

RED EAGLE MINING CORPORATION

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual Meeting of the shareholders (the “**Meeting**”) of Red Eagle Mining Corporation (“**Red Eagle**” or the “**Company**”), will be held at 2348 – 666 Burrard Street, Vancouver, British Columbia, on June 1, 2017 at the hour of 2:00 pm (Pacific time) for the following purposes:

1. To receive and consider the audited financial statements of the Company for the fiscal year ended December 31, 2016, together with auditor's report thereon.
2. To appoint PricewaterhouseCoopers LLP, Chartered Professional Accountants, as auditors for the ensuing year and to authorize the Directors to fix the remuneration to be paid to the Auditors.
3. To fix the number of Directors for the ensuing year at seven (7).
4. To elect Directors of the Company for the ensuing year.
5. To consider and, if deemed advisable, pass an Ordinary Resolution approving the Company's Stock Option Plan.
6. To consider and, if deemed advisable, pass a non-binding advisory resolution approving the Company's approach to executive compensation.
7. To ratify, confirm and approve the Company's Amended and Restated Shareholder Rights Plan Agreement approved by the Board of Directors on May 1, 2017 and dated effective June 2, 2017.
8. To transact such business as may properly come before the Meeting or any adjournment thereof.

The record date for the Meeting is April 26, 2017. The record date is the date for the determination of the Registered Shareholders of Common Shares entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof.

This notice is accompanied by a management information circular (“**Circular**”) and either a form of proxy or a voting instruction form. If previously requested, a copy of the audited consolidated financial statements and management's discussion and analysis (“**MD&A**”) of Red Eagle for the year ended December 31, 2016 will also accompany this notice. Copies of Red Eagle's annual and interim financial statements and MD&A are also available under Red Eagle's profile on SEDAR at www.sedar.com and on Red Eagle's website at www.redeaglemining.com.

We value your opinion and participation in the Meeting as a Shareholder of Red Eagle. Please review the accompanying Circular before voting as it contains important information about the Meeting. It is important that you exercise your vote, either in person at the Meeting, by telephone, on the internet or by completing and returning the enclosed form of proxy or voting instruction form. Any questions regarding voting your shares should be directed to our proxy solicitation agent Broadridge Investor Communication Solutions (“**Broadridge**”). Any proxies to be used or acted on at the Meeting must be deposited with Red Eagle's transfer agent by 2:00 pm (Pacific time) on May 30, 2017, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjourned or postponed Meeting.

DATED at Vancouver, British Columbia, this 4th day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS

RED EAGLE MINING CORPORATION

“Ian Slater”

Ian Slater, Chairman and Chief Executive Officer

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RED EAGLE MINING CORPORATION
MANAGEMENT INFORMATION CIRCULAR
(containing information as at May 1, 2017)

PART ONE – VOTING INFORMATION

SOLICITATION OF PROXIES

This Circular is furnished in connection with the solicitation by the management (“**Management**”) of Red Eagle Mining Corporation (“**Red Eagle**” or the “**Company**”) of proxies to be voted at the Annual Meeting (the “**Meeting**”) of shareholders of the Company (the “**Shareholders**”) to be held on Thursday, June 1, 2017 at the time and place and for the purposes set forth in the accompanying Notice of Annual Meeting. The solicitation will be primarily by mail, but may also be by telephone or verbal communication by the regular officers and employees of the Company. The cost of solicitation of proxies will be borne by the Company. The Company will also pay the fees and costs of intermediaries for their services in transmitting proxy related material to non-registered Shareholders in accordance with National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”).

APPOINTMENT AND REVOCATION OF PROXIES

There are two (2) ways you can vote your Common Shares if you are a Registered Shareholder (as defined hereunder). You may vote in person at the Meeting or you may sign the enclosed proxy (the “**Proxy**”) appointing the designated persons or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your shares at the Meeting.

If you are a Registered Shareholder with the transfer agent and plan to attend the Meeting to vote your Common Shares in person at the Meeting, do not complete or return the Proxy. Your vote will be taken and counted at the Meeting. Please register with the transfer agent on Thursday, June 1, 2017, upon arrival at the Meeting.

The Company’s articles of incorporation provide that a proxy or an instrument appointing a duly authorized representative of a corporation shall be in writing, under the hand of the appointer or his duly authorized agent in writing, or if such appointer is a corporation, either under its seal or under the hand of an officer or agent duly authorized for that purpose.

The persons designated as proxyholders in the proxy are Mr. Ian Slater, President, Chief Executive Officer (“**CEO**”) and Director of the Company and Mr. Jay Sujir, a Director of the Company. A Shareholder has the right to appoint a person, who need not be a shareholder, to represent the Shareholder at the Meeting, other than the person or persons named in the Proxy provided by the Company. To exercise this right, the Shareholder must either insert the name of the desired proxyholder in the blank space provided in the proxy and strike out the names printed therein, or complete and submit another proxy. The Proxy will not be valid unless it is deposited at the offices of the Company’s registrar and transfer agent, Computershare, 100 University Ave., 8th Floor, North Tower, Toronto, ON, M5J 2Y1, no later than forty-eight (48) hours (excluding Saturdays, Sundays and holidays) preceding the time of the Meeting or any adjournment thereof. The instrument of proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a company, it must either be under its common seal or signed by a duly authorized officer.

A Shareholder who has given a proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the Shareholder or by his attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal, or signed by a duly authorized officer and deposited at the Company’s Registrar and Transfer Agent, Computershare, 100 University Ave., 8th Floor, North Tower, Toronto, ON, M5J 2Y1, at any time up to not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting, or any adjournment of it, at which the proxy is to be used. A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

These security holder materials are being sent to both registered and non-registered owners of the securities (collectively, the “**Shareholders**”). If you are a non-registered owner, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

VOTING OF SHARES AND EXERCISE OF DISCRETION OF PROXIES

Common shares represented by Proxy are to be voted for, against or withheld from voting on any ballot by the proxyholder named in the enclosed Proxy in accordance with the instructions of the Shareholder. The Directors who are soliciting the Proxy agree to respect the instructions given by the shareholder in the Proxy. **IN THE ABSENCE OF ANY INSTRUCTION IN THE PROXY, THE SHARES WILL BE VOTED IN FAVOR OF THE ADOPTION OF THE MOTIONS TO BE PROPOSED AT THE MEETING AS SPECIFIED IN THIS INFORMATION CIRCULAR.** The instrument of proxy enclosed, when properly signed, also confers discretionary authority with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to Red Eagle’s Management should properly come before the Meeting, the proxies hereby solicited will be voted on such matters in accordance with the best judgment of the nominee.

In order to approve a motion proposed at the Meeting, a majority of greater than 50% of the votes cast will be required (an “**Ordinary Resolution**”) unless the motion requires a special resolution, in which case a majority of not less than 66²/₃% of the votes cast will be required.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of the shareholders do not hold their Common Shares in their own name. Shareholders holding their Common Shares through their brokers, intermediaries, trustees or other parties, or otherwise not holding their Common Shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders appearing on the records maintained by the Company’s 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, those Common Shares, in all likelihood, will **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 Common Shares are registered under the name of CDS & Co., the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms. Common shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting Common Shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate party well in advance of the Meeting.**

Regulatory polices require 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 the Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form requesting such voting instructions (a “**VIF**”) supplied to the Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Proxy provided directly to the 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.

Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge in Canada. Broadridge typically prepares a machine-readable VIF, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the VIFs to Broadridge (by way of mail, the Internet or telephone). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares

to be represented at the Meeting. **A Beneficial Shareholder cannot use a VIF to vote Common Shares directly at the Meeting. The VIF must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) or other third party in accordance with the instructions on the VIF 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.**

Although a Beneficial Shareholder may not be recognized directly at a Meeting for the purposes of voting Common Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as Proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders wishing to attend the Meeting and indirectly vote their Common Shares as Proxyholder for the registered shareholder, should enter their own names in the blank space on the VIF provided to them and return it in accordance with the instructions provided by such party on the VIF.**

RECORD DATE, VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Company consists of an unlimited number of common shares (“**Common Shares**”) and an unlimited number of preferred shares having attached thereto the special rights and restrictions as set forth in the Articles of the Company. The record date for the determination of shareholders entitled to receive notice of, and to vote at, the Meeting is April 26, 2017 (the “**Record Date**”). Each Registered Shareholder on the Record Date will be entitled to vote at the Meeting or any adjournment or postponement thereof. As at the close of business on May 1, 2017, 265,025,121 Common Shares were issued and outstanding, each share carrying the right to one vote. No preferred shares have been issued. The Company has no other classes of voting shares.

To the knowledge of the Directors and officers of the Company, as of the Record Date, only the following beneficially own, or control or direct, directly or indirectly, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares:

Name of Shareholder	Number of Common Shares	Percentage of Issued and Outstanding
Liberty Metals & Mining Holdings, LLC	43,122,710	16.27%

The above information was supplied by the Registrar and Transfer Agent and Management for the Company.

PART TWO – MATTERS TO BE ACTED UPON AT THE MEETING

RECEIPT OF FINANCIAL STATEMENTS

The audited financial statements of the Company as at and for the year ended December 31, 2016 (the “**Financial Statements**”), together with the Auditor’s Report thereon and the Company’s MD&A, will be placed before the Meeting. Copies of the Financial Statements, together with the auditor’s report thereon and the Company’s MD&A, Notice of Meeting, Circular and Proxy are available on Red Eagle’s website at www.redeaglemining.com and on the SEDAR website at www.sedar.com.

ELECTION OF DIRECTORS

At the Meeting, the seven persons named below will be proposed for election to the Board (“**Nominees**”).

Unless otherwise instructed, the persons named in the enclosed proxy form intend to VOTE FOR the election of each of the Nominees. The proposal requires the approval of a majority of the votes cast at the Meeting. If, prior to the Meeting, any of the listed Nominees shall become unavailable to serve, the persons designated in the Proxy

form will have the right to use their discretion in voting for a properly qualified substitute. Management does not contemplate presenting for election any person other than these nominees.

The Board has adopted an Advance Notice Policy for the nomination of directors in certain circumstances. A copy of the Advance Notice Policy is available upon request from the Company's Corporate Secretary. As of the date of this Circular, the Company has not received notice of any director nominations in connection with the Meeting.

The Board has adopted a Majority Voting Policy which stipulates that if a Nominee receives a greater number of votes "withheld" from his or her election than votes "in favour" of his or her election, the Nominee will submit his or her resignation promptly after such meeting (to take effect upon acceptance by the Board) for consideration by the Corporate Governance and Compensation Committee). After reviewing the matter, the Corporate Governance and Compensation Committee will make a recommendation to the Board, and the Board's subsequent decision will be publicly disclosed with reasons for its decision in the event the Board declines to accept the resignation. The Nominee will not participate in any Corporate Governance and Compensation Committee or Board deliberations regarding the resignation offer. The Majority Voting Policy does not apply in circumstances involving contested director elections. A copy of the Majority Voting Policy is available upon from the Company's Corporate Secretary.

Each of the nominees has provided the information as to the Common Shares of the Company he or she beneficially owns or over which he or she exercises control or direction, as at May 1, 2017. All nominees have served continuously as a Director of the Company since their appointment or first election in such capacity.

If any proposed nominee is unable to serve as a director or withdraws his or her name, the individuals named in your form of proxy or voting instruction form reserve the right to nominate and vote for another individual in their discretion.

We expect all of our directors to demonstrate leadership and integrity and to conduct themselves in a manner that reinforces our corporate values and culture of transparency, teamwork and individual accountability. Above all, we expect that all directors will exercise their good judgment in a manner that keeps the interests of shareholders at the forefront of decisions and deliberations. Each candidate must have a demonstrated track record in several of the skills and experience requirements deemed important for a balanced and effective Board.

IAN SLATER
British Columbia, Canada
CEO, Chairman and
Director since:
January 4, 2010

Mr. Slater has been involved in the mining industry for over twenty-five years. Previously, Mr. Slater was the Managing Partner of both Ernst & Young's Canadian and Arthur Andersen's Central Asian Mining Practices. Mr. Slater is a Chartered Accountant.

Securities Held⁽¹⁾

	Number of Common Shares	Number of RSUs	Number of Options	Total at-risk value of securities held⁽²⁾
May 1, 2017	3,100,001	350,000	3,300,000	\$3,363,000
May 1, 2016	3,100,001	Nil	2,800,000	\$3,110,000
Change	Nil	350,000	500,000	\$253,000

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
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TIM PETTERSON
British Columbia, Canada
Director since:
January 4, 2010

Mr. Petterson worked for fifteen years in both Mining Consultancy and Investment Banking in London. He has held several senior positions including Head of Global Mining Research at HSBC and more latterly ABN AMRO, before becoming ABN AMRO's Head of Pan European Equity Research. Mr. Petterson is currently CEO of Black Eagle Mining Corporation and is a graduate Mining Engineer.

Securities Held⁽¹⁾

	Number of Common Shares	Number of DSUs	Number of Options	Total at-risk value of securities held⁽²⁾
May 1, 2017	2,688,333	125,000	1,950,000	\$2,606,566
May 1, 2016	2,488,333	Nil	1,950,000	\$2,385,566
Change	200,000	125,000	Nil	\$221,000

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
Technical and Sustainability Committee	4 of 4

ROBERT BELL
Perth, Australia
Director since:
January 4, 2010

Mr. Bell has worked internationally in the mining industry for over forty years. Mr. Bell was the Chief Operating Officer of the Red Eagle from January 15, 2013 to April 1, 2017. Earlier in his career he was employed as a Mine Manager and Mine Superintendent on numerous projects. Mr. Bell was one of the founding partners of Minproc Engineers' Mining Division and was responsible for a large number of bankable feasibility studies. Mr. Bell was General Manager of Dundee's Chelopech Mine in Bulgaria. Mr. Bell has accumulated a wealth of experience in the construction of numerous mines around the world. Mr. Bell is a graduate Mining Engineer from the Western Australian School of Mines.

Securities Held⁽¹⁾

	Number of Common Shares	Number of RSUs	Number of Options	Total at-risk value of securities held⁽²⁾
May 1, 2017	3,013,333	350,000	3,300,000	\$3,304,066
May 1, 2016	2,013,333	Nil	2,800,000	\$2,371,066
Change	1,000,000	350,000	500,000	\$933,000

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
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JAY SUJIR
 British Columbia, Canada
 Director since:
 January 4, 2010

Mr. Sujir is a securities and natural resources lawyer who has extensive experience in advising and assisting public companies. He has been a partner with Farris, Vaughan, Wills & Murphy LLP since May 2015. He was previously a partner with Anfield Sujir Kennedy & Durno LLP and its predecessor firms from 1991 to May 2015. Mr. Sujir obtained his Bachelor of Arts degree from the University of Victoria in 1981 with a double major in Economics and Philosophy and obtained his Bachelor of Law degree from the University of Victoria in 1985. He is a member of the Law Society of British Columbia and the Canadian Bar Association.

Securities Held⁽¹⁾

	Number of Common Shares	Number of DSUs	Number of Options	Total at-risk value of securities held ⁽²⁾
May 1, 2017	313,500	125,000	650,000	\$520,180
May 1, 2016	316,500	Nil	650,000	\$437,220
Change	(3,000)	125,000	Nil	\$82,960

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
Audit Committee	2 of 2
Corporate Governance and Compensation Committee	1 of 1

JEFFREY MASON
 British Columbia, Canada
 Director since:
 January 4, 2010

Mr. Mason is a Chartered Professional Accountant and holds an Institute of Corporate Directors designation. He has over 25 years of public company experience in exploration, development, construction and operation for gold, silver, copper, nickel, lead, zinc, platinum group metals and diamond projects in the Americas, Asia and Africa. In 2004 he was awarded the BC Ernst & Young Entrepreneur of the Year Award (Natural Resources Category). He has expertise in exploration, construction and operations reporting, budgeting and financial systems, mergers and acquisitions, corporate finance, regulatory reporting, and corporate governance including 15 years (1994-2008) as a Principal and Chief Financial Officer of Hunter Dickinson Inc., which included experience also as Chief Financial Officer, Corporate Secretary and director for 15 public companies listed on the TSX, TSX Venture Exchange, NYSE MKT and NASDAQ. Mr. Mason served as director and audit chair for 8 years of TSX/NASDAQ-listed, Coastal Contacts Inc., an online e-retailer, which was sold for \$430 million to Essilor International in May 2014. He began his career with Deloitte LLP as a Chartered Accountant, followed by six years at Homestake Mining Company (merged with Barrick Gold Corporation) in mineral exploration, construction and operations reporting. Mr. Mason served as Chief Financial Officer of Wellgreen Platinum Ltd. from November 2012 to July 2016 and board director from November 2013 to September 2015. Mr. Mason continues to serve as an independent board member since May 2014 and audit chair of Great Panther Silver Limited, (TSX/NYSE MKT) a precious metals mines operator in Mexico and Peru, director of Amarc Resources Ltd. (TSX-V) since September 1995 and director of Libero Mining Corporation (TSX-V) since August 2008.

Securities Held⁽¹⁾

	Number of Common Shares	Number of DSUs	Number of Options	Total at-risk value of securities held ⁽²⁾
May 1, 2017	2,775,000	125,000	1,000,000	\$2,327,500
May 1, 2016	2,650,000	Nil	1,000,000	\$2,157,500
Change	125,000	125,000	Nil	\$170,000

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
Audit Committee	2 of 2
Corporate Governance and Compensation Committee	1 of 1

ROBERT PEASE

British Columbia, Canada
Director since:
April 14, 2011

Mr. Pease has been involved with mineral exploration and mine development projects worldwide for the past four decades. Mr. Pease was recently appointed the Chairman of Trek Mining Inc. Previously, Mr. Pease was the CEO of Sabina Gold & Silver. He was also the founder, CEO and a Director of Terrane Metals, which was acquired in 2010 by Thompson Creek Metals. Previously, he was employed by Placer Dome for 25 years, most recently as General Manager, Canada Exploration and Global Major Projects. He was responsible for managing all aspects of Placer Dome's Canadian exploration and overseeing the geological aspects of world-wide advanced, major exploration, and developments projects. Mr. Pease holds a B.Sc. degree in Earth Science from the University of Waterloo, a Professional Geologist (British Columbia) certification and is a Fellow of the Geologic Association of Canada. He is also a past Chairman of the Association for Mineral Exploration British Columbia.

Securities Held⁽¹⁾

	Number of Common Shares	Number of DSUs	Number of Options	Total at-risk value of securities held ⁽²⁾
May 1, 2017	245,789	125,000	700,000	\$491,637
May 1, 2016	205,789	Nil	700,000	\$379,437
Change	40,000	125,000	Nil	\$112,200

Meets share ownership guideline

Board and Committee Membership and Attendance 2016

Board	4 of 4
Audit Committee	2 of 2
Corporate Governance and Compensation Committee	1 of 1
Technical and Sustainability Committee	4 of 4

STEPHEN DIXON

Lima, Peru

Director since:

August 21, 2015

Mr. Dixon is a civil engineer with in excess of twenty five years' experience in the international mining and construction industry, the past seventeen of which have been in senior roles in South America. During this period, Mr. Dixon has been involved with the development and operation of several mines throughout the region. Mr. Dixon is the co-founder of STRACON Group and is currently Chief Executive Officer and Director of STRACON GyM S.A., a leading provider of mining and construction services throughout Latin America.

Securities Held⁽¹⁾

	Number of Common Shares	Number of DSUs	Number of Options	Total at-risk value of securities held ⁽²⁾
May 1, 2017	185,000	125,000	300,000	\$210,800
May 1, 2016	Nil	Nil	Nil	Nil
Change	185,000	125,000	300,000	\$210,800

*Meets share ownership guideline***Board and Committee Membership and Attendance 2016**

Board	4 of 4
Technical and Sustainability Committee ⁽³⁾	4 of 4

(1) Information regarding the securities held by each Nominee, including the number of Common Shares beneficially owned directly or indirectly or over which control or discretion is exercised, has been provided by the relevant Nominee.

(2) Represents the total at-risk value of all Common Shares, DSUs, RSUs and Options (each as defined herein) held by the respective Nominees as at May 1, 2017.

The at-risk value as at May 1, 2017 was calculated as follows: (a) the at-risk value of Common Shares was calculated using the closing price of the Company's Common Shares on the Toronto Stock Exchange ("TSX") on May 1 2017 of C\$0.68; (b) the at-risk value of DSUs and RSUs was calculated by multiplying the number of DSUs or RSUs held by the closing price of the Company's Common Shares on the TSX on May 1, 2017 of C\$0.68; and (c) the at-risk value of unexercised Options was calculated using the closing price of the Company's Common Shares on the TSX on May 1, 2017 of C\$0.68 and subtracting the exercise price of the in-the-money Options.

The following table shows a breakdown of the at-risk value at May 1, 2017 for each type of security held by the Nominees:

Name	At-risk value of Common Shares (\$)	At-risk value of DSU or RSU (\$)	At-risk value of Options (\$)
Ian Slater	2,108,000	238,000	1,017,000
Tim Petterson	1,828,066	85,000	693,500
Jay Sujir	213,180	85,000	222,000
Robert Bell	2,049,066	238,000	1,017,000
Jeffrey Mason	1,887,000	85,000	355,500
Robert Pease	167,136	85,000	239,500
Stephen Dixon	125,800	85,000	Nil

The at-risk value as at May 1, 2016 was calculated as follows: (a) the at-risk value of Common Shares was calculated using the closing price of the Company's Common Shares on the TSX-V on April 29, 2016 of C\$0.68; (b) the at-risk value of DSUs and RSUs was calculated by multiplying the number of DSUs or RSUs held by the closing price of the Company's Common Shares on the TSX-V on April 29, 2016 of C\$0.68; and (c) the at-risk value of unexercised Options was calculated using the closing price of the Company's Common Shares on the TSX-V on April 29, 2016 of C\$0.68 and subtracting the exercise price of the in-the money Options.

(3) Mr. Dixon served as a member of the Technical and Sustainability Committee for the duration of the Company's last financial year ended December 31, 2016. Mr. Bell replaced Mr. Dixon as a member of the Technical and Sustainability Committee on April 1, 2017.

Cease Trade Orders, Bankruptcies and Penalties and Sanctions

Except as described below, no proposed director of the Company is, as at the date of this Circular, or was within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company), that:

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

Other than as described below, no proposed director of the Company:

- (a) is, as at the date of this Circular, or has been within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Sujir, a Director of the Company, was an independent director of Norwood Resources Ltd. from May 2008 until January 2011. In the last quarter of 2010, the board of directors of Norwood determined that the delays through the last quarter of 2010 had made the corporation insolvent and believed that the corporation was unfinanceable, and determined that the interests of all stakeholders would best be protected by an assignment into bankruptcy. Norwood declared bankruptcy on January 19, 2011. Mr. Sujir resigned as a director on January 19, 2011.

Mr. Mason, a Director of the Company, was a director since March 2015 of the online shoe retailer Shoes.com Technologies Inc., a private BC company, and was a director since September 2016 of certain of its wholly-owned private subsidiary companies, including Shoes.com, Inc., a Delaware company, and Onlineshoes.com, Inc., a Washington company, but not, nor ever a director of Shoeme Technologies Limited, a Canadian Federal private company (together the “**Shoes Private Companies**”). In September 2016, following the resignation of the prior CFO, Mr. Mason assumed the role of interim CFO of the Shoes Private Companies. Due in part to an increasing competitive landscape, the Shoes Private Companies became insolvent, and were not believed to be financeable. The boards of directors of the Shoes Private Companies determined that the interests of stakeholders would be best protected by placing the Shoes Private Companies into receivership in February 2017. Mr. Mason resigned as interim CFO and director of the Shoes Private Companies in February 2017.

No proposed director of the Company has been subject to:

- (a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

Additional Information Regarding the Board

For additional information regarding Red Eagle’s Board, including compensation and corporate governance practices, see “*Report on Director and Executive Compensation*” and “*Statement of Corporate Governance Practices*”.

APPOINTMENT AND REMUNERATION OF AUDITORS

PricewaterhouseCoopers LLP, Chartered Professional Accountants, will be nominated at the Meeting for appointment as independent auditors of the Company and remuneration to be fixed by the Board of Directors. PricewaterhouseCoopers replaced the Company's former independent auditors Ernst & Young LLP, Chartered Accountants who resigned at the Company's request on October 28, 2016.

Attached as Appendix "B" to this Circular is a Notice of Change of Auditor together with letters from PricewaterhouseCoopers and Ernst & Young respecting the change of auditor pursuant to section 4.11 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102").

Unless contrary instructions are indicated on the proxy form or the voting instruction card, the persons designated in the accompanying form of proxy or voting instructions card intend to vote FOR the appointment of PricewaterhouseCoopers LLP and to authorize the Board of Directors to fix their remuneration.

APPROVAL OF STOCK OPTION PLAN

The Company has a "rolling" Stock Option Plan (the "**Stock Option Plan**") pursuant to which the Board of Directors of the Company may, by resolution, grant options to Directors, officers and employees of, and consultants to, the Company or its subsidiaries. The purpose of the Stock Option Plan is to provide effective long-term incentives to such parties in order to align their interests with those of Shareholders.

Red Eagle's "rolling" Stock Option Plan was originally approved by its shareholders on December 4, 2012. At the Company's 2015 Annual and Special Meeting, Shareholders passed an Ordinary Resolution approving the Company's amended Stock Option Plan dated May 4, 2016. On November 4, 2016, the Company graduated to the Toronto Stock Exchange (the "**TSX**"). Under the rules, regulations and policies of the TSX (the "**TSX Policies**"), the Company must obtain shareholder approval for its "rolling" Stock Option Plan. The renewal of such approval must now be obtained every three years. Accordingly, Shareholders are being asked to consider, and if deemed appropriate, approve an Ordinary Resolution (the "**Stock Option Plan Resolution**") to approve the Company's Stock Option Plan. If approval is obtained at the Meeting, the Company will not be required to seek further approval of the grant of unallocated options under the Stock Option Plan until the Company's 2020 annual shareholders' meeting (provided that such meeting is held on or prior to June 1, 2020).

The key features of the Stock Option Plan are set forth below.

Summary of the Stock Option Plan

The exercise price of options is determined by the Company's Board at the moment of the grant and may not be lower than the Discounted Market Price (as defined in the Stock Option Plan) as calculated pursuant to the TSX Policies, or such other minimum price as may be required or permitted by the TSX. The aggregate number of Common Shares reserved for issuance pursuant to the exercise of Options may not exceed 10% of the outstanding Common Shares at the time of the granting of an Option, less the aggregate number of Common Shares then reserved for issuance pursuant to any other share compensation arrangement. For the purposes of the Stock Option Plan, a "other share compensation arrangement" includes any stock option plan, employee stock purchase plan, the Company's Restricted Share Unit Plan ("**RSU Plan**") and Deferred Share Unit Plan ("**DSU Plan**") or any other compensation or incentive mechanism involving the issuance or potential issuance of Shares, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise. The maximum period during which an option can be exercised is ten (10) years from the date of grant. Each option is personal to the optionee and may not be sold or transferred except by inheritance.

The Stock Option Plan provides that if an Eligible Person (as defined in the Stock Option Plan) (a) is terminated for cause, each option held by such person shall terminate and therefore cease to be exercisable upon such termination for cause (b) dies, each option held by such person shall be exercisable by the heirs or administrators of such optionee and will expire after the earlier of (i) the expiry date therefor; or (ii) six (6) months after the date of such optionee's death; and (c) ceases to be an Eligible Person other than in the circumstances set out in subsection (a) or (b) above,

each option held by such person shall terminate and shall therefore cease to be exercisable no later than the earlier of the expiry date therefor and the date which is 30 days after such event (provided that the Board may extend such period as provided under the Stock Option Plan). At no time may an optionee exercise its rights beyond the maximum period of ten (10) years from the date of grant.

The Stock Option Plan includes the following restrictions on Grants and Exercise of Options in compliance with TSX Policies:

- (a) The number of Options granted to any one person in any 12-month period under the Stock Option Plan and any other share compensation arrangement shall not exceed 5% of the issued Common Shares at the time of the grant, unless the Company has obtained disinterested shareholder approval (as defined in the Stock Option Plan) to exceed such limit.
- (b) The aggregate number of Options granted to any one consultant in any 12-month period under the Stock Option Plan and any other share compensation arrangement shall not exceed 2% of the issued Common Shares at the time of the grant.
- (c) The aggregate value of Options granted to any one non-executive director in any 12-month period under the Stock Option Plan:
 - i. shall not exceed \$100,000, at the time of the grant; and
 - ii. together with the aggregate value of awards to such non-executive under any other share compensation arrangement, shall not exceed \$150,000 at the time of the grant.
- (d) Unless the Company has received disinterested shareholder approval to do so:
 - i. the aggregate number of Common Shares reserved for issuance to Insiders under the Stock Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant; and
 - ii. the aggregate number of Common Shares issued to Insiders in any 12-month period under the Stock Option Plan and any other share compensation arrangement shall not exceed 10% of the outstanding Common Shares at the time of the grant.

A copy of the Stock Option Plan is available upon request from the Company.

Stock Option Plan Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approving the following Stock Option Plan Resolution:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

the Company's Stock Option Plan dated December 12, 2013, and amended May 4, 2016, be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the TSX Policies or applicable securities law, as the Directors of the Company may deem necessary or advisable.”

Accordingly, the Board of Directors and Management are recommending that the Shareholders vote FOR the approval of the said resolution that requires an affirmative vote of the majority of the votes cast at the Meeting in order to be adopted. Unless contrary instructions are indicated on the proxy form or the voting instruction card, the persons designated in the accompanying form of proxy or voting instructions card intend to vote FOR the approval of the resolution.

SHAREHOLDER ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Board has adopted a policy that provides for an annual advisory shareholder vote on executive compensation, known as “Say on Pay”. The Say on Pay Policy is designed to enhance accountability for the Board’s compensation decisions by giving shareholders a formal opportunity to provide their views on the Board’s approach to executive compensation through an annual non-binding advisory vote. The Company will disclose the results of the vote as part of its report on voting results for each annual general meeting. The results will not be binding as the Board will remain fully responsible for its compensation decisions and will not be relieved of these responsibilities by the advisory vote.

However, the Board will take the results into account, as appropriate, when considering future compensation policies, procedures and decisions and in determining whether there is a need to modify the level and nature of their engagement with shareholders.

Shareholders are encouraged to review and consider the detailed information regarding Red Eagle’s approach to compensation under the heading “*Report on Director and Executive Compensation*” on page 15.

At the Meeting, shareholders will be asked to consider the following non-binding advisory resolution on the acceptance of Red Eagle’s approach to executive compensation, known as “Say on Pay”. The resolution conforms to the form of resolution recommended by the Canadian Coalition for Good Governance. Shareholders may vote for or against the following resolution:

“**BE IT RESOLVED THAT** on an advisory basis, and not to diminish the role and responsibilities of the Board, the shareholders accept the Board’s approach to executive compensation disclosed under the section entitled “*Report on Director and Executive Compensation*” in the Management Information Circular of the Company dated May 4, 2017 delivered in advance of the Meeting.”

The Board of Directors recommends a VOTE FOR the advisory resolution to accept the approach to executive compensation disclosed in Part Three of this Circular. Shareholders who vote against the resolution are encouraged to contact the Board using the contact information provided under the heading “*Additional Information*” on page 36.

APPROVAL OF AMENDED AND RESTATED SHAREHOLDER RIGHTS PLAN

At the Company’s 2014 Annual General and Special Meeting of the Shareholders, the Shareholders passed an Ordinary Resolution approving the adoption of a shareholder rights plan (the “**Shareholder Rights Plan**”) pursuant to the terms of a shareholder rights plan agreement between the Company and Computershare Investor Services Inc., as rights agent, made as of July 18, 2014. Shareholders are being asked to consider and, if deemed appropriate, approve an Ordinary Resolution (the “**Shareholder Rights Plan Resolution**”) to amend and reconfirm the Shareholder Rights Plan (the “**Amended and Restated Rights Plan**”) at the Meeting. The Shareholder Rights Plan Resolution must be approved by a simple majority of votes cast at the Meeting by “Independent Shareholders” (as defined by the Shareholders Rights Plan). If the Shareholder Rights Plan Resolution is not passed, the Shareholder Rights Plan will terminate effective June 2, 2017. If the Shareholder Rights Plan Resolution is passed, the Amended and Restated Rights Plan will require reconfirmation by Shareholders at the 2020 annual meeting.

On February 25, 2016, the Canadian Securities Administrators (the “**CSA**”) announced amendments, effective May 9, 2016, to extend the minimum period that a formal take-over bid must remain open for deposits of securities thereunder. Pursuant to these amendments to the take-over bid regime, any party wishing to make a formal take-over bid for the Common Shares will be required to leave the offer open for acceptance for at least 105 days (formerly 35 days), with the ability of the Company to voluntarily reduce the period to not less than 35 days. Additionally, the minimum period may be reduced due to the existence of certain competing take-over bids or alternative change in control transactions. The CSA amendments also require that take-over bids meet a minimum tender requirement of more than 50% of the outstanding securities of the class that are subject to the take-over bid excluding securities owned by the bidder.

The CSA amendments address, in part, the Board’s original intent for adopting the Shareholder Rights Plan – primarily as they relate to the period of time that Shareholders and the Board would have to consider and respond to an unsolicited take-over bid and the minimum tender requirement. However, the CSA amendments do not alter the availability of exemptions to the formal takeover bid rules that facilitate creeping bids (acquisitions of shares with the

intention of acquiring effective control of Red Eagle through market purchases and private agreements that are exempt from the take-over bid rules). Specifically, the Board continues to believe that a rights plan is necessary to protect Shareholders from certain actions that could result in equitable treatment of Shareholders under Canadian securities laws, including the following: (i) a person could acquire effective control of the Company under one or more private agreements at a premium to the market price, resulting in a change of control transaction without the payment of a premium to all Shareholders, (ii) a person could slowly accumulate shares of the Company through stock exchange acquisitions over time, resulting in an acquisition of effective control without payment of fair value for control, (iii) a person seeking to acquire control of the Company could enter into agreements with Shareholders who, together with the acquiror, hold more than 20% of the outstanding Common Shares of the Company irrevocably committing such holders to tender their Common Shares of the Company to a take-over bid, the effect of which would be to significantly hamper, if not terminate, any reasonable prospect for the Board to run a value enhancing auction process, and (iv) it may be possible for a person to engage in transactions outside of Canada without regard to the take-over bid protections of Canadian securities laws (collectively, the “**Outstanding Gaps**”).

In light of the foregoing considerations, the Board adopted the Amended and Restated Rights Plan described below the sole purpose of which is to address the Outstanding Gaps and ensure that Shareholders have equitable opportunity to participate in a change of control transaction. The Amended and Restated Rights Plan is consistent with the CSA amendments and other features of so-called “new generation” rights plans.

Purpose of the Amended and Restated Rights Plan

The key objective of the Board in adopting the Amended and Restated Rights Plan is addressing the Outstanding Gaps remaining following the CSA amendments and ensuring that Shareholders have equitable opportunity to participate in a change of control transaction. The Amended and Restated Rights Plan is not intended to, and will not, entrench directors or management or prevent a change of control. The Amended and Restated Rights Plan generally provides that if a bidder acquires beneficial ownership of more than 20% of the issued and outstanding Common Shares, other than by way of a “Permitted Bid”, which requires a take-over bid to be made to all Shareholders, holders of Common Shares, other than the bidder, will be able to effectively purchase additional Common Shares at a 50% discount to the market price, thus exposing the bidder to substantial dilution of its holdings.

The Amended and Restated Rights Plan continues (with the differences described below) a right (which may only be exercised if a person acquires 20% or more of the Common Shares) for each Shareholder, other than the person that acquires 20% or more of the Common Shares, to acquire additional Common Shares at one-half of the market price at the time of exercise. This significantly dilutes the share position of the person that acquires 20% or more to the Common Shares and practically prevents that person from acquiring control of 20% or greater of the Common Shares unless the rights plan has been withdrawn or the buyer makes a Permitted Bid (as defined in the Amended and Restated Rights Plan). The most common approaches that a bidder may take to have a rights plan withdrawn are to negotiate with the Board of Directors to have the rights plan waived, or to apply to a securities commission to order withdrawal of the rights plan if the Company cannot develop an auction. Both of these approaches will give the Board of Directors more time and control over any sale process and increase the likelihood of a better offer to the Company’s shareholders.

Key Differences – Shareholder Rights Plan vs. Amended and Restated Rights Plan

The following summary describes certain key differences between the Shareholder Rights Plan and the Amended and Restated Rights Plan and highlights certain of the “new generation” features of the Amended and Restated Rights Plan.

(a) Longer Duration Required for “Permitted Bids”

Under the Shareholder Rights Plan, for a take-over bid to constitute a “Permitted Bid” that does not trigger the Shareholder Rights Plan, it is required, among other things, to be open for at least 60 days. In order to align the rights plan with the CSA amendments, the Amended and Restated Rights Plan provides that a “Permitted Bid” is any non-exempt take-over bid (i.e., a take-over bid made by way of a take-over bid circular) made in accordance with applicable Canadian securities laws. As a result of the CSA amendments, such a take-over bid will generally be required by law to remain open for at least 105 days.

(b) Partial Bids to be Allowed as “Permitted Bids”

Under the Shareholder Rights Plan, a take-over bid made for less than all of the Common Shares held by all Shareholders other than the bidder (known as a “partial bid”) would not constitute a “Permitted Bid” and could trigger the Shareholder Rights Plan. This restriction on partial bids stemmed from the concern that a partial bid could be coercive to minority shareholders, unduly pressuring them to tender their shares into an inadequate partial bid in order to avoid remaining shareholders in a company that may be less valuable and less liquid post bid. As a result of the CSA amendments which will require first that all non-exempt take-over bids meet a minimum tender requirement of more than 50% of the outstanding securities held by persons other than the bidder, and second that where the minimum tender condition is satisfied the take-over bid must be extended for at least ten days, the coercive pressure on minority shareholders to tender into partial bids is significantly lessened and partial bids will effectively require majority independent shareholder support in order to succeed. As a consequence of this lessening of coercive pressure, the Amended and Restated Rights Plan does not require that a take-over bid be made for all of the Common Shares held by all Shareholders other than the bidder in order to constitute a “Permitted Bid”.

A copy of the draft Amended and Restated Shareholder Rights Plan is available upon request from the Company.

Shareholder Rights Plan Resolution

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the following Shareholder Rights Resolution:

“BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The Shareholder Rights Plan of Red Eagle Mining Corporation, including the amendments thereto, be confirmed, and the Amended and Restated Rights Plan Agreement to be dated as of June 2, 2017 between the Company and Computershare Investor Services Inc., as rights agent, which amends and restates the Shareholder Rights Plan Agreement dated July 18, 2014, and continues the rights issued thereunder, be and is hereby ratified, confirmed and approved;
2. The Board of Directors of the Company may revoke this resolution before it is acted upon, without further approval of the Shareholders;
3. Any one director or officer of the Company is hereby authorized to execute and deliver, whether under corporate seal or otherwise, the agreement referred to above and any other agreements, instruments, notices, consents, acknowledgements, certificates and other documents (including any documents required under applicable laws or regulatory policies), and to perform and do all such other acts and things, as any such director or officer in his discretion may consider to be necessary or advisable from time to time in order to give effect to this resolution.”

Accordingly, the Board of Directors and Management are recommending that the Shareholders vote FOR the approval of the said resolution that requires an affirmative vote of the majority of the votes cast at the Meeting in order to be adopted. Unless contrary instructions are indicated on the proxy form or the voting instruction card, the persons designated in the accompanying form of proxy or voting instructions card intend to vote FOR the approval of the resolution.

PART THREE – REPORT ON DIRECTOR AND EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Red Eagle is a gold producer which declared commercial production at its San Ramon Gold Mine in Colombia at the end of the first quarter of 2017. Management is focused on building shareholder value through discovering and developing gold projects with low costs and low technical risks in Colombia, a jurisdiction with prolific historic production but until recently limited modern exploration.

The Company's Board of Directors is responsible for adopting appropriate procedures with respect to the compensation of the Company's executive officers. The Company's executive compensation program is designed to achieve the following objectives:

- attract, retain, and motivate people of the highest quality;
- align the interests of the CEO and the senior executives with the Company's shareholders;
- create incentives to achieve established corporate and individual performance objectives;
- properly reflect the respective duties and responsibilities of the senior executives; and
- create incentives relating to risk management and regulatory compliance.

These objectives are embedded in the Charter of the Corporate Governance and Compensation Committee, and reflect the Company's pay-for-performance philosophy for compensation of its executives. Each of the elements of the Company's compensation program (base salary, annual incentive and long-term incentives) is designed to achieve one or more of these objectives, both in the short and long-term.

Corporate Governance and Compensation Committee

The Corporate Governance and Compensation Committee is comprised of Messrs. Sujir (Chair), Mason and Pease, each of whom is an "Independent" Director. Collectively, the Corporate Governance and Compensation Committee members have gained extensive compensation-related experience in the mining and finance sectors both as senior executives and as members of the boards of directors and committees of other public and private corporations. Each member draws on his respective management and governance experience to provide relevant governance and compensation-related expertise to the Company's executive compensation policies and practices. The Board is confident that the collective experience of the Corporate Governance and Compensation Committee members ensures that the Committee has the knowledge and experience to execute its mandate effectively and to make executive compensation decisions in the best interests of the Company.

The role of the Corporate Governance and Compensation Committee is to assist the Board in approving and monitoring the Company's guidelines and practices with respect to compensation and benefits, as well as administering the Company's equity-based compensation plans. The Corporate Governance and Compensation Committee is also responsible for developing the annual performance review for the Chairman and CEO and providing its recommendations to the Board. The Board assesses the effectiveness of the Chairman and CEO in attaining Red Eagle's corporate objectives, budgets and milestones.

Peer Group Analysis Relevant to Executive Compensation Decisions

In December 2015, the Corporate Governance and Compensation Committee of the Company, as well as select members of the Company's executive team, met with an external compensation consultant, Lane Caputo Compensation Inc., to review the compensation philosophy, business plans and scope of operations of the Company, and to clarify the duties and responsibilities of the positions to be reviewed and developed a peer group of companies against which to benchmark the Company's compensation arrangements. An effort was made to match the development stages of peer companies. The peer group consists of companies that, at the time, were in the process of constructing a mine or have recently achieved commercial production and had the associated management team in place to manage the project into production. As the magnitude of executive compensation is closely correlated to the size of organization the executive oversees, compensation levels were generally compared to companies that would be considered of relevant size to the Company based on market capitalization. Geographic similarity of peer companies

allowed for a more accurate benchmarking of comparable skillsets used to manage international versus domestic operations. Internationally-focused companies were a focus as the risk/reward profile of international operations warranted consideration, as well as the market for executives with international operating experience, all which have an influence on pay practices.

In order to benchmark the compensation competitiveness of the Company's executive team members and non-executive Directors, the following peer group was developed:

- Argonaut Gold Inc.
- Asanko Gold Inc.
- Aureus Mining Inc.
- Banro Corp.
- GoGold Resources Inc.
- Great Panther Silver Ltd.
- Guyana Goldfields Inc.
- Katanga Mining Ltd.
- Mandalay Resources Corp.
- Platinum Group Metals Ltd.
- Sierra Metals Inc.
- Teranga Gold Corp.
- Timmins Gold Corp.
- Trevali Mining Corp.
- Roxgold Inc.

The purpose of the peer-review process is to help the Board understand the competitiveness of current pay levels for each executive position relative to other reporting issuers. This allows the Board to identify and understand any gaps that may exist between the Company's executive compensation levels and market compensation levels and to potentially address any such disparities, through adjustments to executive compensation.

In December 2016, the Corporate Governance and Compensation Committee of the Company, as well as select members of the Company's executive team, again employed Lane Caputo Compensation Inc. to review Red Eagle's compensation approach for 2016.

Compensation Risk Management and Mitigation

The Corporate Governance and Compensation Committee holds certain risk management responsibilities in respect of those risks within its area of focus. The Board strives to ensure that the members of the Corporate Governance and Compensation Committee have the skills and experience required to make decisions on whether the Company's compensation policies and practices are consistent with its risk profile. The Corporate Governance and Compensation Committee avoids compensation policies which encourage excessive risk taking, such as compensation policies that allow pay out before the risks associated with the performance are likely to materialize, and policies that do not include regulatory compliance and risk management as part of their performance metrics. In the Corporate Governance and Compensation Committee's view, compensation outcomes must be symmetric with risk outcomes. Variable compensation for senior executives is considered more risk-aligned when it is deferred. The Corporate Governance and Compensation Committee is also sensitive to the possible reputational damage that could be suffered by the organization where executives are not compensated in a manner that is consistent with the objectives of the Company's executive compensation program or that is otherwise not in the best interests of the Company and its stakeholders.

Some of the risk-mitigating features of Red Eagle's executive compensation program are set out below:

Balanced Compensation Mix

Executive compensation packages are designed to balance fixed and variable compensation as well as short and long-term incentives. This mix rewards both short and long-term performance, while providing a fixed base compensation through salary, which helps to mitigate the risk of encouraging short-term goals at the expense of long-term sustainability and creating shareholder value.

Say on Pay Policy

The Company has adopted a say on pay policy that requires it to have a non-binding advisory vote at each year's annual general meeting to provide shareholders an opportunity to provide their views on Red Eagle's approach to executive compensation. At the Company's last annual meeting of shareholders on June 9, 2016, 97.43% of votes cast voted in favor of the Say on Pay advisory resolution and 2.57% voted against.

Anti-Hedging Policy for Directors and Executive Officers

The Company has adopted a formal policy that prohibits executive officers and directors from purchasing financial instruments that are designed to hedge or offset a decrease in the market value of Common Shares or other securities of the Company held by the executive officer or director.

Equity Ownership Requirement for Directors and Executive Officers

The Board believes that the long-term financial interests of the directors of the Company should be aligned with those of the shareholders of the Company. To support this objective, in 2016, the Board adopted a policy which establishes certain minimum levels of equity ownership for directors and executive officers of the Company. Under this policy, the Company's non-employee directors are required to own Common Shares or Deferred Share Units of the Company ("DSUs") having an aggregate value equivalent to three times the annual cash retainer. Directors were expected to achieve this threshold by the later of (a) December 31, 2016; and (b) the date that is the three-year anniversary of the date the individual became a director of the Company.

Under this policy, Red Eagle's CEO, Mr. Slater, is required to own Common Shares or Restricted Share Units ("RSUs") (vested or unvested) having an aggregate value equivalent to three times his annual base salary. Each of the Chief Operating Officer, Chief Financial Officer and General Counsel of the Company is required to own Common Shares or RSUs (vested or unvested) having an aggregate value equal to his or her annual base salary.

Under the policy has a minimum ownership requirement and each of the above listed officers is expect to achieve the following ownership thresholds:

- *1st anniversary of Commencement Date - minimum 20% of individual requirement*
- *2nd anniversary of Commencement Date - minimum 40% of individual requirement*
- *3rd anniversary of Commencement Date - minimum 60% of individual requirement*
- *4th anniversary of Commencement Date - minimum 80% of individual requirement*
- *5th anniversary of Commencement Date - minimum 100% of individual requirement*

For purposes of the minimum equity ownership levels required of the above listed officers of the Company, the term "Commencement Date" refers to the date that is the later of: (a) the date on which such individual became an executive officer of the Company; and (b) December 31, 2016.

Each of the above listed officers is required to maintain their minimum ownership level throughout his or her term as an officer of the Company and securities may not be the object of specific monetization or other hedging arrangements to reduce or offset exposure to the market value of these holdings.

NEO'S COMPENSATION AND INCENTIVE PLAN AWARDS SUMMARY

Named Executive Officers

As at December 31, 2016, the end of the most recently completed financial year of the Company, the five Named Executive Officers (or "NEO's") of the Company were Mr. Slater, Chairman and CEO, Mr. Bell, former Chief Operating Officer, Mr. Chui Wong, Chief Financial Officer, Mr. Mischa Zajtmann, Vice President and General Counsel, and Mr. Patrick Balit, Vice President, Corporate Development.

Compensation Components

In 2016, the compensation of the NEO's was comprised primarily of (i) base salary, and (ii) long-term incentives in the form of Options granted in accordance with the Stock Option Plan and RSUs granted in accordance with the RSU Plan. To date, no specific formula has been developed to assign a specific weighting to each of these components. In establishing levels of executive compensation, the Board of Directors takes into account the stage of development of

the Company, the Company's assets and strategic objectives as well as each executive officer's level of responsibility, duties, and contributions to the Company.

Base Salary

The Board of Directors approve the salary ranges for the NEO's. The base salary review for each NEO is based on assessment of factors such as current competitive market conditions and particular skills, such as leadership ability and management effectiveness, experience, responsibility and performance of the particular individual. The Board, using this information, together with budgetary guidelines and other internally generated planning and forecasting tools, performs an annual assessment of the compensation of all executive and employee compensation levels.

Option Based Awards

The Company has in effect the Stock Option Plan in order to provide an effective long-term incentive to directors, officers, employees and consultants of the Company by permitting such individuals to benefit directly from an increase in the market price of the Company's Shares, and thereby to further align their interests with those of the Company's Shareholders. The Stock Option Plan is also intended to reinforce management's commitment to long-term growth in profitability and shareholder value, and as such is an important part of the Company's long-term incentive strategy for its executive officers to align its interests with those of the Company's shareholders.

All option grants are approved by the Board of Directors. The size of stock option grants to officers is dependent on each officer's level of responsibility, authority and importance to the Company and the degree to which such executive officer contributes to the Company's long-term success. Previous grants of stock options are also taken into account when considering new grants.

RSU Plan

The Company adopted the RSU Plan for the benefit of executive officers and employees of the Company. Adoption of the RSU Plan was part of the Company's continuing effort to build upon and enhance long term shareholder value. The RSU Plan reflects the Company's commitment to a long-term incentive compensation structure that aligns the interests of its employees with the interests of its shareholders. It is administered by the Corporate Governance and Compensation Committee.

In December 2016, the Board approved, on the recommendation of the Corporate Governance and Compensation Committee, the granted an aggregate 975,000 to the NEO's in recognition of their performance in 2016 and as part of their 2016 compensation.

Summary Compensation Table

The following table sets out certain information respecting the compensation paid to the NEO's during the three most recently completed financial year(s) in which they were acting in the capacity of a NEO.

Name and principal position	Year	Salary (\$)	Grant date fair value of share-based awards ⁽¹⁾ (\$)	Grant date fair value of option-based awards (\$) ⁽²⁾	Non-equity incentive plan compensation (\$)		Pension value (\$)	All other compensation (\$)	Total compensation (\$)
					Annual incentive plans	Long-term incentive plans			
Ian Slater ⁽³⁾ Chairman & CEO	2016	\$350,000	\$256,068	\$200,882	\$200,000	Nil	Nil	\$5,970	\$1,012,920
	2015	\$300,000	Nil	\$316,847	\$150,000	Nil	Nil	\$5,812	\$772,659
	2014	\$280,000	Nil	\$67,640	\$175,000	Nil	Nil	\$6,745	\$529,385
Chui Wong ⁽⁴⁾ CFO	2016	\$200,000	\$73,162	\$63,469	Nil	Nil	Nil	\$2,195	\$338,826
	2015	\$109,091	Nil	\$58,867	Nil	Nil	Nil	\$11,224	\$179,182
Robert Bell ⁽⁵⁾ COO	2016	\$300,000	\$256,068	\$200,882	\$200,000	Nil	Nil	\$3,442	\$960,392
	2015	\$300,000	Nil	\$316,847	\$125,000	Nil	Nil	\$3,048	\$744,895
	2014	\$150,000	Nil	\$67,640	\$125,000	Nil	Nil	\$2,995	\$345,635
Mischa Zajtmann ⁽⁶⁾ Vice President & General Counsel	2016	\$114,394	\$54,872	\$143,322	Nil	Nil	Nil	\$1,242	\$313,830
Patrick Balit ⁽⁷⁾ VP Corporate Development	2016	\$125,000	\$73,162	\$63,469	Nil	Nil	Nil	\$2,268	\$263,899

(1) On December 19, 2016, Mr. Slater was granted 350,000 RSUs, Mr. Wong was granted 100,000 RSUs, Mr. Bell was granted 350,000 RSUs, Mr. Zajtmann was granted 75,000 RSUs and Mr. Balit was granted 75,000 RSUs. The grant date fair values of these RSUs granted were determined using the binomial pricing model and in accordance with IFRS 2 as per the financial statements.

(2) On December 19, 2016, Mr. Slater was granted 500,000 options, Mr. Wong was granted 200,000 options, Mr. Bell was granted 500,000 options and Mr. Balit was granted 200,000 options. All options are exercisable at \$0.65 until December 19, 2021. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of between 2.5 and 5 years, estimated volatility of 130%, a risk free interest rate of 0.9% and the share price on grant date assumed to be \$0.65. This resulted in grant date fair values of between \$0.30 and \$0.34. Grant date fair value varies depending on vesting date. On June 14, 2016, Mr. Zajtmann was granted 400,000 options. These options are exercisable at \$0.71 until June 14, 2021. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of between 2.5 and 5 years, estimated volatility of 135%, a risk free interest rate of 0.5% and the share price on grant date assumed to be \$0.71. This resulted in grant date fair values of between \$0.34 and \$0.38. Grant date fair value varies depending on vesting date.

On May 6, 2015 Mr. Slater was granted 500,000 options and Mr. Bell was granted 500,000 options. All options are exercisable at \$0.33 until May 6, 2020. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of between 2.5 and 5 years, estimated volatility of 100%, a risk free interest rate between 0.69% and 1.73% and the share price on grant date assumed to be \$0.33. This resulted in grant date fair values of between \$0.18 and \$0.21. Grant date fair value varies depending on vesting date. On October 6, 2015, Mr. Slater was granted 1,600,000 options, Mr. Bell was granted 1,600,000 options and Mr. Wong was granted 400,000 options. All options are exercisable at \$0.275 until October 7, 2020. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of between 2.5 and 5 years, estimated volatility of 86.48%, a risk free interest rate between 0.54% and 0.82% and

the share price on grant date assumed to be \$0.275. This resulted in grant date fair values of between \$0.14 and \$0.18. Grant date fair value varies depending on vesting date.

On April 9, 2014 Mr. Slater was granted 400,000 options and Mr. Bell was granted 400,000. All options are exercisable at \$0.33 until April 9, 2019. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of between 2.5 and 5 years, estimated volatility of 100%, a risk free interest rate between 1.15% and 1.71% and the share price on grant date assumed to be \$0.31. This resulted in grant date fair values of between \$0.18 and \$0.23. Grant date fair value varies depending on vesting date.

- (3) The Company entered into an executive employment agreement dated October 16, 2012 (the “**Slater Agreement**”) with Mr. Slater pursuant to which the Company agreed to pay Mr. Slater an annual base salary of \$250,000, which was updated to an annual salary of \$300,000 for 2015 and to \$350,000 for 2016, plus bonuses at the discretion of the Board of Directors. See “Termination and Change of Control Benefits” for additional information.
- (4) Mr. Wong was appointed CFO on June 15, 2015. The Company entered into an executive employment agreement dated May 1, 2015 (the “**Wong Agreement**”) with Mr. Wong pursuant to which the Company agreed to pay Mr. Wong an annual salary of \$200,000, plus bonuses at the discretion of the Board of Directors. See “Termination and Change of Control Benefits” for additional information.
- (5) Mr. Bell was appointed Chief Operating Officer on January 15, 2013. Mr. Bell resigned as Chief Operating Officer on April 1, 2017.
- (6) Mr. Zajtmann was appointed Vice President & General Counsel on June 6, 2016. The Company entered into an executive employment agreement dated May 25, 2016 (the “**Zajtmann Agreement**”) with Mr. Zajtmann pursuant to which the Company agreed to pay Mr. Zajtmann an annual salary of \$200,000. See “Termination and Change of Control Benefits” for additional information.
- (7) Mr. Balit was appointed Vice President Corporate Development on January 4, 2016. From March 9, 2015 to January 3, 2016, Mr. Balit served as the Company’s Director Corporate Development. The Company entered into an employment agreement dated February 12, 2015 (the “**Balit Agreement**”) with Mr. Balit pursuant to which the Company agreed to pay Mr. Balit an annual salary of \$125,000 which was updated to annual salary of \$200,000 effective January 1, 2017. See “Termination and Change of Control Benefits” for additional information.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth particulars of all outstanding share-based and option-based awards granted to the NEO’s and which were outstanding at December 31, 2016:

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money-options ⁽¹⁾ (\$)	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not been vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)
Ian Slater Chairman & CEO	300,000 400,000 500,000 1,600,000 500,000	\$0.55 \$0.33 \$0.33 \$0.275 \$0.65	Dec 6, 2017 April 9, 2019 May 6, 2020 Oct 7, 2020 Dec 19, 2021	\$2,073,000	350,000	\$256,068	Nil
Chui Wong CFO	400,000 200,000	\$0.275 \$0.65	Oct 7, 2020 Dec 19, 2021	\$210,000	75,000	\$54,872	\$18,290
Robert Bell COO	300,000 400,000 500,000 1,600,000 500,000	\$0.55 \$0.33 \$0.33 \$0.275 \$0.65	Dec 6, 2017 April 9, 2019 May 6, 2020 Oct 7, 2020 Dec 19, 2021	\$2,073,000	350,000	\$256,068	Nil
Mischa Zajtmann ⁽³⁾ Vice President & General Counsel	400,000	\$0.71	Jun 14, 2021	\$16,000	56,250	\$41,154	\$13,718

Patrick Balit ⁽⁴⁾ VP Corporate Development	200,000	\$0.33	May 6, 2015	\$151,500	75,000	\$54,872	\$18,290
	100,000	\$0.275	Oct 7, 2015				
	200,000	\$0.65	Dec 16, 2021				

- (1) Based on the difference between the exercise price of the option and the closing market price of Common Shares on the TSX on the last day of the most recently completed financial year (or, in the event there was no trade, the most recent closing market price prior thereto), being \$0.75 as of December 30, 2016.
- (2) The grant date fair values of these RSUs granted were determined using the binomial pricing model and in accordance with IFRS 2 as per the financial statements.
- (3) Mr. Zajtmann was appointed Vice President & General Counsel on June 6, 2016.
- (3) Mr. Balit was appointed Vice President Corporate Development on January 4, 2016. Mr. Balit was Director of Corporate Development from March 9, 2015 to January 3, 2016.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value vested or earned during the year ended December 31, 2016 in respect of incentive awards to the Company's NEO's:

Name	Option-based awards–Value vested during the year⁽¹⁾ (\$)	Share-based awards–Value vested during the year⁽²⁾ (\$)	Non-equity incentive plan compensation–Value earned during the year (\$)
Ian Slater Chairman & CEO	Nil	Nil	Nil
Chui Wong CFO	\$66,000	Nil	Nil
Robert Bell COO	Nil	Nil	Nil
Mischa Zajtmann Vice President & General Counsel	Nil	Nil	Nil
Patrick Balit VP Corporate Development	\$16,500	Nil	Nil

(1) For options that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the TSX on the vesting date.

(2) For restricted share units that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the TSX on the vesting date.

Narrative Discussion

The grant of stock options to NEO's pursuant to the Company's Stock Option Plan is discussed above under the heading "Compensation Discussion and Analysis – Option-Based Awards". As at the end of the financial year ended December 31, 2016, NEO's held 8,100,000 of the 17,865,000 then issued and outstanding stock options.

The grant of restricted share units to NEO's pursuant to the Company's RSU Plan is discussed above under the heading "Compensation Discussion and Analysis – RSU Plan" above. As at the end of the financial year ended December 31, 2016, NEO's held 975,000 of the 1,600,000 then issued and outstanding share-based awards.

TERMINATION AND CHANGE OF CONTROL BENEFITS

During the year ended December 31, 2016, other than as set out below, the Company did not have any contracts, agreements, plans or arrangements in place with any NEO that provides for payment following or in connection with any termination, resignation, retirement, a change of control of the Company or a change in an NEO's responsibilities.

Pursuant to the Slater Agreement, in the event that the Company terminates Mr. Slater's employment without cause, the Company shall pay an amount equal to 12 months' base salary plus one-twelfth of annual gross earnings for each completed year of service Mr. Slater has with the Company, plus payment equal to the equivalent amount of premiums for benefits which are cancelled under the agreement. Base salary under the Slater Agreement is \$250,000 per annum. This amount was updated to \$300,000 for 2015 and to \$350,000 for 2016. Annual gross earnings are defined as twelve months' base salary plus the average annual bonus paid for the last three full calendar years of employment. If Mr. Slater's employment is terminated on or within 12 months of a change in control of the Company, the Company must pay Mr. Slater a cash sum equal to the aggregate of two times annual gross earnings and 25% of two times annual base pay in lieu of benefits.

Pursuant to the Wong Agreement, in the event that the Company terminates Mr. Wong's employment without cause, the Company shall pay an amount equal to 1-month base salary during the first 12 months, plus one-twelfth of annual gross earnings for each subsequent year of service Mr. Wong has with the Company to a maximum 12 months. Base salary under the Wong Agreement is \$200,000 per annum. If Mr. Wong's employment is terminated on or within 6 months of a change in control of the Company, the Company must pay Mr. Wong a cash sum equal to twelve months' base pay, and, subject to approval by the TSX, 100% of all stock options or other equity grants granted by the Company to Mr. Wong that have not vested at the time of termination will immediately vest.

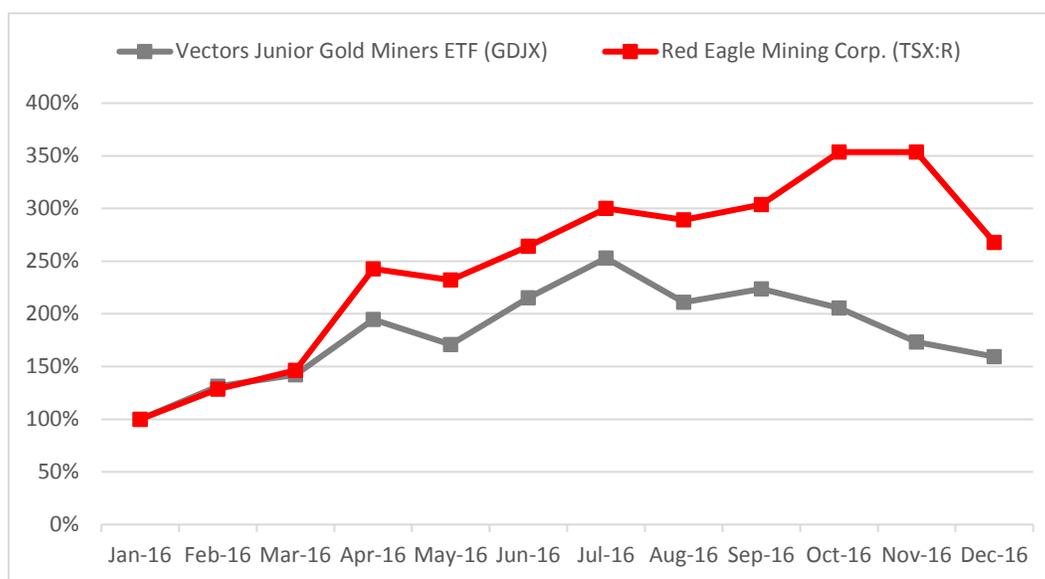
Pursuant to the Zajtmann Agreement, in the event that the Company terminates Mr. Zajtmann's employment without cause, the Company shall pay an amount equal to 3-months base salary during the first 12 months, plus one-twelfth of annual gross earnings for each subsequent year of service Mr. Zajtmann has with the Company to a maximum 12 months. Base salary under the Zajtmann Agreement is \$200,000 per annum. If Mr. Zajtmann's employment is terminated on or within 6 months of a change in control of the Company, the Company must pay Mr. Zajtmann a cash sum equal to twelve months' base pay and, subject to approval by the TSX, 100% of all stock options or other equity grants granted by the Company to Mr. Zajtmann that have not vested at the time of termination will immediately vest.

Pursuant to the Balit Agreement, in the event that the Company terminates Mr. Balit's employment without cause, the Company shall pay an amount equal to 1-month base salary during the first 12 months, plus one-twelfth of annual gross earnings for each subsequent year of service Mr. Balit has with the Company to a maximum 12 months. Base salary under the Balit Agreement is \$125,000 per annum. This amount was updated to an amount of \$200,000 per annum effective January 1, 2017. If Mr. Balit's employment is terminated on or within 6 months of a change in control of the Company, the Company must pay Mr. Balit a cash sum equal to twelve months' base pay and, subject to approval by the TSX, 100% of all stock options or other equity grants granted by the Company to Mr. Balit that have not vested at the time of termination will immediately vest.

PERFORMANCE GRAPH

On November 4, 2016, the Company graduated from the TSX Venture Exchange (“TSX-V”) to the TSX and the Company’s Common Shares began trading on the TSX under the new symbol “R”. The Common Shares were delisted from the TSX-V as a result of the graduation to the TSX.

The following compares the cumulative Shareholder return on \$100 invested in Common Shares on the TSX-V and the TSX, as applicable, on January 1, 2016, to the cumulative total return of the GDXJ for the year ended December 31, 2016:



The Company’s share price performance outperformed the return on the GDXJ by approximately 109% during 2016.

The Board is satisfied that the compensation offered to Red Eagle’s NEO’s is consistent with the Company’s continued progress in building its business and improving its asset base, and is fair and reasonable in relation to the trend in the Company’s performance as shown in the graph above.

NON-EXECUTIVE DIRECTORS COMPENSATION AND INCENTIVE PLAN AWARDS SUMMARY

Only directors who are not executive officers are compensated for acting in the capacity of director. During the year ended December 31, 2016, non-executive Directors were paid fees in respect of their role as a Director to the Company as set out in the table below.

DSU Plan

The Company adopted the DSU Plan to strengthen the alignment of interests between its non-executive Directors and Shareholders by linking a portion of annual director compensation to the future value of Red Eagle’s Common Shares. Adoption of the DSU Plan was part of the Company’s continuing effort to build upon and enhance long term shareholder value. It is administered by the Corporate Governance and Compensation Committee.

A DSU is a notional share-based unit that has the same value as one common share and is subject to adjustment for normal anti-dilution events, but which is not paid out until the recipient ceases to be a director. In December, 2016, an aggregate of 625,000 DSUs were granted to non-executive Directors.

Director Compensation Table

The following table sets forth particulars of all compensation paid to directors who were not executive officers during the year ended December 31, 2016:

Name	Fees earned (\$)	Grant date fair value of share-based awards ⁽¹⁾ (\$)	Grant date fair value of option-based awards ⁽²⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Jay Sujir	\$43,500	\$91,453	Nil	Nil	Nil	Nil	\$134,953
Jeffrey Mason	\$47,000	\$91,453	Nil	Nil	Nil	Nil	\$138,453
Robert Pease	\$43,500	\$91,453	Nil	Nil	Nil	Nil	\$134,953
Tim Petterson	\$36,000	\$91,453	Nil	Nil	Nil	Nil	\$127,453
Stephen Dixon	Nil	\$91,453	\$145,706	Nil	Nil	Nil	\$237,159

(1) On December 19, 2016, Mr. Sujir, Mr. Mason, Mr. Pease, Mr. Petterson and Mr. Dixon were each granted 125,000 DSUs. The grant date fair values of these DSUs granted were determined using the binomial pricing model and in accordance with IFRS 2 as per the financial statements.

(2) On July 8, 2016, Mr. Dixon was granted 300,000 options which are exercisable at \$0.77 until July 8, 2021. The grant date fair values of these options granted were determined using the Black-Scholes Merton option valuation model and in accordance with IFRS 2 as per the financial statements. The key variables were an expected life of 5 years, estimated volatility of 178%, a risk free interest rate between 0.5% and the share price on grant date assumed to be \$0.77. This resulted in grant date fair values of \$0.49.

Director Share-based Awards, Option-based Awards and Non-Equity Incentive Plan Compensation

Outstanding Share-Based Awards and Option-Based Awards

The following table sets out certain information respecting share-based and option-based awards outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, for the non-executive Directors of the Company.

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not been vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)	Number of shares or units that have not vested (#)
Jay Sujir	100,000	\$0.55	Dec 6, 2017	\$267,500	62,500	\$45,726	\$45,726
	100,000	\$0.33	Apr 9, 2019				
	150,000	\$0.33	May 6, 2020				
	300,000	\$0.275	Oct 7, 2020				
Jeffrey Mason	125,000	\$0.55	Dec 6, 2017	\$425,500	62,500	\$45,726	\$45,726
	125,000	\$0.33	April 9, 2019				
	150,000	\$0.33	May 6, 2020				
	600,000	\$0.275	Oct 7, 2020				

Name	Option-based Awards				Share-based Awards		
	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not been vested ⁽²⁾ (\$)	Market or payout value of vested share-based awards not paid out or distributed (\$)	Number of shares or units that have not vested (#)
Robert Pease	100,000	\$0.55	Dec 6, 2017	\$288,500	62,500	\$45,726	\$45,726
	100,000	\$0.33	April 9, 2019				
	200,000	\$0.33	May 6, 2020				
	300,000	\$0.275	Oct 7, 2020				
Tim Petterson	200,000	\$0.55	Dec 6, 2017	\$830,000	62,500	\$45,726	\$45,726
	250,000	\$0.33	Apr 9, 2019				
	500,000	\$0.33	May 6, 2020				
	1,000,000	\$0.275	Oct 7, 2020				
Stephen Dixon	300,000	\$0.77	Jul 8, 2021	Nil	62,500	\$45,726	\$45,726

(1) Based on the difference between the exercise price of the option and the closing market price of the Common Shares on the TSX on the last day of the most recently completed financial year (or, in the event there was no trade, the most recent closing market price prior thereto), being \$0.75 as of December 30, 2016.

(2) The grant date fair values of these DSUs granted were determined using the binomial pricing model and in accordance with IFRS 2 as per the financial statements.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth particulars of the value vested or earned during the year ended December 31, 2016 in respect of incentive awards to the Directors:

Name	Option-based awards– Value vested during the year ⁽¹⁾ (\$)	Share-based awards– Value vested during the year ⁽²⁾ (\$)	Non-equity incentive plan compensation– Value earned during the year (\$)
Ian Slater	Nil	Nil	Nil
Robert Bell	Nil	Nil	Nil
Robert Pease	Nil	Nil	Nil
Jeffrey Mason	Nil	Nil	Nil
Jay Sujir	Nil	Nil	Nil
Tim Petterson	Nil	Nil	Nil
Stephen Dixon	Nil	Nil	Nil

(1) For options that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the TSX on the vesting date.

(2) For deferred share units that became vested during the most recently completed financial year and were in-the-money on their vesting date, based on the difference between the exercise price of the option and the closing market price of the Company's Common Shares on the TSX on the vesting date.

Narrative Discussion

There are no arrangements under which non-executive Directors of the Company were compensated by the Company or its subsidiaries during the most recently completed financial year end for their services in their capacity as directors or consultants, except as disclosed above.

The grant of stock options to directors pursuant to the Company's Stock Option Plan is discussed above under the heading "*Compensation Discussion & Analysis – Option Based Awards*". During the most recently completed financial year, the Company granted 300,000 stock options to non-executive Directors. As at the end of said financial year, non-executive Directors held 4,600,000 of the 17,865,000 then issued and outstanding stock options.

Loans to Directors

The Company does not make personal loans or extensions of credit to its directors or NEOs. There are no loans outstanding from the Company to any of its directors or NEOs.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of December 31, 2016:

Equity Compensation Plan Information

	Number of securities to be issued upon exercise of outstanding options and rights	Weighted-average exercise price of outstanding options and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding outstanding options and rights)
Equity compensation plans approved by security holders	17,865,000	\$0.42	1,600,000
Equity compensation plans not approved by security holders	Nil	Nil	Nil
TOTAL	17,865,000	\$0.42	1,600,000

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than routine indebtedness, no director, executive officer, or employee of the Company or any of its subsidiaries, former director, executive officer, or employee of the Company or any of its subsidiaries, proposed nominee for election as director of the Company, or any associate of any of the foregoing, has been or is indebted to the Company or any of its subsidiaries, at any time during its last completed financial year or has had any indebtedness to another entity which has been the subject of a guarantee, support agreement, letter of credit, or other similar arrangement provided by the Company or any of its subsidiaries.

PART FOUR – STATEMENT OF CORPORATE GOVERNANCE PRACTICES

Board of Directors

Independence

Messrs. Petterson, Sujir, Mason, Pease and Dixon, together representing a majority of the Directors of the Company, are “Independent” Directors within the meaning of NI 58-101, including because they have no business or other relationship which could, in the view of the Board, reasonably be expected to interfere with each director’s exercise of their independent judgment.

Mr. Slater (Chairman) is also the CEO of the Company and Mr. Bell served as Red Eagle’s Chief Operating Officer until his resignation on April 1, 2017, and are therefore not considered to be “Independent” within the meaning of NI 58-101.

The Corporate Governance and Compensation Committee monitors the performance of the Board and the Chairman and CEO, and believes that the combined position does not detract from the effective functioning of Red Eagle’s Board. Our position is unique because our Chairman and CEO is also the founder of Red Eagle. Both the Corporate Governance and Compensation Committee and Board believe Mr. Slater’s passion, drive and leadership have been instrumental in Red Eagle’s success to date.

All of the Directors of the Company, except Mr. Dixon, are also directors of other reporting issuers. The following table outlines the directorships with all other reporting issuers held by members of the Board as at the date of this Circular.

Name of Director	Name of Reporting Issuer
Ian Slater	Libero Mining Corporation Red Eagle Exploration Limited
Jeffrey Mason	Amarc Resources Ltd. Libero Mining Corporation Great Panther Silver Limited
Jay Sujir	Uracan Resources Ltd.. Excelsior Mining Corp. Libero Mining Corporation Carlin Gold Corporation Roughrider Exploration Limited Kootenay Zinc Corp.
Tim Petterson	Libero Mining Corporation
Robert Bell	Libero Mining Corporation Red Eagle Exploration Limited
Robert Pease	Endurance Gold Corporation Pilot Gold Inc. Pure Gold Mining Inc. Trek Mining Inc. Libero Mining Corporation

Board Mandate

The Board has adopted a written mandate (the “**Board Mandate**”), a copy of which is attached as Schedule “A” to this Circular. The Board Mandate is currently in the process of being revised as part of an internal review of the Company’s governance documents.

Meetings without Management present

During the year ended December 31, 2016, the Board held four in-camera sessions of the non-executive Directors. In addition, during the year ended December 31, 2016, all of the committees consisting entirely of independent Directors held in-camera sessions without the presence of Management at each meeting.

Attendance

There were 4 meetings of the Board of Red Eagle scheduled and held in 2016, for which all members of the Board attended. For a complete record of each Directors' attendance at Board and committee meetings held in 2016, see "Election of Directors" at Part 1 of this Circular.

Retirement Policy

The Company does not currently have a retirement policy requiring its Directors to retire at a certain age.

Committees of the Board of Directors

As at the date of this Circular, there are three standing committees of the Board; namely: (i) the Audit Committee; (ii) the Corporate Governance and Compensation Committee; and (iii) the Technical and Sustainability Committee (together, the "Committees").

The following table sets out the members of such Committees as of the date of this Circular:

Board Committee	Committee Members	Status
Audit Committee	Jeffrey Mason (Chair) Jay Sujir Robert Pease	Independent Independent Independent
Corporate Governance, Compensation and Nominating Committee	Jay Sujir (Chair) Jeffrey Mason Robert Pease	Independent Independent Independent
Technical and Sustainability Committee	Robert Pease (Chair) Robert Bell Tim Petterson	Independent Independent

Audit Committee

The Company has an Audit Committee, which is currently comprised of Messrs. Mason (Chair), Sujir, and Pease, each of whom is considered independent and financially literate in accordance with applicable securities laws. The Audit Committee has adopted a written charter that sets out its duties and responsibilities. For additional information concerning Red Eagle's Audit Committee including membership qualifications, audit and other fees paid and the text of the Audit Committee charter, please refer to the "Audit Committee Information" section of the Company's 2016 Annual Information Form, a copy of which is available on Red Eagle's website at www.redeaglemining.com or SEDAR profile at www.sedar.com.

Corporate Governance and Compensation Committee

The Board has also established a Corporate Governance and Compensation Committee, which is comprised entirely of independent Directors. The current members of the Corporate Governance and Compensation Committee are Messrs. Sujir (Chair), Mason and Pease. Each of the Corporate Governance and Compensation Committee members has served for several years in either a senior management capacity, or as a director and compensation committee member of a reporting issuer, at which they would have had direct responsibility for reviewing performance of direct reports, hiring, setting of performance goals and objectives and setting salaries. All members also have a strong familiarity with the mining industry and corporate governance matters.

The Corporate Governance and Compensation Committee has adopted a written charter, pursuant to which its compensation related responsibilities include, among other things:

- (a) annually review and approve corporate goals and objectives relevant to the CEO and executive officer compensation, evaluate the performance of the CEO and each executive officer's performance in light of those goals and objectives, and recommend to the Board for approval the compensation level for the CEO and each executive officer based on this evaluation;
- (b) administer and make recommendations to the Board regarding the adoption, amendment or termination of the Company's incentive compensation plans and equity-based plans (including specific provisions) in which the CEO and executive officers may participate; and
- (c) review and approve employment agreements, severance arrangements and change in control agreements and other similar arrangements for the CEO and executive officers.

For a more detailed discussion as to how the Compensation Committee determines executive and director compensation, see "*Compensation Discussion and Analysis*" at Part 3 of this Circular.

The Company has not completed an assessment of potential risks associated with Red Eagle's compensation policies and practices. The Corporate Governance and Compensation Committee is responsible for annually reviewing Red Eagle's compensation arrangements, as set out above, and may determine to undertake such an assessment during a later period.

The Corporate Governance and Compensation Committee responsibilities also include, among other things:

General

- (a) monitor compliance with Red Eagle's corporate governance policies;
- (b) review Red Eagle's code of business conduct and ethics and approve changes if necessary, on an annual basis;
- (c) assist the Board in monitoring compliance with Red Eagle's code of business conduct and ethics ("**Code of Ethics**");
- (d) propose agenda items and content for submissions to the Board related to corporate governance issues and provide periodic updates on recent developments in corporate governance;
- (e) conduct a periodic review of the relationship between Management and the Board and its effectiveness;
- (f) review on an ongoing basis Red Eagle's approach to governance, and recommend the establishment of appropriate governance policies and standards in light of securities law and exchange requirements;
- (g) review and recommend to the Board changes to the way directors are to be elected to the Board by Shareholders, if appropriate;
- (h) conduct at least annually an evaluation of the effectiveness of the Board and its Committees and recommend any changes to the composition of the Board;
- (i) conduct an annual evaluation of the overall performance and effectiveness of individual directors;
- (j) identify and review candidates for appointment or nomination to the Board based upon an assessment of the independence, skills, qualifications and experience of the candidates, and make recommendations to the Board for consideration; and
- (k) provide orientation for new directors and ongoing education for all directors.

The Board and the Corporate Governance and Compensation Committee has established an executive sub-committee to review significant disclosure matters, including the Company's press releases and public filings pursuant to NI 51-102. The current members of the Disclosure Committee as at the date of this Circular are as follows:

- Ian Slater, Chairman and CEO
- Chui Wong, CFO
- Mischa Zajtmann, VP & General Counsel
- Patrick Balit, VP Corporate Development
- Jeff Toohey, VP Exploration

Technical and Sustainability Committee

Red Eagle's Technical and Sustainability Committee is currently comprised of Mr. Pease (Chair) and Mr. Petterson, each of whom is an "Independent" Director, and Mr. Bell.

The Technical and Sustainability Committee has adopted a written charter, pursuant to which its responsibilities include, among other things:

- (a) review management's assumptions and methodology underpinning the Company's mineral reserve and mineral resource estimates and satisfy itself that the judgement exercised was reasonable;
- (b) where appropriate, recommend Board approval of technical reports and annual mineral reserve and mineral resource estimates and ensure such disclosure complies with regulatory requirements;
- (c) review management's procedures for ensuring that technical work is of high quality;
- (d) review all material proposals for mine construction programs and, in the Technical and Sustainability Committee's discretion, make recommendations to the Board for consideration;
- (e) review annual operating and production plans, together with operating reports, for all proposed and existing operating mines and, in the Technical and Sustainability Committee's discretion, make recommendations to the Board for consideration;
- (f) review and monitor the Company's health and safety policies and practices and the Company's sustainability policies and practices to ensure that the Company is in compliance with applicable laws;
- (g) review with management the Company's goals, policies and programs relative to sustainability issues, including health, safety, social responsibility and environmental matters;
- (h) review results of any health, safety and environment audits and management's activities to maintain appropriate internal and external audits;
- (i) make periodic visits, as individual members or as the Committee, to the Company's project sites in order to become familiar with the nature of the operations, and to review relevant objectives, procedures and performance with respect to technical and sustainability matters including, without limitation health, safety, social responsibility and environmental matters;
- (j) report to the Board following each meeting of the Technical and Sustainability Committee and at such other times as the Board may consider appropriate; and
- (k) exercise such other powers and perform such other duties and responsibilities as are incidental to the purposes, duties and responsibilities specified herein and as may from time to time be delegated to the Technical and Sustainability Committee by the Board.

Position Descriptions

The primary responsibility of the Chairman of the Board is to provide leadership to the Board to enhance Board effectiveness. The Board has ultimate accountability for supervising Management. Critical to satisfying this objective is fostering effective relationships between the Board, Management, Shareholders and other stakeholders. The Chairman, as the presiding member, is responsible for overseeing and ensuring that these relationships continue to be effective, efficient and in furtherance of the best interests of the Company.

The responsibility of the Chairman of the Board is summarized as follows:

- (a) provides leadership to the Board with respect to its functions as described in the Board Mandate and as otherwise may be appropriate, including overseeing the logistics of the operations of the Board;
- (b) chairs meetings of the Board, unless not present; excluding in-camera sessions;
- (c) establishes a calendar for holding meetings and ensures that the Board meets on a regular basis and at least quarterly;
- (d) establishes the agenda for each meeting of the Board, with input from other Board members and any other parties

as applicable;

- (e) ensures that the members of the Board understand and discharge their duties and obligations;
- (f) fosters ethical and responsible decision making by the Board and its individual members;
- (g) oversees the structure, composition, membership and activities of the Board;
- (h) ensures that resources and expertise are available to the Board so that it may conduct its work effectively and efficiently;
- (i) facilitates effective communication between members of the Board and Management; and
- (j) attends each meeting of Shareholders to respond to any questions from Shareholders as may be put to the Chairman and CEO.

The responsibilities of the Chair of each of the Company's Committees are summarized as follows:

- (a) provides leadership to the committee with respect to its functions as described in the applicable charter and as otherwise may be appropriate, including overseeing the logistics of the operations of the committee;
- (b) ensures that the committee meets on a regular basis but at least annually;
- (c) acts as liaison and maintains communication with the Chairman of the Board and the Board generally to optimize and coordinate input from Directors, and to optimize the effectiveness of the committee. This includes reporting to the full Board on all proceedings and deliberations of the committee at the first meeting of the Board after each committee meeting and at such other times and in such manner as the Committee considers advisable;
- (d) establishes the agenda for each meeting of the committee, with input from other committee members, the Chair of the Board and any other parties as applicable;
- (e) reports annually to the Board on the role of the committee and the effectiveness of the committee role in contributing to the objectives and responsibilities of the Board as a whole;
- (f) ensures that the members of the committee understand and discharge their duties and obligations;
- (g) fosters ethical and responsible decision making by the Committee and its individual members;
- (h) oversees the structure, composition, membership and activities delegated to the committee from time to time;
- (i) facilitates effective communication between members of the committee and Management;
- (j) attends each meeting of Shareholders to respond to any questions from Shareholders as may be put to the Chair; and
- (k) perform such other duties and responsibilities as may be delegated to the Chair or by the Board from time to time.

Written Position Description of the CEO

The Board has developed a written position description for the CEO, which delineates the role and responsibilities of the CEO, along with such other responsibilities as may be delegated to the CEO by the Board or its Committees from time to time.

CEO Succession Planning

There is currently no formal process in place to manage succession planning for the position of CEO. It is envisaged that a member of the Executive or the Board would temporarily assume the position and duties of CEO on an interim basis should the need arise while a search for a suitable candidate was undertaken. The Corporate Governance and Compensation Committee expect to continue its ongoing review for a need to formalize a succession process in 2017 in order to ensure that a qualified successor to the Company's CEO position can be identified, if and when appropriate.

Majority Voting Policy

In 2016, the Board adopted the Company's Majority Voting Policy for the election of directors, which entitles Shareholders to vote in respect of the election of each individual director, as opposed to in respect of a slate of directors. See "*Election of Directors*" at Part 1 of this Circular.

Orientation and Continuing Education

Red Eagle's Board is composed of experienced professionals with a wide range of financial, mining industry and business expertise that ensure that the Board operates effectively and efficiently.

All of the Directors of Red Eagle have served as directors of the Company since January 2010, with the exceptions of Mr. Pease and Mr. Dixon who were appointed in April 2011 and August 2015, respectively. As such, the majority of Red Eagle's Board have had a minimum of 5 years of experience in conducting business in Colombia. In addition, the Chairman of the Board and the Chair of the Technical and Sustainability Committee each visit the Company's regional Colombian office and the Santa Rosa Gold Project site quarterly. The Board and the Board's Technical and Sustainability Committee also conduct an annual site visit to the Santa Rosa Gold Project.

Each of the Board Directors has full access to Management. The Board encourages the continuing education of its directors. Presentations are made to the Board members from time to time on developments relating to the business and operations of the Company and its assets on an ongoing basis, to ensure ongoing development of directors. In 2017, Red Eagle plans to continue providing continuing education for directors on an *ad-hoc* basis in respect of, among other possible subjects, their obligations as directors, short, medium and long-term corporate objectives, business risks and mitigation strategies and a strategic planning with management.

Red Eagle currently has an informal orientation and education program for new members of the Board in order to ensure that new directors have an opportunity to become familiarized with the Company's business and operations and the role and procedures of the Board and its Committees. The Company will provide any new directors with copies of Board and committee materials and various other materials regarding the Company (including recent annual reports, annual information forms, proxy solicitation materials, technical reports and various other financial statements and management's discussion and analyses, auditors' reports, and operating and budget reports) and new directors will be encouraged to visit and meet with management on a regular basis.

Directors are encouraged to communicate with management, auditors and technical consultants; to keep current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Red Eagle's mining operations in Colombia. Board Directors are in regular contact with Red Eagle's Corporate Secretary and have full access to the Company's records.

Evaluation of the Effectiveness of the Board and its Committees

The Board, its committees and its individual directors are assessed regularly, and on at least an annual basis, as to their effectiveness and contribution. The process by which such assessments are made is developed by the Corporate Governance and Compensation Committee. For 2016, this evaluation included discussions amongst the respective committee members and amongst the Board on at least one occasion. In 2017, this evaluation will include expanded discussions amongst the respective committee members and amongst the Board and a formal written annual review process, including an assessment questionnaire and discussion.

In addition, the Chairman of the Board and the respective Chairs of each Committee encourage discussion amongst the Board or the Committee, as the case may be, as to their evaluation of their own effectiveness over the course of the year. All Directors and/or Committee members are free to make suggestions for improvement of the practice of the Board and/or its Committees at any time and are encouraged to do so.

Director Term Limits

The Company has not adopted term limits for the directors of the Board as term limits could result in the loss of directors who have been able to develop, over a period of time, significant insight into Red Eagle and its operations and an institutional memory that benefits the Board as well as the Company and its stakeholders.

Representation of Women on the Board and Executive Management

Red Eagle is currently undertaking a review of the Company's governance procedures, which will include an update to its governance documents in respect to representation of women on the Company's Board and executive management.

For the fiscal year ended December 31, 2016, none (0%) of the Company's directors and one (12.5%) of the Red Eagle's officers were women.

Ethical Business Conduct

The Board has adopted the Code of Ethics for the directors, officers and employees of the Company. Red Eagle's Code of Ethics includes procedures to receive complaints and submissions relating to accounting matters, which outline complaint procedures for financial concerns and other corporate issues. A copy of the Code of Ethics can be obtained upon request from the Corporate Secretary of the Company. Each director, officer and employee receives a copy of the Code of Ethics, upon commencement of employment or directorship. The Company is currently in the process of implementing governance procedures which will require, on an annual basis, all directors, officers and employees to confirm in writing their compliance with the Code of Ethics and Red Eagle's other governance policies.

The Board is also committed to best practices in making timely and accurate disclosure of all material information and providing fair and equal access to material information. As at the date of this Circular, the Board has not adopted a formal policy in respect to disclosure and confidentiality. The Board and the Corporate Governance and Compensation Committee has approved the establishment of an executive sub-committee to review disclosure matters, see "*Corporate Governance and Compensation Committee*" above.

Excluding complaints or submissions made directly to the Company regarding financial, accounting or auditing matters, the Board does not formally monitor compliance with the Code of Ethics. Management is responsible to report to the Corporate Governance and Compensation Committee when they become aware of any breaches or alleged breaches of the Code of Ethics and complaints made by suppliers or employees against the Company or any director, employee or officer. In the event of a violation of any of the Code of Ethics, the applicable committee of the Board will investigate the breach or alleged breach and, if appropriate, recommend corrective disciplinary action, including, if warranted, termination of employment. In the event that a breach or alleged breach relates to financial, accounting or auditing issues, Red Eagle's Corporate Secretary and the Audit Committee will share responsibility to investigate the matter.

The Board encourages a culture of ethical conduct by appointing officers of high integrity and monitoring their performance so as to set an example for all employees. At the date of this Circular, there has been no conduct by a director or executive officer that constitutes a departure from the Code of Ethics and the Company has not received any complaints under the Code of Ethics.

To the extent a director has a material interest in a transaction or agreement contemplated by Red Eagle, that director will promptly declare his interest and excuse himself from any and all discussion regarding the transaction and will not vote with respect to any resolution with respect to such agreement or transaction. Directors do not undertake any consulting activities for, or receive any remuneration directly from, the Company, other than compensation for serving as a director (or, in the case of Mr. Slater in his position as CEO of Red Eagle).

PART FIVE – OTHER INFORMATION

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise disclosed herein:

- a) no person who has been a Director or executive officer of the Company at any time since the beginning of the last financial year of the Company;
- b) no proposed nominee for election as a Director of the Company; or
- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of Directors or the appointment of auditors.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of the following discussion, “**Informed Person**” means (a) a Director or executive officer of the Company; (b) a Director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company's financial statements for the financial year ended December 31, 2016, none of:

- a) the Informed Persons of the Company;
- b) the proposed nominees for election as a Director of the Company; or
- c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the last financial year of the Company or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

MANAGEMENT CONTRACTS

Management functions of the Company are not, to any substantial degree, performed by a person or persons other than the Directors or senior officers of the Company.

OTHER MATTERS

The Management of the Company knows of no other matters to come before the Meeting other than those referred to in the Notice of Meeting. Should any other matters properly come before the Meeting, the Common Shares represented by the Proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting by proxy.

ADDITIONAL INFORMATION

Additional information regarding Red Eagle and its business activities is available on Red Eagle's SEDAR profile at www.sedar.com and on Red Eagle's website at www.redeaglemining.com. Following the Meeting, the voting results for each item on the Proxy will be available on Red Eagle's SEDAR profile. Red Eagle's financial information is provided in Red Eagle's Financial Statement and related MD&A for its most recently completed financial year and may be viewed on SEDAR and on Red Eagle's website. Shareholders may also contact Red Eagle by phone at 1-604-638-2545 or by email at wilson@redeaglemining.com to request copies of these documents, which will be provided free of charge.

DIRECTOR APPROVAL

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

DATED at Vancouver, British Columbia, this 4th day of May, 2017.

BY ORDER OF THE BOARD OF DIRECTORS
OF RED EAGLE MINING CORPORATION

A handwritten signature in black ink, appearing to read 'Ian Slater', written over a horizontal line.

Ian Slater, CEO

SCHEDULE "A"
RED EAGLE MINING CORPORATION
MANDATE OF THE BOARD OF RED EAGLE MINING CORPORATION

RED EAGLE MINING CORPORATION

Board Mandate

1. INTRODUCTION

- 1.1 The board of directors (the "**Board**") of Red Eagle Mining Corporation ("**Red Eagle**") is elected by the shareholders of Red Eagle and is responsible for the stewardship of Red Eagle. The purpose of this mandate is to describe the principal duties and responsibilities of the Board as well as some of the policies and procedures the Board will adopt to assist it in discharging its duties and responsibilities.

2. ROLE AND RESPONSIBILITIES OF THE BOARD

- 2.1 The role of the Board is to represent the shareholders of Red Eagle, enhance and maximize shareholder value and conduct the business and affairs of Red Eagle ethically and in accordance with the highest standards of corporate governance. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of Red Eagle. The responsibilities of the Board include:

- (a) adopting a strategic planning process;
- (b) risk identification and ensuring that procedures are in place for the management of those risks;
- (c) review and approve annual operating plans and budgets
- (d) corporate social responsibility, ethics and integrity;
- (e) succession planning, including the appointment, training and supervision of management;
- (f) delegations and general approval guidelines for management;
- (g) monitoring financial reporting, internal control and management information systems;
- (h) corporate disclosure and communications;
- (i) enhancing the assignment of shareholder expectations, Red Eagles' plans and management performance;
- (j) adopting processes for monitoring Red Eagle's progress toward its strategic and operational goals and revising its direction to management in light of changing circumstances affecting the Company;
- (k) adopting measures for receiving feedback from stakeholders; and
- (l) adopting key corporate policies designed to ensure that Red Eagle, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity

- 2.2 The Board will delegate responsibility for the day-to-day management of Red Eagle's business

and affairs to Red Eagle's senior officers and will supervise such senior officers.

- 2.3 The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee and Compensation and Nominating Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

3. STRATEGIC PLANNING PROCESS AND RISK MANAGEMENT

- 3.1 The Board will adopt a strategic planning process to establish objectives and goals for Red Eagle's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of Red Eagle's business and affairs.
- 3.2 The Board, in conjunction with management, will identify the principal risks of Red Eagle's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

4. CORPORATE SOCIAL RESPONSIBILITY, ETHICS AND INTEGRITY

- 4.1 The Board will provide leadership to Red Eagle in support of its commitment to Corporate Social Responsibility, set the ethical tone for Red Eagle and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and management and satisfy itself that the Chief Executive Officer and management create a culture of integrity throughout the organization.

5. SUCCESSION PLANNING, APPOINTMENT, SUPERVISION AND COMPENSATION OF MANAGEMENT

- 5.1 The Board will approve the succession plan for Red Eagle, including the selection, appointment, supervision and evaluation of the Chief Executive Officer and the other senior officers of Red Eagle.
- 5.2 The Board is responsible for ensuring that measures are taken to orient new directors regarding the role of the Board, its committees and its directors and the nature and operation of the Company's business. The Board is also responsible for ensuring that measures are taken to provide and pay for continuing education for its directors to ensure that they maintain the skill and knowledge necessary to meet their obligations as directors.
- 5.3 The Board shall annually review the performance of the Board and its committees against their respective charters and mandates and disclose the process in all applicable public documents. The Board shall also annually evaluate the performance of individual directors, the performance of the Chair and the performance of the lead director, if any.
- 5.4 The Board is responsible for approving the appointment of the officers of the Company. The Board, together with the Chief Executive Officer of the Company, may develop a position description for the Chief Executive Officer if desired.
- 5.5 The Board approves the compensation of officers and reviews and approves the Company's

incentive compensation plans. In doing so, the Board takes into account the advice and recommendations of the Compensation Committee.

6. DELEGATIONS AND APPROVAL AUTHORITIES

- 6.1 The Board will delegate to the Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of Red Eagle. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by and subject to the prior approval of the Board.
- 6.2 The Board may delegate to Board committees matters that the Board is responsible for, including the approval of compensation of the Board and management, the conduct of performance evaluations and oversight of internal controls systems, but the Board retains its oversight function and ultimate responsibility for these matters and all other delegated responsibilities.

7. MONITORING OF FINANCIAL REPORTING AND MANAGEMENT

- 7.1 Directly and through the Audit Committee, the Board assesses the integrity of internal control over financial reporting and management information systems.
- 7.2 The Board reviews and approves capital, operating and exploration and development expenditures including any budgets associated with such expenditures.
- 7.3 The Board is responsible for approving the annual audited financial statements and, if required by applicable securities legislation, the interim financial statements, and the notes and Management's Discussion and Analysis accompanying such financial statements. The Board may delegate responsibility for approving interim financial statements to the Audit Committee.
- 7.4 The Board is responsible for reviewing and approving material transactions outside the ordinary course of business, including material investments, acquisitions and dispositions of material capital assets, material capital expenditures, material joint ventures, and any other major initiatives outside the scope of approved budgets.
- 7.5 The Board approves those matters that are required under the Company's governing statute to be approved by the directors of the Company, including the issuance, purchase and redemption of securities and the declaration and payment of any dividends.
- 7.6 The Board will adopt procedures to ensure the integrity of internal controls and management information systems to ensure compliance with all applicable laws, rules and regulations, and to prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violations of Red Eagle's code of business conduct and ethics, and fraud against the Corporation.

8. CORPORATE DISCLOSURE AND COMMUNICATIONS

- 8.1 The Board is responsible for approving policies to address communications with shareholders, employees, financial analysts, governments and regulatory authorities, the media and the communities in which the business of the Company is conducted.
- 8.2 The Board will ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and regulations of the stock exchanges upon which Red Eagle's

securities are listed. In addition, the Board will adopt procedures to ensure the Board receives feedback from security holders on material issues.

Original Approval Date: June 24, 2014

Approved by: Board of Directors

SCHEDULE "B"
RED EAGLE MINING CORPORATION
CHANGE OF AUDITOR REPORTING PACKAGE



October 28, 2016

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Re: Notice of Change of Auditors for Red Eagle Mining Corporation (the "Company")

Pursuant to National Instrument 51-102, the Company hereby provides a change of auditor notice as follows:

1. Ernst & Young LLP resigned as the Company's auditor, at the Company's request, on October 28, 2016.
2. PricewaterhouseCoopers LLP was appointed as auditors of the Company on October 28, 2016, to hold office until the next annual general meeting of shareholders of the Company.
3. The resignation of Ernst & Young LLP and the appointment of PricewaterhouseCoopers LLP was considered and approved by the Audit Committee of the Board of Directors of the Company.
4. There were no modifications of opinion by Ernst & Young LLP in the Auditor's Reports for the financial years ended December 31, 2015 and December 31, 2014. Ernst & Young LLP did not report on any financial statements of the Company subsequent to December 31, 2015.
5. The Board of Directors of the Company is of the opinion that there were no "reportable events" as defined by National Instrument 51-102, which occurred in connection with the audit of the two most recently completed fiscal years or for any period subsequent to the most recently completed fiscal period for which an Auditor's Report was issued.

Dated this 28th day of October, 2016.

Yours truly,

Chu Wong
Chief Financial Officer



Ernst & Young LLP
Pacific Centre
700 West Georgia Street
PO Box 10101
Vancouver, BC V7Y 1C7

Tel: +1 604 891 8200
Fax: +1 604 643 5422
ey.com

October 28, 2016

British Columbia Securities Commission
Alberta Securities Commission
Ontario Securities Commission

Dear Sirs/Mesdames:

Re: Red Eagle Mining Corporation
Change of Auditor Notice dated October 28, 2016

Pursuant to National Instrument 51-102, Part 4.11., we have read the above-noted Change of Auditor Notice and confirmed our agreement with the information contained in the Notice pertaining to our firm.

Yours sincerely,

Ernst & Young LLP

Ernst & Young LLP
Chartered Professional Accountants

cc: The Board of Directors, Red Eagle Mining Corporation



October 28, 2016

To:
Alberta Securities Commission
British Columbia Securities Commission
Ontario Securities Commission

We have read the statements made by Red Eagle Mining Corporation in the attached copy of change of auditor notice dated October 28, 2016, which we understand will be filed pursuant to Section 4.11 of National Instrument 51-102.

We agree with the statements in the change of auditor notice dated October 28, 2016.

Yours very truly,

/s/ PricewaterhouseCoopers LLP

Chartered Professional Accountants

*PricewaterhouseCoopers LLP
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"PwC" refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.