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In October 2006, Pine Valley Mining Corporation, formerly listed on the Toronto Stock Exchange, filed for creditor protection under the *Companies' Creditors Arrangement Act*. Gordon Fretwell resigned as a director of Pine Valley Mining Corporation the year prior to its filing for creditor protection.

### **Individual Bankruptcies**

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

## **EXECUTIVE COMPENSATION**

For the purposes of this Circular:

“CEO” of the Company means each individual who served as Chief Executive Officer of the Company or acted in a similar capacity for any part of the most recently completed financial year.

“CFO” of the Company means each individual who served as Chief Financial Officer of the Company or acted in similar capacity for any part of the most recently completed financial year.

“NEO” or “named executive officer” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers of the company, including any of its subsidiaries, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with Form 51-102F6 - *Statement of Executive Compensation*, for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company or its subsidiaries, nor acting in a similar capacity, at the end of that financial year;

During the financial year ended December 31, 2015, the Company had four Named Executive Officers of the Company, being: Alan J. Stephens, President and Chief Executive Officer; Damian Towns, Chief Financial Officer and Corporate Secretary; Marcelo Cortes, Vice President of Project Development; and Sergio Rivera, Vice President of Exploration.

## COMPENSATION DISCUSSION & ANALYSIS

### Compensation Discussion & Analysis

The Compensation Committee directs the design and provides oversight of the Company's executive compensation program and has overall responsibility for recommending levels of executive compensation that are competitive in order to attract, motivate and retain highly skilled and experienced executive officers. The Compensation Committee does not have a formal compensation program with set benchmarks, however, the Compensation Committee does have an informal program which seeks to reward an executive officer's current and future expected performance and the achievements of corporate milestones and align the interests of executive, officers with the interest of the Company's shareholders.

The Compensation Committee has not formally considered the risks associated with the Company's compensation policies and practices. The Company's compensation policies and practices give greater weight toward long-term incentives to mitigate the risk of encouraging short term goals at the expense of long-term sustainability. The discretionary nature of annual bonus awards and option grants are significant elements of the Company's compensation plans and provide the Board and the Compensation Committee with the ability to reward historical performance and behaviour that the Board and the Compensation Committee consider to be aligned with the Company's best interests.

The Company has attempted to minimize those compensation practices and policies that expose the Company to inappropriate or excessive risks.

The Company has not established a policy on whether or not a NEO or director is permitted to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director.

The compensation awarded to, earned by, paid to or payable to each of the Named Executive Officers for the most recently completed financial year is set out under the heading, "*Compensation Discussion & Analysis – Summary Compensation Table*".

### Compensation Review Process / Compensation Governance

The Compensation Committee reviews on an annual basis the cash compensation, performance and overall compensation package of each executive officer, including the Named Executive Officers. It then submits to the Board recommendations with respect to basic salary, bonus and participation in share compensation arrangements for each executive officer.

The Compensation Committee ensures that the Company has an executive compensation plan that is fair, motivational and competitive, so that it will attract, retain and incentivize executive officers of a quality and nature that will enhance the growth and development of the Company.

In establishing levels of remuneration, stock option and bonus grants, the Compensation Committee is guided by the following principles:

- compensation is determined on an individual basis by the need to attract and retain talented, qualified and effective executives;

- total compensation is set with reference to the market for similar positions in comparable companies and with reference to the location of employment; and
- the current market and economic environment.

For the year ended December 31, 2015, the Compensation Committee was comprised of three independent directors; Mr. Fretwell, Mr. Jackson and Mr. Webster. The current members of the Compensation Committee are Mr. Webster, Mr. Haworth and Mr. Kinley, all of whom are independent. The Board is satisfied that the composition of the Compensation Committee ensures an objective process for determining compensation. All members of the Compensation Committee have had significant experience in the mining sector, including the junior exploration sector and on other boards of directors. The responsibilities, powers and operation of the Compensation Committee are included in the Charter of the Compensation Committee which is included in Appendix A.

### **Objectives**

The objectives of the Company's NEO compensation program are to: (a) attract, motivate and retain high-calibre NEO's; (b) align the interests of the NEOs with those of the Company's shareholders; and (c) incentivise the NEOs to continuously improve operations and execute on corporate strategy. The NEO compensation program is, therefore, designed to reward the NEOs for increasing shareholder value, and improving operations and executing on corporate strategy.

### **Assessment of Individual Performance**

Individual performance in connection with the achievement of corporate milestones and objectives is reviewed by the Compensation Committee for all executive officers. While awards are generally tied to performance against quantitative objectives, consideration is also given to an individual's qualitative contribution to the Company. For example, the Compensation Committee will evaluate the individual's leadership skills, commitment to the Company's shareholders, innovation and teamwork.

As the Company has a small team of executive officers, a high degree of commitment and performance is required from each individual to achieve corporate milestones and objectives. This high degree of commitment and performance was demonstrated in 2015 by each executive officer with the following accomplishments:

- each executive officer's consistent and focused leadership, evidenced during challenging times;
- each executive officer's leadership in strengthening the Company's ability to manage risk, especially during the Company's transition from exploration stage to development stage; and
- each executive officer's role in the enhancement of the Company's profile in the public marketplace.

### **Elements of Executive Compensation**

There are three main elements of direct compensation, namely base salary, contracted bonuses and equity participation through the stock option plan, which was adopted by the Company on July 10, 2007 and subsequently amended on June 29, 2010 and February 18, 2011 (the "**Stock Option Plan**"). The Stock Option Plan was last approved by the Company's shareholders at the annual general and special meeting held July 16, 2015. The Stock Option Plan is further discussed under the heading, "*Compensation Discussion & Analysis - Stock Option Plan*".

The Compensation Committee relies on the experience of its members as officers and directors of other companies in similar lines of business as the Company in assessing compensation levels. These other companies are identified under the heading "*Disclosure of Corporate Governance Practices – Directorships*" of this Circular. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;

- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish as a basis for developing salary adjustments and short-term and long-term incentive awards for the Compensation Committee's approval.

To date, no specific formulas have been developed to assign a specific weighting to each of these components. Instead, the Board considers the Company's performance and assigns compensation based on this assessment and the recommendations of the Compensation Committee.

### **Base Salary**

In determining the base salary of an executive officer, the Compensation Committee places equal weight on the following factors;

- current economic and market environment; and
- development stage and opportunities for the Company.

The Company has employment agreements with each of its Named Executive Officers. The agreements specify the terms and conditions of employment, the duties and responsibilities of the executive during this term, the compensation and benefits to be provided by the Company in exchange for the Named Executive Officer's services, the compensation and benefits to be provided by the Company in the event of a termination of employment not preceded by a change of control of the Company and the compensation and benefits to be provided by the Company in the event of a change of control of the Company.

The compensation paid to the NEOs other than Mr. Rivera and Mr. Cortes is denominated in Canadian dollars. For the purposes of calculating the Canadian dollar equivalent of the Chilean Peso, the following rates were used to convert the Chilean Peso amount to a Canadian dollar amount:

Month	Chilean Peso	Month	Chilean Peso	Month	Chilean Peso
Jan	512	May	499	Sep	447
Feb	501	Jun	510	Oct	525
Mar	498	Jul	435	Nov	530
Apr	498	Aug	441	Dec	513

The significant terms of each of the Named Executive Officer's employment agreements are as follows:

#### *Employment Agreement – Mr. Stephens*

Effective January 1, 2010, the Company entered into an amended and restated consulting agreement with Mr. Stephens, pursuant to which he provides his services as the President and Chief Executive Officer of the Company until such time as the amended and restated consulting agreement is terminated by the Company or he resigns. For the period, January 1, 2009 to December 31, 2009, it was agreed that the compensation would be reduced from the agreed fee of \$16,667 per month to \$7,917 as a result of the economic climate at that time. This period was further extended by mutual consent to June 30, 2010 at which time his compensation resumed at \$16,667 per month less any compensation received from Valley High Ventures Ltd. ("Valley High"). Mr. Stephens' compensation from Valley High terminated on March 25, 2011.

In March 2012, Mr. Stephens declined to receive payment for a salary increase to \$18,333 and was granted an additional 70,000 options in lieu of receiving this salary increase for the year. The Company has also established a bonus scheme for Mr. Stephens whereby certain options vest upon the approval of the Company's San Jorge project in Argentina and certain options vest upon the completion of NI 43-101 compliant resource that meets the Company's requirement on the Company's option agreements for the Berta and Payen properties in Chile.

Effective June 1, 2013, Mr. Stephens temporarily reduced his salary from \$18,333 to \$8,333 per month in order to conserve the Company's treasury his salary was reinstated to \$18,333 effective January 1, 2016.

*Employment Agreement – Mr. Towns*

Effective January 1, 2010, the Company entered into an amended and restated consulting agreement with Otago Financial Consultants, pursuant to which they agreed to provide the services of Mr. Towns to act in the capacity of Chief Financial Officer of the Company. For the period, December 1, 2008 to December 31, 2009, it was agreed that the compensation would be reduced from the agreed fee of \$14,583 per month to \$6,250 as a result of the economic climate at that time. This period was further extended by mutual consent to June 30, 2010 at which time his compensation resumed at \$14,583 per month less any compensation received from Valley High to which Otago Financial Consultants also provides consulting services, Mr. Towns' compensation from Valley High terminated on March 25, 2011. During 2011, Mr. Towns agreed to temporarily reduce his consulting fees to \$12,500 per month, to allow him to provide consulting services to Bearing Resources Ltd. ("**Bearing Resources**").

Effective, January 1, 2012 the Company agreed to enter into an employment agreement with Mr. Towns to replace the existing consulting agreement. Mr. Towns agreed to temporarily continue at a rate of \$12,500 per month to allow him to work for Bearing Resources until such time as his employment agreement is terminated by the Company or he resigns. Effective July 1, 2015, the Company amended the salary to \$16,667 subject to a reduced rate of \$14,583 should he continue to work for Bearing Resources as its Chief Financial Officer and Corporate Secretary.

*Employment Agreement – Mr. Cortes*

In September 2006, the Company entered an employment agreement with Mr. Cortes pursuant to which he is employed for a gross salary denominated in Chilean Pesos until such time as his employment agreement is terminated by the Company or he resigns. As is common in Chile, Mr. Cortes' contract is indexed for cost of living adjustments and this, coupled with various amendments due to his increasing responsibilities with the Company, resulted in his salary being equivalent to US\$190,000 a year at such time. The Company also agreed to a one-time bonus of US\$80,000, which has been paid, upon approval of San Jorge Environmental Study and a bonus of US\$190,000 payable in two equal installments - the first payment to be made after completion of pre-feasibility study and the second payment to be made upon completion of a positive definitive feasibility study. Effective May 1, 2011, Mr. Cortes' salary was increased to the equivalent of US\$250,000.

Effective January 1, 2014, Mr. Cortes' employment agreement was terminated and he entered into a consulting contract for CLP 10,414,190 (~US\$19,750) a month with quarterly consumer price index adjustments. As of December 31, 2015 his consulting agreement is the equivalent to \$251,000.

*Employment Agreement – Mr. Rivera*

On November 1, 2011, the Company entered into an employment agreement with Mr. Rivera whereby he is employed for a gross salary denominated in Chilean Pesos until such time as his employment agreement is terminated by the Company or he resigns. As is common in Chile, Mr. Rivera's contract is indexed for cost of living adjustments, his salary as of December 31, 2015 is equivalent to \$297,000. The Company also agreed to the following bonus plan for Mr. Rivera:

- (a) a bonus of US\$285,000 for each project acquired by the Company or its subsidiaries after January 1, 2012 that reaches the stage of an NI 43-101 resource meeting the Company's criteria. Three months' of this bonus may be advanced once the Company considers that a significant discovery has been made;
- (b) an additional bonus of US\$285,000 for each project acquired by the Company or its subsidiaries after January 1, 2012 that reaches the feasibility stage or that is sold to a third party for more than \$10 million;

- (c) a bonus of US\$142,000 for each project acquired by the Company or its subsidiaries before January 1, 2012 that reaches the stage of an NI 43-101 resource meeting the Company's criteria; and
- (d) an additional bonus of US\$142,000 for each project acquired by the Company or its subsidiaries before January 1, 2012 that reaches the feasibility stage or that is sold to a third party for more than \$10 million.

#### *Employment Agreement – Mr. Philpot*

Effective January 1, 2010, the Company entered into an amended and restated consulting agreement with 520726 B.C. Ltd, pursuant to which the services of Mr. Philpot were provided to act in the capacity the Executive Vice President and Corporate Secretary of the Company. For the period, January 1, 2009 to December 31, 2009, it was agreed that Mr. Philpot's compensation would be reduced from the agreed fee of \$12,500 per month to \$6,000 as a result of the economic climate at that time. This period was further extended by mutual consent to June 30, 2010 at which time his compensation resumed at \$12,500 per month less any compensation received from Valley High to which 520726 B.C. Ltd also provided consulting services. Mr. Philpot's compensation from Valley High terminated on March 25, 2011.

Effective March 1, 2012, the Company entered into an employment contract with Mr. Philpot to replace the existing consulting agreement with 520726 BC Ltd, pursuant to which the Company agreed to pay Mr. Philpot \$12,500 per month until such time as his employment agreement is terminated by the Company or he resigns. Mr. Philpot has agreed to temporarily reduce his salary to \$100,000 per year.

#### **Stock Option Plan**

In the Company's view, encouraging its executive officers and employees to become shareholders of the Company is the best way to align their interests with those of the Company's shareholders. Equity participation is accomplished through the Stock Option Plan.

The Compensation Committee is mandated to review and make recommendations to the Board regarding the remuneration of executive officers; the granting of stock options to directors, executive officers and key employees and consultants of the Company; and the remuneration and compensation policies of the Company, including the Stock Option Plan. The members of the Compensation Committee are identified under the heading, "*Election of Directors*".

The purpose of the Stock Option Plan is to advance the interests of the Company and its shareholders by encouraging these individuals to acquire shares, thereby increasing their proprietary interest in the Company and encouraging them to remain associated with the Company. Grants under the Stock Option Plan are intended to provide long-term awards linked directly to the market value performance of the Company's shares.

Individual grants are determined by an assessment of the individual's current and expected future performance, level of responsibilities, the importance of his or her position, his or her contribution to the Company and previous option grants and exercise prices including:

- (a) the remuneration paid to the employee or consultant as at the award date in relation to the total remuneration payable by the Company to all of its employees and consultants as at the award date;
- (b) the length of time that the employee or consultant has been employed or engaged by the Company; and
- (c) the quality of work performed by the employee or consultant.

#### *Eligible Participants*

The Stock Option Plan provides that options may be granted to directors, officers, employees or consultants of the Company or its affiliates. The Stock Option Plan does not limit insider participation

and does not provide for a maximum number of shares which may be issued to an individual pursuant to the Stock Option Plan and any other share compensation arrangement.

#### *Shares Available for Issuance*

The Stock Option Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the Company's issued and outstanding common shares. The Stock Option Plan is considered a "rolling" stock option plan as the number of common shares available for issue increases with the number of the Company's issued and outstanding common shares. The Stock Option Plan is also considered an "evergreen" stock option plan as when a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of common shares reserved for issuance under that expired or terminated option again become available for the purposes of the Stock Option Plan.

#### *Expiration or Termination*

A stock option held by an employee or consultant will expire immediately in the event an employee or consultant ceases to be an employee or consultant, as applicable, as a result of termination for cause or as the result of an order of the British Columbia Securities Commission or Toronto Stock Exchange. In the event the employee or consultant ceases to be an employee or consultant as a result of termination without cause or resigns, a stock option will expire 60 days following the date the person ceases to be an employee or consultant. In addition, a stock option will expire 90 days after a director ceases to be a director unless the director continues to be an employee of the Company in which case the expiry date will remain unchanged. If a director ceases to be a director of the Company as the result of: (a) ceasing to meet the qualifications contained in the *Business Corporations Act* (British Columbia); (b) a special resolution having been passed by the shareholders of the Company; or (c) an order of the British Columbia Securities Commission or the Toronto Stock Exchange, the expiry date shall be the date the director ceases to be a director of the Company. In the event of the death of an option holder, the options shall expire on the first anniversary of the option holder's death.

#### *Vesting*

All stock options granted pursuant to the Stock Option Plan are subject to vesting requirements as may be prescribed by the Toronto Stock Exchange or as may be imposed by the Board.

#### *Exercise Price*

The Board has sole discretion to set the exercise price of a stock option; however the exercise price may not be less than the closing price of the Company's common shares on the day immediately preceding the date of the stock option grant.

#### *Assignability*

The options may not be assigned or transferred provided that a personal representative may exercise an option on behalf of an option holder.

#### *Term*

The term of any option shall be the date so fixed by the Board at the time the particular option is awarded, provided that such date shall not be later than the fifth anniversary of the award date of such option.

#### *Trading Black Outs*

Under the Company's insider trading policies, directors, officers and specified employees are restricted from trading in securities of the Company during periodic trading blackouts imposed by the Company. The Stock Option Plan addresses the situation where an option holder is unable to exercise an option that would otherwise expire during a trading blackout imposed by the Company by providing that the option will continue to be exercisable until the tenth business day following the expiry of the trading blackout.

#### *Amendment Procedures*

The Company may amend the Stock Option Plan and the terms of any stock option without shareholder approval, unless shareholder approval is otherwise required by applicable regulatory authorities. Any substantive amendments to the Stock Option Plan shall be subject to the Company first obtaining the approvals, if required, of the shareholders or disinterested shareholders, as the case may be, of the Company at general meeting where required by the rules and policies of the Toronto Stock Exchange.

#### *Bonuses*

The Stock Option Plan includes a provision which would allow the Board to grant stock options to any director or employee, together with a right to be paid, in cash, an amount equal to the exercise price of such stock options. The number of stock options which may be granted under this provision is limited to 1,000,000 within a 12 month period.

#### *Stock Appreciation Rights*

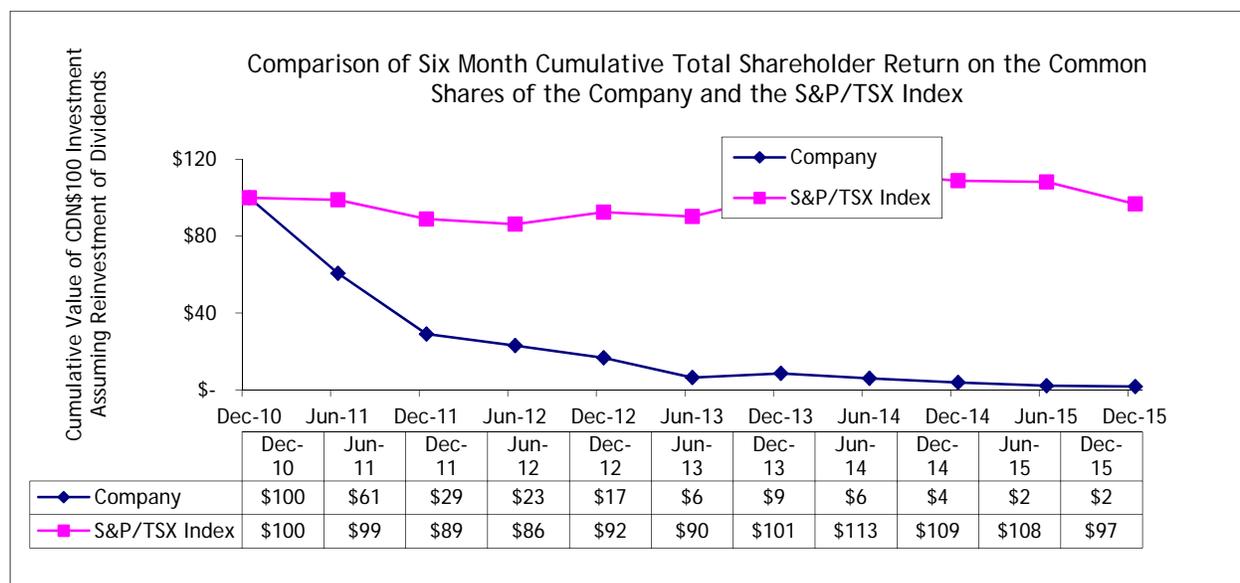
The Stock Option Plan grants the Board the discretion to grant an option holder a corresponding stock appreciation right. This right allows an option holder to surrender a stock option in exchange for that number of common shares having an aggregate value equal to the excess value of one common share over the purchase price per common share specified in such option, multiplied by the number of common shares called for by the option (the value of the common shares shall be based on the weighted average trading price for the five trading days immediately preceding the exercise).

#### *Impact of a Change of Control*

If a Change of Control (as defined in the Stock Option Plan) occurs, all shares subject to each outstanding option will become vested, whereupon all options may be exercised in whole or in part by the option holders.

### **Performance Graph**

The common shares of the Company were listed on the Toronto Stock Exchange on July 10, 2007. The following graph compares the total cumulative shareholder return for \$100 invested in common shares of the Company from December 31, 2010 and for six months increments thereafter in the Company's last completed financial year with the cumulative total return of the Standard and Poor's TSX Composite Stock Index ("S&P/TSX Index") over the same periods.



The trend on the above graph reflects the trend in the Company's compensation to executive officers reported in this Circular. Since 2008 the executive officers have not received discretionary cash bonuses

and are instead granted incentive stock options in order to align their interests with the Company's long-term goals.

### Summary Compensation Table

The following table is a summary of compensation paid to the Named Executive Officers for the three most recently completed calendar years.

### Summary Compensation Table

Name and Principal Position	Year	Salary <sup>(1)</sup> (\$Cdn)	Share-based awards (\$) <sup>(2)</sup>	Option-based awards (\$) <sup>(2)</sup>	Non-equity incentive plan compensation (\$)		Pension value (\$)	All Other Compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long Term Incentive Plan			
Alan J. Stephens President and Chief Executive Officer	2015	\$99,998	Nil	Nil	Nil	Nil	Nil	Nil	\$99,998
	2014	\$99,998	Nil	\$45,635	Nil	Nil	Nil	Nil	\$145,633
	2013	\$141,696	Nil	Nil	Nil	Nil	Nil	Nil	\$141,696
Damian Towns Chief Financial Officer & Corporate Secretary	2015	\$162,500	Nil	Nil	Nil	Nil	Nil	Nil	\$162,500
	2014	\$150,831	Nil	\$39,116	Nil	Nil	Nil	Nil	\$189,947
	2013	\$150,802	Nil	Nil	Nil	Nil	Nil	Nil	\$150,802
Marcelo Cortes Vice President of Project Development	2015	\$250,759	Nil	Nil	Nil	Nil	Nil	Nil	\$250,759
	2014	\$246,679	Nil	\$26,077	Nil	Nil	Nil	Nil	\$272,756
	2013	\$257,261	Nil	Nil	Nil	Nil	Nil	Nil	\$257,261
Sergio Rivera Vice President of Exploration	2015	\$297,004	Nil	Nil	Nil	Nil	Nil	Nil	\$297,004
	2014	\$296,533	Nil	\$26,077	Nil	Nil	Nil	Nil	\$322,610
	2013	\$309,138	Nil	Nil	Nil	Nil	Nil	Nil	\$309,138
Michael Philpot Executive Vice President	2015	\$125,000	Nil	Nil	Nil	Nil	Nil	Nil	\$125,000
	2014	\$150,831	Nil	\$39,116	Nil	Nil	Nil	Nil	\$189,947
	2013	\$150,798	Nil	Nil	Nil	Nil	Nil	Nil	\$150,798

**Notes:**

(1) Includes consulting fees paid to the Named Executive Officers.

(2) Dollar amount based on the grant date fair value of the award for the financial year covered in the table.

In determining the fair value of the options granted, the Company followed as the principles established under International Financial Reporting Standards which requires the determination of a fair value of the options granted and use of a risk-free statement rate. The key assumptions are noted below:

Risk free life	0.47% to 2.39%
Expected life	2.5 to 3.5 years
Expected volatility	90% to 115%
Expected dividend	0%

### Option-Based Awards-Fair Value Calculation

The use of option pricing models requires the input of highly objective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the models do not necessarily provide a reliable measure at the fair value of the Company's stock options.

## INCENTIVE PLAN AWARDS

### Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the outstanding option-based awards held by the Company's Named Executive Officers as of December 31, 2015 and includes awards granted before the most recently completed financial year:

#### Outstanding Share-Based Awards and Options-Based

Name	Option-based Awards				Share-based Awards	
	Number of Securities underlying unexercised options (#)	Options exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Alan J. Stephens President and Chief Executive Officer	700,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	1,220,000	\$0.41	23-Mar-17	N/A	N/A	N/A
Damian Towns Chief Financial Officer and Corporate Secretary	600,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	650,000	\$0.41	23-Mar-17	N/A	N/A	N/A
Marcelo Cortes VP Project Development	400,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	250,000	\$0.41	24-Mar-17	N/A	N/A	N/A
Sergio Rivera Vice President of Exploration <sup>(5)</sup>	400,000	\$0.10	3-Jan-19	NA	NA	NA
	550,000	\$0.39	2-Nov-16	NA	NA	NA
Michael D. Philpot Executive Vice President	600,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	650,000	\$0.41	23-Mar-17	N/A	N/A	N/A

*Note:* (1) The closing price for the Company's common shares at December 31, 2015 was \$0.02. No value has been given to unexercised options that were out-of-the-money on December 31, 2015.

### Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed financial year by each Named Executive Officer.

#### Value Vested or Earned for Incentive Plan Awards During the Most Recently Completed Financial Year

Name	Option-base awards – Value vested during the year <sup>(1)</sup> (\$)	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Alan J. Stephens President and Chief Executive Officer	\$-	N/A	N/A

<b>Damian Towns</b> Chief Financial Officer and Corporate Secretary	\$-	N/A	N/A
<b>Marcelo Cortes</b> Vice President of Project Development	\$-	N/A	N/A
<b>Sergio Rivera</b> Vice President of Exploration	\$-	N/A	N/A
<b>Michael Philpot</b> Executive Vice President	\$-	N/A	N/A

**Note:**

- (1) The amounts above disclose the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date by determining the difference between the market price of the shares and the exercise price of the options.

### PENSION PLAN BENEFITS

The Company does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

### TERMINATION AND CHANGE OF CONTROL BENEFITS

As at December 31, 2015, the Company had contractual arrangements with each of its Named Executive Officers, each of which has a termination and a change of control benefits clause. The terms of each of the Named Executive Officer's employment agreements are contained in this Circular under the heading "Compensation Discussion and Analysis - Base Salary".

**Mr. Stephens, President and Chief Executive Officer:** In accordance with his employment agreement with the Company, the Company may terminate Mr. Stephen's services at any time for cause and all compensation and benefits shall cease accruing on the termination date. The Company may terminate his employment at any time without cause following six months' written notice, or payment of six months' salary in lieu of such notice. In the event the employment agreement is terminated by the Company without cause within six months of a Control Change (as defined in the employment agreement) or by Mr. Stephens for Good Reason (as defined in the employment agreement) within six months of a Control Change, Mr. Stephens shall be entitled to 2.5 times his annual compensation and all rights shall become immediately exercisable for a period of 60 business days. If Mr. Stephens terminates the agreement for Good Reason at any other time, Mr. Stephens shall be entitled to six months' compensation.

**Mr. Towns, Chief Financial Officer:** In accordance his employment agreement, the Company may terminate the employment of Mr. Towns for cause without notice and all compensation and benefits shall cease accruing on the termination date. The Company may terminate his employment at any time without cause following six months' written notice, or payment of six months' salary in lieu of such notice. In the event his employment is terminated by the Company without cause within six months of a Control Change (as defined in the employment agreement) or by Mr. Towns for Good Reason (as defined in the employment agreement) within six months of a Control Change, Mr. Towns shall be entitled to 2.5 times his annual compensation and all rights shall become immediately exercisable for a period of 60 business days. If Mr. Towns terminates his employment for Good Reason at any other time, he shall be entitled to six months' compensation.

**Mr. Cortes, Vice President of Project Development:** In accordance with his employment agreement, the Company may terminate employment of Mr. Cortes with cause following five days' written notice and all compensation and benefits shall cease accruing on the termination date. The Company may terminate the employment of Mr. Cortes without cause following six months' written notice or the payment of US\$95,000 (less any other payments due or payable to Mr. Cortes under other contractual arrangements

or legal requirements in or outside of Canada). In the event his employment is terminated by the Company without cause within six months of a Control Change (as defined in the employment agreement) or by Mr. Cortes for Good Reason (as defined in the employment agreement) within six months of a Control Change, Mr. Cortes shall be entitled to a US\$477,000 payment.

**Mr. Rivera, Vice President of Exploration:** In accordance with his employment agreement, the Company may terminate the employment of Mr. Rivera with cause following five days' written notice and all compensation and benefits shall cease accruing on the termination date. The Company may terminate the employment of Mr. Rivera without cause following six months' written notice or the payment of US\$142,500 (less any other payments due or payable to Mr. Rivera under other contractual arrangements or legal requirements in or outside of Canada). In the event his employment is terminated by the Company without cause within six months of a Control Change (as defined in the employment agreement) or by Mr. Rivera for Good Reason (as defined in the employment agreement) within six months of a Control Change, Mr. Rivera shall be entitled to a US\$712,500 payment.

**Mr. Philpot, Executive Vice President, Corporate Secretary:** In accordance with his employment agreement, the Company may terminate the services of Mr. Philpot for cause without notice and all compensation and benefits shall cease accruing on the termination date. The Company may terminate his employment at any time without cause following six months' written notice or payment of six months' of salary in lieu of such notice. In the event his employment is terminated by the Company without cause within six months of a Control Change (as defined in the employment agreement) or by Mr. Philpot for Good Reason (as defined in the employment agreement) within six months of a Control Change, Mr. Philpot shall be entitled to 2.5 times his annual compensation and all rights shall become immediately exercisable for a period of 60 business days. If Mr. Philpot terminates his services for Good Reason at any other time, he shall be entitled to six months, compensation.

The following table sets out the maximum amount the Company could be obligated to pay in the event that a Named Executive Officer was terminated without cause following a Control Change as of December 31, 2015.

Name	Termination Payment
<b>Alan J. Stephens</b> President and Chief Executive Officer	\$550,000
<b>Damian Towns</b> Chief Financial Officer	\$500,000
<b>Marcelo Cortes</b> Vice President of Project Development	US\$477,000
<b>Sergio Rivera</b> Vice President of Exploration	US\$712,500
<b>Michael Philpot</b> Executive Vice President and Corporate Secretary	\$375,000

The Company would also be obligated to continue the Named Executive Officer's option entitlements for the period set out in the Stock Option Plan pay in the event that a Named Executive Officer was terminated without cause following a Control Change.

The following table sets out the maximum amount the Company could be obligated to pay in the event that a Named Executive Officer was terminated without cause as of December 31, 2015 assuming such event was not in connection with a Control Change.

Name	Termination Payment
<b>Alan J. Stephens</b> President and Chief Executive Officer	\$110,000
<b>Damian Towns</b> Chief Financial Officer	\$100,000
<b>Marcelo Cortes</b> Vice President of Project Development	US\$95,000
<b>Sergio Rivera</b> Vice President of Exploration	US\$142,500
<b>Michael Philpot</b> Executive Vice President and Corporate Secretary	\$75,000

The Company would also be obligated to continue the Named Executive Officer's option entitlements for the period set out in the Stock Option Plan in the event that a Named Executive Officer was terminated without cause assuming such event was not in connection with a Control Change.

### DIRECTOR COMPENSATION

Except as noted below, no other compensation was paid to directors in their capacity as directors of the Company or its subsidiaries, in their capacity as members of a committee of the Board or of a committee of the board of directors of its subsidiaries, or as consultants or experts, during the Company's most recently completed financial year.

The following table sets forth the details of compensation provided to the directors, other than the Named Executive Officers, during the Company's most recently completed financial year. The value disclosed under option-based awards for directors represents the deemed dollar value of the options granted.

**Director Compensation Table**

Name	Fees Earned (\$)	Share-based Awards (\$)	Option-based Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
<b>Robert A. Watts<sup>(1)</sup></b> Director and Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Roderick J. Webster</b> Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Alvin W. Jackson<sup>(1)</sup></b> Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Gordon J. Fretwell</b> Director	Nil	Nil	Nil	Nil	Nil	Nil	Nil

**Note:**

(1) Messrs. Watts and Jackson resigned as directors of the Company on February 5, 2016.

Membership on each committee of the Board is disclosed herein under the heading, "Election of Directors".

All directors are reimbursed for actual expenses reasonably incurred in connection with the performance of their duties as directors.

Pursuant to the Stock Option Plan, options to purchase common shares of the Company have been granted to the directors at exercise prices at least equal or greater than the share price of common shares at the date of granting such options prior to the year-ended December 31, 2015.

### INCENTIVE PLAN AWARDS

The following table sets forth the outstanding options-based awards held by the directors of the Company as of December 31, 2015 and includes awards granted before the most recently completed financial year:

#### Outstanding Share-Based Awards and Option-Based Awards

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Robert A. Watts <sup>(2)</sup> Director and Chairman	250,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	150,000	\$0.41	23-Mar-17	N/A	N/A	N/A
Roderick J. Webster Director	250,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	150,000	\$0.41	23-Mar-17	N/A	N/A	N/A
Alvin W. Jackson <sup>(2)</sup> Director	250,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	150,000	\$0.41	23-Mar-17	N/A	N/A	N/A
Gordon J. Fretwell Director	250,000	\$0.10	3-Jan-19	N/A	N/A	N/A
	150,000	\$0.41	23-Mar-17	N/A	N/A	N/A

**Note:**

- (1) The closing price for the Company's shares at December 31, 2015 was \$0.02.  
(2) Messrs. Watts and Jackson resigned as directors of the Company on February 5, 2016.

#### Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth details of the value vested or earned for all incentive plan awards during the most recently completed fiscal year by each director:

#### Value Vested or Earned for Incentive Plan Awards during the Most Recently Completed Financial Year

Name	Option-based awards – Value vested during the year (\$) <sup>(1)</sup>	Share-based awards – Value vested during the year (\$)	Non-equity incentive plan compensation – Value earned during the year (\$)
Robert A. Watts <sup>(2)</sup> Director and Chairman	\$-	N/A	N/A
Alvin W. Jackson <sup>(2)</sup> Director	\$-	N/A	N/A
Roderick J. Webster Director	\$-	N/A	N/A
Gordon J. Fretwell Director	\$-	N/A	N/A

**Note:**

- (1) The amounts above disclose the aggregate dollar value that would have been realized if the options under the option-based award had been exercised on the vesting date by determining the difference between the market price of the shares and the exercise price of the options.
- (2) Messrs. Watts and Jackson resigned as directors of the Company on February 5, 2016.

### **EQUITY COMPENSATION PLAN**

The following table sets out those securities of the Company which have been authorized for issuance under equity company compensation plans as at December 31, 2015:

<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))</b>
Equity compensation plans approved by the securityholders	8,590,000	\$0.25	7,347,218
Equity compensation plans not approved by the securityholders	Nil	Nil	Nil
<b>Total</b>	8,590,000	\$0.25	7,347,218

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

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, the proposed nominees for election to the Board, nor any associate of such persons is as at the date hereof, or has been indebted to the Company, since the beginning of the most recently completed financial year of the Company. In addition, no indebtedness of these individuals to another entity has been subject of a guarantee, support agreement, letter or credit or similar arrangement or understanding of the Company or any of its subsidiaries.

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

Except as otherwise disclosed in this Circular, no director or executive officer of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, since the beginning of the Company's last financial year in matters to be acted upon at the Meeting, other than the election of directors or the appointment of auditors.

### **INTEREST OF INFORMED PERSONS IN MATTERS TO BE ACTED UPON**

Except as otherwise disclosed in this Circular, of the persons who were directors or executive officers of the Company or a subsidiary of the Company at any time during the Company's last financial year, the proposed nominees for election to the Board, any person or company who beneficially owns, directly or indirectly, or who exercises control or direction over directly or indirectly (or a combination of both) more than 10% of the issued and outstanding common shares of the Company, nor any associate or affiliate of those persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect the Company or its subsidiaries.

## MANAGEMENT CONTRACTS

No management functions of the Company or its subsidiaries are to any substantial degree performed by a person or company other than the directors or executive officers of the Company or its subsidiaries.

## APPOINTMENT OF AUDITORS

### Auditors

The management of the Company intends to nominate PricewaterhouseCoopers LLP, Chartered Accountants, for re-appointment as auditors of the Company. Proxies given pursuant to the solicitation by Management will, on any poll, be voted as directed and, if there is no direction, for the re-appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company to hold office until the close of the next annual general meeting of the Company, at a remuneration to be fixed by the directors. PricewaterhouseCoopers LLP, Chartered Accountants, were first appointed as auditors of the Company on June 12, 2006.

## AUDIT COMMITTEE DISCLOSURE

Detailed information required by National Instrument 52-110 - *Audit Committees* is presented in the Company's Annual Information Form dated March 29, 2016 under the heading "*Information on Audit Committee*". The Annual Information Form is available on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## CORPORATE GOVERNANCE DISCLOSURE

National Instrument 58-101 - *Disclosure of Corporate Governance Practices*, requires all reporting issuers to provide certain annual disclosure of their corporate governance practices with respect to the corporate governance guidelines (the "Guidelines") adopted in National Policy 58-201 - *Corporate Governance Guidelines*. These Guidelines are not prescriptive, but have been used by the Company in adopting its corporate governance policies. The Company's approach to corporate governance is set out below. The Board is constantly engaged in an ongoing review of the Company's corporate governance practices. The Board considers good corporate governance to be central to the effective and efficient operations of the Company.

### Board of Directors

Management is nominating six individuals to the Board, all of whom are current directors of the Company. The Board is currently comprised of six directors; Alan J. Stephens, Michael Philpot, Gordon J. Fretwell, Colin Kinley, Mike Haworth and Roderick J. Webster. The Guidelines suggest that the board of directors of every reporting issuer should be constituted with a majority of individuals who qualify as "independent". A director is independent if he or she has no direct or indirect "material relationship" with the Company. Of the proposed nominees of the Company, Roderick J. Webster are considered by the board to be "independent" and Alan J. Stephens and Michael Philpot are management directors and are considered to be "non-independent" within the meaning of National Instrument 52-110- *Audit Committees*.

The Chairman of the Board is Gordon Fretwell, who is an "independent" director within the meaning of National Instrument 52-110- *Audit Committees*.

The Chairman is responsible for managing the affairs of the Board and works with the Chief Executive Officer and other management to ensure effective relations with the Board, the shareholders and the public.

## Directorships

The following directors of the Company are directors of other reporting issuers.

Director	Other Reporting Issuer(s)
Alan J. Stephens	Weatherly International PLC California Gold Mining Inc.
Michael D. Philpot	Standard Graphite Corp.
Roderick J. Webster	Weatherly International PLC China Africa Resources
Gordon J. Fretwell	Asanko Gold Inc. (Formerly Keegan Resources Inc.) Canadian Rare Earth Corporation Quartz Mountain Resources Ltd. Auryn Resources Inc.
Colin Kinley	Excelsior Mining Corp. Eco Atlantic Oil and Gas Ltd.
Michael Haworth	Excelsior Mining Corp. Ncondezi Energy Limited Zanaga Iron Ore Company Limited

## Meetings of the Board

The Board meets on an as needed basis to review, among other things, the performance of the Company. Other meetings of the Board will be called as circumstances arise. In addition, Board memos are prepared as required to ensure the Board is kept informed of all relevant matters.

The independent directors of the Company meet regularly through the Audit Committee meetings which are scheduled quarterly. Non-independent directors and Management are not in attendance at such meetings.

All directors attended 100% of the full Board meetings that were held during the year ended December 31, 2015, with the exception of Mr. Fretwell, who missed one meeting.

## Board Mandate

The Board is in the process of updating the Board mandate, which generally speaking, is to manage and supervise the management of the business and affairs of the Company and to act with a view to the best interest of the Company. The Board oversees the management of the Company's affairs directly and through committees. The Board's responsibilities include, among other matters, reviewing and approving the Company's overall business strategies and annual business plan, review and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget, reviewing major strategic initiatives to ensure that the Company's proposed actions accord with shareholder objectives, and assessing management's performance against approved business plans and industry standards.

## Position Descriptions

The Board, together with the Corporate Secretary and Chief Financial Officer, is continually updating the Board policy manual, which will provide position descriptions for the directors and senior officers of the Company, including in respect of limitations to Management's responsibilities.

Currently, the Board has delegated the day-to-day management of the business and affairs of the Company to the executive officers of the Company, and has adopted a table of delegated authorities.

Decisions relating to matters that are not in the ordinary course and that involve material expenditures or commitments on the part of the Company require prior approval of the Board. Any responsibility which is not delegated to Management or a committee of the Board remains with the Board.

### **Orientation and Continuing Education**

The Corporate Governance and Nominating Committee is responsible for ensuring that Management develops an orientation and education program for new members of the Board and an education program for all members of the Board. New directors are provided with an orientation and education program which includes written information about the business and operations of the Company, documents from recent Board meetings, and opportunities for meetings and discussion with senior management and other directors. The Company will also give tours of its properties to give directors additional insight into the Company's business. In addition, management of the Company takes steps to ensure that its directors and officers are updated regarding corporate and securities policies which may affect the directors, officers, committee members and the Company as a whole. The Company continually reviews developments in securities rules and policies, and changes or new requirements are brought to the attention of the directors by way of director meetings or in written reports.

### **Ethical Business Conduct**

The Board has adopted an Ethics and Business Conduct policy (the "Policy"). Included in this Policy is a whistle blowing policy pursuant to which employees can communicate complaints of alleged violations of law, regulation or internal Company policy. The full text of the Policy is available free of charge to any person on request to the Company at Suite 1280 – 625 Howe Street, Vancouver, British Columbia, V6C 2T6; telephone: 604-682-5546.

In addition, certain of the directors of the Company serve as directors and officers of other companies engaged in similar business activities and therefore it is possible that a conflict may arise between their duties as a director or officer of such other companies and their duties as a director of the Company. The directors of the Company are aware of the existence of laws governing accountability of directors and officers for corporate opportunity and requiring disclosure by directors of conflicts of interest and the Company will rely upon such laws in respect of any directors' conflicts of interest or in respect of any breaches of duty by any of its directors. All such conflicts must be disclosed by such directors or officers in accordance with the *Business Corporations Act* (British Columbia).

### **Corporate Governance and Nominating Committee**

For the year ended December 31, 2015, the Corporate Governance and Nominating Committee was comprised of Mr. Webster, Mr. Watts and Mr. Jackson (Chairman), all of whom are independent. The current members of the Corporate Governance and Nominating Committee are Mr. Fretwell, Mr. Webster and Mr. Kinley. This committee is responsible for identifying new candidates for nomination to the Board.

The Corporate Governance and Nominating Committee develops and monitors the Company's overall approach to corporate governance issues and, subject to approval by the Board, implements and administers a system of corporate governance which reflects superior standards of corporate governance practices. In fulfilling this role, the Corporate Governance and Nominating Committee periodically reviews and assesses the adequacy of the Company's corporate governance principles and develops and recommends to the Board for adoption additional or revised principles as appropriate.

The Corporate Governance and Nominating Committee analyzes and reports to the Board the relationship of each director to the Company and significant shareholders as to whether or not such director is considered "independent" within the meaning of applicable corporate and securities law and policies. The Corporate Governance and Nominating Committee also determines the appropriate committee structure of the Board and advises the Board or any of the committees of the Board of any corporate governance issues which the Corporate Governance and Nominating Committee determines ought to be considered. The Corporate Governance and Nominating Committee reviews with the Board the role of

the Board, the terms of reference of each of the committees of the Board and the methods and processes by which the Board fulfills its duties and responsibilities. Finally, the Committee proposes to the Board annually nominees for election or appointment to the Board to fill Board vacancies and the assignment of members to the committees of the Board and the chair for each committee.

### **Compensation Committee**

For the year ended December 31, 2015, the Compensation Committee members were Mr. Fretwell (Chairman), Mr. Watts and Mr. Jackson, all of which were independent of this committee. The current members of the Compensation Committee are Mr. Webster, Mr. Haworth and Mr. Kinley. Information on the Compensation Committee is contained in this Circular under the heading “*Executive Compensation*”.

### **Assessment**

Currently, the Board works with the Corporate Governance and Nominating Committee to review the effectiveness of its committees and individual directors. The Board intends to implement formal assessment procedures to be carried out on an annual basis, but does not currently have such procedures in place, but will consider implementing one in the future should circumstances warrant.

### **Term Limits**

The Board has not adopted policies imposing an arbitrary term or retirement age limit in connection with individuals nominated for election as directors as it does not believe that such a limit is in the best interests of the Company. The Corporate Governance and Nominating Committee reviews the composition of the Board, including the age and tenure of individual directors. The Board strives to achieve a balance between the desirability to have a depth of industry experience from its members on the one hand and the need for renewal and new perspectives on the other hand.

### **Gender Diversity**

The Board recently adopted a policy to reflect its commitment to diversity and inclusion in all levels in the workplace and on the Board (the “**Diversity Policy**”). The Diversity Policy sets out the guidelines by which the Company and the Board will endeavour to achieve diversity throughout the Company. To this end, the Board is dedicated to cultivating an environment where individual differences are respected, the ability to contribute and access employment opportunities is based on performance, skill and merit, and appropriate attitudes, behaviours and stereotypes are confronted and eliminated. While the Company does not support the adoption of quotas, management and the Board will consider diversity as an element of the overall selection criteria of candidates.

The Board will proactively monitor the Company’s performance in meeting the standards outlined in the Diversity Policy. As the Diversity Policy was only recently implemented, the Board has not yet had the opportunity to consider the Company’s progress on achieving the policy’s standards.

The Diversity Policy requires that each year the Company report on the proportion of female and minority personnel in senior executive positions and on the Board in the Company’s management information circular. As at December 31, 2015, (a) none of the Company’s personnel at the executive management level were female and none of such personnel identified themselves as part of a minority group and (b) the Company’s Board did not include any female members and none of the Board members identified themselves as belonging to a minority group.

## PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

### Approval of Private Placement

On May 24, 2016, the Company announced a private placement financing of 100,000,000 common shares (“**Common Shares**”) at a price of C\$0.10 per common share for gross proceeds to the Company of C\$10,000,000 (the “**Private Placement**”). The Company intends to use the proceeds of the Private Placement to fund the Marimaca Project and for working capital purposes.

On May 24, 2016, the Company also announced that Greenstone Resources L.P. (“**Greenstone**”), the Company’s major shareholder, had agreed to increase the conversion price of the Company’s outstanding convertible debentures (the “**Debentures**”) from C\$0.04 to C\$0.10. Accordingly, on May 26, 2016, an aggregate of 106,730,000 Common Shares were issued to Greenstone in full satisfaction of the US\$8,125,000 owed to Greenstone under the Debentures. The issuance of the Common Shares upon conversion of the Debentures was approved by the Company’s shareholders at the annual and special meeting of shareholders held on July 16, 2015. Following the conversion of the Debentures, there are 345,902,180 Common Shares outstanding and Greenstone holds 186,530,000 Common Shares, representing 53.9% of the total outstanding Common Shares as of the date of this Circular.

In connection with the Private Placement and the conversion of the Debentures, the Company and Greenstone entered into a binding term sheet (the “**Term Sheet**”) pursuant to which Greenstone agreed, subject to satisfaction of certain conditions precedent, to acquire a minimum of 53,925,650 Common Shares and a maximum of 100,000,000 Common Shares pursuant to the Private Placement. In accordance with the Term Sheet, the Private Placement will be structured in two tranches. The first tranche (“**Tranche 1**”) will involve the issuance of 34,000,000 Common Shares to Greenstone. Tranche 1 is expected to complete prior to the date of the Meeting and on or about June 14, 2016. Following completion of Tranche 1, Greenstone will hold 220,530,000 Common Shares, or approximately 58% of the then total Common Shares outstanding.

Tranche 2 involves the issuance of 66,000,000 Common Shares. Greenstone has agreed, subject to satisfaction of certain conditions precedent, to acquire a minimum of 19,925,650 Common Shares under Tranche 2 (the “**Minimum Commitment**”), which would permit it to maintain a 53.9% interest. In the event that the remaining 46,074,350 Common Shares to be issued pursuant to Tranche 2 are not subscribed for by third party subscribers, Greenstone has also agreed to acquire these remaining Common Shares. Assuming there are no third party subscribers and Greenstone acquires all of the remaining 46,074,350 Common Shares, Greenstone would hold 286,530,000 Common Shares, or 64.3% of the total outstanding Common Shares.

In connection with the Private Placement, Coro has agreed to pay Greenstone a US\$70,000 fee for its services in relation to the Private Placement and reimburse Greenstone for its costs and expenses incurred in connection with the Private Placement.

### *Shareholder Approval*

In accordance with the policies of the Toronto Stock Exchange (the “**TSX**”), shareholder approval must be obtained for a financing which involves the issuance of more than 25% of the outstanding common shares, on a non-diluted basis. As Tranche 1 and Tranche 2 of the Private Placement, when aggregated, involve the issuance of approximately 29% of the Company’s current issued and outstanding Common Shares, the Company is seeking shareholder approval of Tranche 2 of the Private Placement at the Meeting.

In addition, the policies of the TSX require that shareholder approval must be obtained for financings where the number of common shares issued to insiders exceed 10% of the outstanding common shares. As Greenstone is an “insider” of the Company and will be acquiring more than 10% of the current outstanding Common Shares, disinterested shareholder approval of their participation in Tranche 2 of the Private Placement is also being sought at the Meeting.

In the event the shareholder approval is not obtained, the Company will not proceed with any of Tranche 2 of the Private Placement and Greenstone’s ownership position will remain at approximately 58%. As set out above, in the event that shareholder approval is obtained and Greenstone completes only the Minimum Commitment (on the basis that there are third party subscribers for the remaining 46,074,350 Common Shares to be issued pursuant to Tranche 2), Greenstone’s ownership position would be reduced to 53.9%. In the event shareholder approval is obtained and there are no third party subscribers to Tranche 2 of the Private Placement, Greenstone will acquire all 66,000,000 Common Shares and its ownership position would be increased to 64.3%.

Greenstone is a “related party” within the meaning of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). MI 61-101 governs transactions that raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations. The Private Placement is a “related party transaction” under MI 61-101 and, accordingly, Coro is required to seek minority shareholder approval of the Private Placement. The Company has relied on the exemption contained in Section 5.7(e) of MI 61-101 from the minority approval requirement in relation to Tranche 1 and is seeking minority approval in respect of Tranche 2 of the Private Placement. As set out above, Greenstone previously held the Debentures and is the Company’s major shareholder. The Company is in need of additional funding to advance its projects and for working capital. As a result, the Company approached Greenstone to determine if they would be interested in providing additional equity to the Company and restructuring the conversion of the Debentures in order to avoid excessive dilution to the Company’s shareholders. Greenstone agreed and, on May 24, 2016, the parties executed the Term Sheet. The Term Sheet and the Private Placement were unanimously approved by the Company’s board of directors. MI 61-101 also requires a formal valuation for related party transactions. The Company is relying on the exemption contained in Section 5.5(c) of MI 61-101 from this requirement.

In accordance with MI 61-101 and the policies of the TSX, votes by Greenstone will not be counted towards shareholder approval of the Private Placement and, accordingly the 79,800,000 Common Shares held by Greenstone at the record date for voting (representing approximately 33.4% of the issued and outstanding common shares entitled to vote at the Meeting) will not be counted. At the Meeting, disinterested shareholders will be asked to consider the following resolution:

**“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT:**

1. the issuance of 66,000,000 common shares at a price of C\$0.10, representing 19% of the current issued and outstanding common shares, pursuant to Tranche 2 of the Private Placement, is hereby authorized approved;
2. the issuance of up to 66,000,000 common shares at a price of C\$0.10 to Greenstone Resources L.P., representing 19% of the current issued and outstanding common shares, pursuant to Tranche 2 of the Private Placement is hereby authorized approved;
3. the issuance of 34,000,000 common shares at a price of C\$0.10 to Greenstone Resources L.P. pursuant to Tranche 1 of the Private Placement is ratified and confirmed, and
4. notwithstanding that this resolution has been duly passed by shareholders of the Company, the directors of the Company be and they are hereby authorized without further approval of the

shareholders of the Company, to revoke this resolution and determine not to proceed with Tranche 2 of the Private Placement.”

Management of the Company recommends that shareholders vote in favour of the foregoing resolution. Certain directors and officers of the Company have provided to Greenstone undertakings to vote in favor of the proposed Private Placement at the Meeting which undertakings represent approximately 21,000,000 Common Shares (or approximately 8.8% of the Common Shares entitled to vote on the Private Placement at the Meeting).

### **Approval of Management Participation in the Private Placement**

The Company’s directors and officers may also participate in Tranche 2 of the Private Placement if it is undersubscribed. As the directors and officers are insiders of the Company and Greenstone, which is also an insider is proposing to acquire more than 10% of the issued and outstanding Common Shares, any participation by the directors and officers requires disinterested shareholder approval under the TSX policies. To preserve maximum flexibility, the Company is seeking disinterested shareholder approval of the issuance to the directors and officers of up to 46,074,350 Common Shares (being the number of Common Shares remaining in Tranche 2 after subtracting Greenstone’s Minimum Commitment).

In accordance with the policies of the TSX, votes by Greenstone and the directors and officers will not be counted towards shareholder approval of management’s participation in Tranche 2 of the Private Placement and, accordingly, the approximately 100,800,000 Common Shares held by Greenstone and the directors and officers as at the record date for voting (representing approximately 42% of the issued and outstanding common shares entitled to vote at the Meeting) will not be counted. At the Meeting, disinterested shareholders will be asked to consider the following resolution:

**“BE IT RESOLVED, AS AN ORDINARY RESOLUTION, THAT** the issuance of up to 46,074,350 common shares at a price of C\$0.10 to certain directors and officers, representing 19% of the current issued and outstanding Common Shares, pursuant to Tranche 2 of the Private Placement is hereby authorized approved.”

Management of the Company recommends that shareholders vote in favour of the foregoing resolution.

Unless otherwise directed, the persons named in the enclosed form of Proxy intend to vote FOR the approval of the foregoing resolutions at the Meeting.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company may be found under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information about the Company is provided by the Company’s comparative annual financial statements for the year ended December 31, 2015, a copy of which, together with management’s discussion and analysis thereon, accompanies this Circular. Additional financial information concerning the Company may be obtained by any securityholder of the Company free of charge by contacting the Company at 604-682-5546.

**BOARD APPROVAL**

The contents of this Circular have been approved and its mailing authorized by the directors of the Company.

DATED at Vancouver, British Columbia, the 30th day of May, 2016.

**ON BEHALF OF THE BOARD**

*(signed) "Damian Towns"*

Damian Towns- Chief Financial Officer & Corporate Secretary

## **Appendix A**

### **COMPENSATION COMMITTEE MANDATE**

#### **Purpose**

The overall purpose of the Compensation Committee (“Committee”) is to develop executive compensation plans that:

- attract and retain skilled and experienced executives and senior managers;
- motivate executives and senior managers to achieve corporate objectives and create shareholder value; and
- encourage executives and senior managers to link their personal financial interest to those of the shareholders.

The compensation of executives and senior management shall be based on competitive rates in the marketplace, taking account of location and conditions of employment.

Compensation for executives and senior managers shall consist of a combination of a base salary, cash based annual incentive, a long-term incentive and employee benefits.

#### **Composition, Procedures and Organization**

1. The Committee shall consist of at least three members of the Board, a majority of whom shall be “independent” as that term is defined in National Instrument 58-101 “Disclosure of Corporate Governance Practices” and should exclude Executive Directors wherever possible. In particular, a Committee member shall not:
  - (a) other than in his or her capacity as a member of the Board or any committees of the Board, accept directly or indirectly any consulting, advisory or other fee from the Company;
  - (b) have been employed by the Company or any of its affiliates in the current or past two years; or
  - (c) be an affiliate of the Company or any subsidiaries.
2. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee.
3. Unless the Board shall have appointed a Chair of the Committee, the members of the Committee shall elect a Chairman from among their number.
4. The secretary of the Committee shall be designated from time to time from one of the members of the Committee or, failing that, shall be the Company’s corporate secretary, unless otherwise determined by the Committee.

5. The Committee shall have access to such officers and employees of the Company, its external auditors and legal counsel and to such information respecting the Company and may engage separate independent counsel and advisors at the expense of the Company, all as it considers to be necessary or advisable in order to perform its duties and responsibilities.

### **Meetings**

1. At the request of the PCEO or any member of the Committee, the Chairman will convene a meeting of the Committee and provide an agenda for such meeting.
2. Any two directors may request the Chairman to call a meeting of the Committee and may attend at such meeting or inform the Committee of a specific matter of concern to such directors, and may participate in such meeting to the extent permitted by the Chairman of the Committee.
3. The quorum for meetings shall be a majority of the members of the Committee, present in person or by telephone or other telecommunication device that permits all persons participating in the meeting to speak and hear each other.
4. The Committee shall meet at least once in each year on such dates and at such locations as the Chairman of the Committee shall determine and may also meet at any other time or times on the call of the chair of the Committee or any two of the other members.

### **Duties and Responsibilities**

The duties and responsibilities of the Committee shall be as follows:

1. Review and approve corporate goals and objectives relevant to PCEO compensation, evaluate the PCEO's performance in light of these goals, and recommend the PCEO's package to the Board.
2. Make recommendations to the Board on all elements of executive officers' compensation.
3. Review all compensation information before the Company discloses it publicly.
4. Approve any compensation arrangement for a senior executive of any subsidiary.
5. Review succession planning for senior positions, and make recommendations to the Board.
6. Review appropriate compensation of the independent directors and to provide recommendations of such review for the approval by the Corporate Governance Committee and the PCEO.