



## MANAGEMENT INFORMATION CIRCULAR

as at May 17, 2021 (except as indicated)

This information circular (“**Information Circular**”) is provided in connection with the solicitation of proxies by the management of Freegold Ventures Limited (the “**Company**”) for use at the Annual General and Special Meeting of the shareholders of the Company (the “**Meeting**”), which, due to concerns regarding the ongoing COVID-19 (coronavirus) pandemic and to assist in protecting the health and well-being of our shareholders and employees, will be held in a virtual only format via live audio webcast at <https://web.lumiagm.com/168837037> (Password: **freegold2021**) to provide a consistent experience to all shareholders regardless of location, at 10:00 a.m. (Vancouver time) on Tuesday, June 29, 2021, and at any adjournments or postponements thereof for the purpose set forth in the enclosed Notice of Annual General and Special Meeting (“**Notice of Meeting**”). Shareholders will have the opportunity to participate, vote, or submit questions during the Meeting’s live webcast.

The solicitation of proxies is intended to be primarily by mail but may also be made by telephone or other electronic means of communication or in person by the directors and officers of the Company. The cost of such solicitation will be borne by the Company.

### APPOINTMENT OF PROXYHOLDER

The individuals named in the accompanying form of proxy are directors and/or officers of the Company. **A SHAREHOLDER WISHING TO APPOINT SOME OTHER PERSON (WHO NEED NOT BE A SHAREHOLDER) TO REPRESENT HIM OR HER AT THE MEETING HAS THE RIGHT TO DO SO, PLEASE REFER TO “APPOINTMENT OF A THIRD PARTY AS PROXY” BELOW.** Such a shareholder should notify the nominee of his or her appointment, obtain his or her consent to act as proxy and instruct him or her on how the shareholder’s shares are to be voted. In any case, the form of proxy should be dated and executed by the shareholder or his/her attorney authorized in writing, or if the shareholder is a company, under its corporate seal, or by an officer or attorney thereof duly authorized.

**A proxy will not be valid for the Meeting or any adjournment or postponement thereof unless received by internet at [www.astvotemyproxy.com](http://www.astvotemyproxy.com) or the accompanying form of proxy is executed and returned to AST Trust Company (Canada), Proxy Department, PO Box 721, Agincourt, Ontario, M1S 0A1 Canada or via fax to 1-866-781-3111 (toll free Canada/US) or 416-368-2502 or by email at [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Proxies delivered after that time will not be accepted. Please note, shareholders must write their name, address and control # on a blank proxy in order for the proxy to be validated by the Proxy Department when received via fax or e-mail.**

### REVOCAION OF PROXIES

A proxy may be revoked at any time prior to the exercise thereof. If a person who has given a proxy attends personally at the Meeting at which such proxy is to be voted, such person may revoke the proxy

and vote at the Meeting. In addition to revocation in any other manner permitted by law, a shareholder who has given a proxy may revoke it, any time before it is exercised, by delivering a proxy bearing a later date or an instrument in writing executed by the shareholder or by his or her attorney to AST Trust Company (Canada), PO Box 721, Agincourt, Ontario, M1S 0A1 Canada or via fax to 1-866-781-3111 (toll free Canada/US) or 416-368-2502 or by email at [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com), at any time up to and including the last business day preceding the Meeting, or any adjournment or postponement thereof at which the proxy is to be used. Where a proxy has been revoked, the shareholder may personally attend at the Meeting and vote his or her shares as if no proxy had been given.

## **SPECIAL MEASURES IN RESPONSE TO THE ONGOING COVID-19 (CORONAVIRUS) PANDEMIC**

IN LIGHT OF THE CURRENT RESTRICTIONS ON PUBLIC GATHERINGS INSTITUTED OR RECOMMENDED BY HEALTH OFFICIALS IN CONNECTION WITH THE PROLIFERATION OF COVID-19, SHAREHOLDERS WILL NOT BE ABLE TO PHYSICALLY ATTEND THE MEETING. However, Shareholders will have an equal opportunity to attend virtually and participate in the Meeting online regardless of their geographic location or particular circumstances they may be facing as a result of COVID-19.

The Company is continuously monitoring the rapidly evolving news and guidelines related to the COVID-19 outbreak and is following the guidance of the Public Health Agency of Canada (<https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html>) and applicable additional provincial and local instructions in determining to hold the Meeting in a virtual only format. The Company reserves the right to take any additional precautionary measures it deems appropriate in relation to the meeting in response to further developments in respect of the COVID-19 outbreak including, if considered necessary or advisable, or postponing or adjourning the meeting. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor the Company press releases as well as the Company website at <https://www.freegoldventures.com/> for updated information. An amended management information circular will not be mailed out in the event of changes to the Meeting format.

## **VOTING AT THE MEETING**

To mitigate risks related to the global COVID-19 (coronavirus) public health emergency to the Company's shareholders, employees and other stakeholders and based on government recommendations to avoid large gatherings, the Meeting will be conducted in a virtual format. via live audio webcast.

Shareholders have two ways to vote his or her shares:

- By submitting their proxy or voting information form as per instructions indicated below
- During the meeting by online ballot through the live webcast platform.

**While Shareholders will have the opportunity to vote online during the Meeting, all Shareholders who are eligible to vote at the Meeting are strongly encouraged to vote by proxy prior to the proxy deadline in the manner set out above and then attend the Meeting virtually.** A summary of the information shareholders will need to attend the Meeting online is provided below.

The Meeting will be held on Tuesday, June 29, 2021 at 10:00a.m. (Vancouver time) virtually via live audio webcast online at: <https://web.lumiagm.com/168837037> (Password: **freegold2021**). We are excited to embrace the latest technology to provide expanded access, improved communication and cost savings for our shareholders and the Company. We believe that hosting a virtual meeting will enable greater shareholder attendance and participation from any location around the world.

## VOTING OF PROXIES

The persons named in the enclosed form of proxy have indicated their willingness to represent, as proxy-holders, the shareholders who appoint them. Each shareholder may instruct his or her proxy holder how to vote his or her shares by completing the blanks in the form of proxy.

Shares represented by properly executed proxy forms in favour of the persons designated on the enclosed proxy form will be voted or withheld from voting on any poll in accordance with instructions made on the proxy forms, and, if a shareholder specifies a choice as to any matters to be acted on, such shareholder's shares shall be voted accordingly. **In the absence of such instructions, the management designees, if named as proxy, will vote in favour of management's nominees as directors and all other matters set out therein.**

**The enclosed proxy confers discretionary authority upon the management designees, or other person named as proxy holder, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. As of the date hereof, the Company is not aware of any amendments to, variations of or other matters which may come before the Meeting. If other matters properly come before the Meeting, then the management designees intend to vote in a manner which in their judgment is in the best interests of the Company.**

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 66 2/3% of the votes cast will be required.

## VOTING BY NON-REGISTERED SHAREHOLDERS

**The information in this section is important to many shareholders as a substantial number of shareholders do not hold their shares in their own name.**

Shareholders who hold Shares through their brokers, intermediaries, trustees or other nominees (such shareholders being collectively called "**Beneficial Shareholders**") should note that only proxies deposited by shareholders whose names appear on the share register of the Company may be recognized and acted upon at the Meeting. If shares are shown on an account statement provided to a Beneficial Shareholder by a broker, then in almost all cases the name of such Beneficial Shareholders **will not** appear on the share register of the Company. Such shares will most likely be registered in the name of the broker or an agent of the broker. In Canada, the vast majority of such shares will be registered in the name of "CDS & Co.", the registration name of The Canadian Depository for Securities Limited, which acts as a nominee for many brokerage firms. Such shares can only be voted by brokers, agents, or nominees and can only be voted by them in accordance with instructions received from Beneficial Shareholders. **As a result, Beneficial Shareholders should carefully review the voting instructions provided by their broker, agent or nominee with this Information Circular and ensure that they direct the voting of their shares in accordance with those instructions.**

Applicable regulatory policies require brokers and intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Each broker or intermediary has its own mailing procedures and provides its own return instructions to clients. The purpose of the form of proxy or voting instruction form provided to a Beneficial Shareholder by such shareholder's broker, agent, or nominee is limited to instructing the registered holder of the relevant shares on how to vote such shares on behalf of the Beneficial Shareholder. Most brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions Inc. ("**Broadridge**"). Broadridge typically

supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of shares at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.**

These security holder materials are being sent to both registered and non-registered owners of the securities. 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 proxy.

## **NOTICE AND ACCESS**

The Company is utilizing the “notice and access” process under National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 - *Continuous Disclosure Obligations*, for distribution of this Information Circular and other meeting materials to registered and non-registered shareholders.

Notice and access is a set of rules that allows issuers to post electronic versions of meeting materials, including circulars, annual financial statements and management discussion and analysis online, via SEDAR and one other website, rather than mailing paper copies of such meeting materials to shareholders. The Company anticipates that utilizing the notice and access process will reduce both postage and printing costs and will promote environmental responsibility by decreasing the large volume of paper documents generated by printing proxy-related materials.

The Company has posted the Information Circular, the Company’s financial statements for the year ended December 31, 2020 and the Company’s Management Discussion and Analysis for the year ended December 31, 2020 online at [www.sedar.com](http://www.sedar.com) under the Company’s profile and at the following internet address: [www.meetingdocuments.com/ASTca/fvl](http://www.meetingdocuments.com/ASTca/fvl).

The Company does not intend to pay for intermediaries to forward to objecting beneficial owners under NI 54-101 the proxy-related materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary*, and that in the case of an objecting beneficial owner, the objecting beneficial owner will not receive the materials unless the objecting beneficial owner’s intermediary assumes the cost of delivery.

## **RECORD DATE**

The Company has set the close of business on May 17, 2021 as the record date (the “**Record Date**”) for the Meeting. Only the common shareholders of record, as at the Record Date are entitled to receive notice of and to vote at the Meeting.

## **APPOINTMENT OF A THIRD PARTY AS PROXY**

The following applies to shareholders who wish to appoint someone as their proxyholder other than the management designees named in the form of proxy or voting instruction form. This includes non-registered holders who wish to appoint themselves as proxyholder to attend, participate or vote at the Meeting.

Shareholders who wish to appoint someone other than the management designees as their proxyholder to attend and participate at the Meeting as their proxy and vote their shares **MUST** submit their form of proxy or voting instruction form, as applicable, appointing that person as proxyholder **AND register that proxyholder online, as described below. Registering your proxyholder is an additional step to be completed AFTER you have submitted your form of proxy or voting instruction form. Failure to register the proxyholder will result in the proxyholder not receiving a username to vote in the Meeting and only being able to attend as a guest.**

**Step 1: Submit your form of proxy or voting instruction form:** To appoint someone other than the management designees as proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form (if permitted) and follow the instructions for submitting such form of proxy or voting instruction form. This must be completed before registering such proxyholder, which is an additional step to be completed once you have submitted your form of proxy or voting instruction form.

**If you are a non-registered holder and wish to vote at the Meeting, you have to insert your own name in the space provided on the voting instruction form sent to you by your intermediary, follow all of the applicable instructions provided by your intermediary AND register yourself as your proxyholder, as described below.** By doing so, you are instructing your intermediary to appoint you as proxyholder. It is important that you comply with the signature and return instructions provided by your intermediary. Please also see further instructions below under the heading "How do I Attend and Participate at the Meeting?"

**Step 2: Register your proxyholder:** To register a third party proxyholder, shareholders contacting AST Trust Company (Canada) at 1-866-751-6315 (within North America) or 212-235-5754 (outside North America), and provide AST Trust Company (Canada) with the required information for your proxyholder before the proxy cut-off (10:00 a.m. (Vancouver time) on June 25, 2021) so that AST Trust Company (Canada) may provide the proxyholder with a Control Number. This Control Number will allow your proxyholder to log in to and vote at the Meeting online. **WITHOUT A CONTROL NUMBER, YOUR PROXYHOLDER WILL NOT BE ABLE TO VOTE OR ASK QUESTIONS AT THE MEETING. THEY WILL ONLY BE ABLE TO ATTEND THE MEETING ONLINE AS A GUEST.**

## **ATTENDING AND PARTICIPATING AT THE MEETING**

The Company is holding the Meeting in a virtual format via live audio webcast. Attending the Meeting online enables registered shareholders and duly appointed proxyholders, including non-registered holders who have duly appointed themselves as proxyholder, to vote at the Meeting and ask questions at the appropriate times during the Meeting, all in real time, provided they are connected to the internet and follow the instructions herein. Guests, including non-registered holders who have not duly appointed themselves as proxyholder, can login to the Meeting as set out below. Guests can listen to the Meeting and ask questions but are not able to vote.

**Log in online at: <https://web.lumiagn.com/168837037> (Password: **freegold2021**) on your smartphone, tablet or computer. You will need the latest version of Chrome, Safari, Internet Explorer 11, Edge or Firefox. We recommend that you log in at least one hour before the Meeting starts.**

**If you are a registered shareholder click “I have a control number” and then enter your 13-digit control number as the username, which is the control number located on your form of proxy or in the email notification you received from AST Trust Company (Canada) and “freegold2021” (case sensitive) as the password. If you use your control number to log in to the meeting, any vote you cast at the meeting will revoke any proxy you previously submitted. If you do not wish revoke a previously submitted proxy, you should not vote during the meeting.**

**OR**

**If you are a duly appointed proxyholder click “I have a control number” and then enter the username that was provided to you by AST Trust Company (Canada) after the voting deadline passed and “freegold2021” (case sensitive) as the password. In order to be a duly appointed proxyholder the proxyholder must be registered as described in “Appointment of a Third Party as Proxy” above. Proxyholders who have been duly appointed and registered with AST Trust Company (Canada) as described in this Information Circular will receive a control number by email from AST after the proxy voting deadline has passed.**

**OR**

**If you are a non-registered shareholder that has not appointed yourself as a proxyholder click “Guest” and then complete the online form.**

If you attend the Meeting online, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedures outlined above.

If you are using a 13-digit control number to login to the Meeting and you accept the terms and conditions, you will be revoking any and all previously submitted proxies. However, in such a case, you will be provided the opportunity to vote by ballot on the matters put forth at the Meeting. If you DO NOT wish to revoke all previously submitted proxies, do not accept the terms and conditions, in which case you can only enter the Meeting as a guest.

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

The holders of the Company’s common shares of record at the Record Date are entitled to vote such shares at the Meeting on the basis of one vote for each common share held. The Company is authorized to issue an unlimited number of common shares without par value (the “**Shares**”) of which 334,049,366 Shares are issued and outstanding as of the Record Date.

Quorum for the transaction of business at the Meeting is two shareholders, or one or more proxyholder representing two shareholders, or one shareholder and a proxyholder representing another shareholder present at the commencement of the meeting.

To the knowledge of the directors and executive officers of the Company, and based upon the Company's review of the records maintained by AST Trust Company (Canada) and insider reports filed with System for Electronic Disclosure by Insiders (SEDI), as at May 17, 2021 no shareholder beneficially owned, controlled or directed, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, except as set out below.

Shareholder Name	Number of Shares Held	Percentage of Issued Shares
2176423 Ontario Ltd. <sup>1</sup>	78,948,504	23.63%

**Note:**

<sup>(1)</sup> 2176423 Ontario Ltd. is owned and controlled by Mr. Eric Sprott.

## **PARTICULARS OF MATTERS TO BE ACTED UPON**

### **1. Audited Financial Statements**

The consolidated financial statements for the fiscal year ended December 31, 2020 and the report of the auditors thereon which accompany this Information Circular will be placed before the shareholders of the Company at the Meeting. The presentation at the Meeting of the auditors' report and the Company's financial statements for this financial period will not constitute a request for approval or disapproval of any matters referred to therein. Copies of the Company's annual and interim financial statements are also available on SEDAR at [www.sedar.com](http://www.sedar.com).

### **2. Appointment of Auditors**

It is intended to vote the Shares represented by the proxies solicited in respect of the Meeting, on any ballot that may be called for, unless authority to do so is withheld, in favour of the appointment of the firm of Davidson & Company LLP, Chartered Professional Accountants ("**Davidson**"), as the auditors of the Company and in favour of the authorizing the directors to fix the remuneration of the auditors.

**It is the intention of the management designees that the Shares represented by proxy will be voted in favour of a resolution to appoint Davidson as auditors of the Company for the ensuing year, at a remuneration to be fixed by the board of directors of the Company ("**Board**"), unless the shareholder has specified in the shareholder's proxy that the shareholder's common shares are to be withheld from voting on the appointment of auditors.**

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

The number of directors of the Company to be elected at the Meeting will be nine. The following table presents the names of the persons who are proposed as nominees for election as directors of the Company.

The term of office for each person so elected will be until the next annual meeting of shareholders of the Company or until his or her successor is elected or appointed. Management of the Company does not contemplate that any of the nominees will be unable to serve as a director.

**It is the intention of the management designees, if named as proxy, to vote for the election of the said persons to the Board, unless the shareholder has specified in its proxy that its shares are to be withheld from voting on the election of any director. Management does not contemplate that any of the nominees will be unable to serve as a director.**

**Information Concerning Nominees as Directors**

<b>Name, Place of Residence and Position</b>	<b>Principal Occupation</b>	<b>Director of the Company Since</b>	<b>Shares Beneficially Owned or Controlled</b>
<b>Kristina Walcott</b> Vancouver, Canada President, CEO & Director	President and CEO of Freegold Ventures Limited	2010	700,000
<b>Ron Ewing</b> <sup>(1)(7)</sup> Delta, Canada Chairman & Director	Mr. Ewing has been retired since 2013 when he last served as a director of Elgin Mining (May 2012–May 2013) after Elgin acquired Gold-Ore Resources where he served as a director (October 1996-May 2012).	2017	85,000
<b>Gary Moore</b> <sup>(1)(2)(3)(4)(6)</sup> Delta, Canada Director	VP, CFO and Director of Goldcliff Resource Corporation (2011-present).	2009	235,000
<b>Alvin Jackson</b> North Vancouver, Canada Director	VP, Exploration and Development of Freegold Ventures Limited	2010	1,735,921
<b>Garnet Dawson</b> <sup>(1)(4)</sup> West Vancouver, Canada Director	CEO of Gold Mining Inc. (December 2014 to March 2021), Director (2018 to present), Technical Director (March 2014 to December 2014), VP Exploration Brazilian Gold Corporation (December 2006 – November 2013), and Director of Gold Royalty Corp. (2020 to present).	2011	128,000
<b>Gregory Hanks</b> <sup>(2)(3)</sup> Prince George, Canada Director	Mr. Hanks has held a number of management and senior management roles throughout his more that 20 years in the Financial Services Industry. He has extensive experience in commercial and industrial lending. He is now self employed. He has held several non-profit board positions and is currently on the board of Northern Interior Mining Group and Canex Minerals Inc.	2015	363,800
<b>Glen Dickson</b> <sup>(2)(3)(4)</sup> North Vancouver, Canada Director	Mr. Dickson served as Chairman of the Board and Chief Executive Officer of Gold-ore Resources Ltd. (2002-2012) when the Company was acquired by Elgin Mining Ltd. In 2010, Mr. Dickson became President and CEO of Meliadine Gold Ltd. a private resource company with mineral holdings in Nunavut.	2017	335,000
<b>David Knight</b> Toronto, Canada Director	Partner, WeirFoulds LLP, Barristers and Solicitors since October 2018. Partner, Norton Rose Fulbright Canada LLP, Barristers and Solicitors, from January 2012 to September 2018.	2007	110,000

Name, Place of Residence and Position	Principal Occupation	Director of the Company Since	Shares Beneficially Owned or Controlled
Reagan Glazier Prince George, Canada Director	Mr. Glazier holds a BSc in geology from the University of Calgary (2014) and is currently employed in a supervisory role at East Fraser Fiber.	2019	955,500

**Notes:**

- (1) Member of the Company’s audit committee.
- (2) Member of the Company’s compensation committee.
- (3) Member of the Company’s corporate governance committee.
- (4) Member of the Company’s nominating committee.
- (5) Chairman from December 7, 2009 to June 2, 2017 and re-appointed November 13, 2018 to August 13, 2020.
- (6) Chairman from June 2, 2017 to November 13, 2018.
- (7) Chairman from August 13, 2020 to present.

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

To the knowledge of the Company, except as set forth below, no director or proposed director of the Company is, or within the ten years prior to the date of this Circular has been, a director or executive officer of any company, including the Company, that while that person was acting in that capacity:

- (a) was the subject of a cease trade order or similar order or an order that denied the company access to any exemption under securities legislation for a period of more than 30 consecutive days; or
- (b) was subject to an event that resulted, after the director ceased to be a director or executive officer of the company being the subject of a cease trade order or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days; or

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.

On November 19, 2015 while Mr. Dickson was a director, Atna Resources Ltd (“**Atna**”) announced that Atna and certain of its direct and indirect subsidiaries had filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the District of Colorado. Atna also sought ancillary relief in Canada pursuant to the Companies Creditors Arrangement Act in the Supreme Court of British Columbia. Atna was delisted from the Toronto Stock Exchange on December 31, 2015 and Mr. Dickson resigned as a director on April 2, 2016.

***Individual Bankruptcies***

To the knowledge of the Company, no director or proposed director of the Company 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 that individual.

### ***Penalties or Sanctions***

To the knowledge of the Company, no director or proposed director of the Company has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has been subject to 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 that individual.

#### **4. Approval of Unallocated Entitlements under the Rolling Stock Option Plan**

The policies of the TSX require the approval of all unallocated stock options, rights or entitlements (the “**Entitlements**”) under the Company’s stock option plan (the “**Stock Option Plan**”) by the Company’s shareholders every three years with the next such renewal approval requested by shareholders on or before June 29, 2021. The Stock Option Plan for insiders, employees and other service providers to the Company, reserves up to 10% of the issued Shares from time to time (including existing stock options), as a “rolling stock option plan”. As of December 31, 2020, there were 333,139,366 Shares issued and outstanding, so the Stock Option Plan will currently permit up to 33,313,936 Shares for incentive stock option grants under the plan to qualifying persons. As of December 31, 2020 the company has granted 6,405,000 stock options representing approximately 1.92% of the outstanding Shares leaving 26,908,936 unallocated stock options available for grant representing approximately 8.08%.

Stock options may be granted under the Stock Option Plan with an exercise period of up to ten (10) years, subject to a short extension in the case of a Company imposed blackout period. In addition, the Stock Option Plan will limit the number of stock options, which may be granted to any one individual to not more than 5% of the total issued Shares of the Company in any 12 month period (unless otherwise approved by the shareholders of the Company). The number of Shares issued over any 12 month period and the number of Shares issuable, at any time to all insiders under the Stock Option Plan and any other security based compensation arrangement will not be more than 10% of the total issued Shares. Any stock options granted under the Stock Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board of Directors. The exercise price of an option will not be less than the closing price of the common Shares on the day prior to grant. Subject to the approval of the Board, unexercised stock options granted pursuant to the Stock Option Plan may be settled for cash equal to the difference between the aggregate fair market value of the Shares underlying the unexercised stock options and the aggregate exercise price of such stock options.

In the event of termination other than for cause, stock options will terminate on the earlier of the expiry date specified in the stock option agreement and the date which is 90 days following the date of termination. In the event of dismissal for cause, stock options will terminate as of the date of dismissal. In the event of death, stock options will terminate on the earlier of the expiry date specified in the stock option agreement and one year after the date of death. Stock options granted under the Stock Option Plan are not transferable or assignable.

The Stock Option Plan may be amended by the Board at any time, without shareholder approval subject to the following amendments requiring shareholder approval, as required by law or exchange policies: an increase in the fixed percentage of Shares subject to the Stock Option Plan, amending the terms of insider’s stock options, or allowing stock options to become transferable. The Board may make amendments such as re-pricing and extending non-insider stock options without shareholder approval. If required by exchange policy to which the Company is subject, re-pricing or extension of incentive agreements to insiders shall require shareholder approval.

Shareholders are referred to the full text of the Stock Option Plan, a copy of which is attached as Schedule “A” for complete details. See also “Securities Authorized for Issuance Under Equity Compensation Plan” below for additional information.

The text of the proposed resolution to approve the renewal of the Stock Option Plan and the Entitlements is as follows:

“RESOLVED THAT:

1. All unallocated stock options, rights or entitlements (the “**Entitlements**”) under the Company’s stock option plan (the “**Stock Option Plan**”), as amended from time to time, are hereby approved and authorized and the Company is authorized to continue granting Entitlements under the Stock Option Plan, such approval and authorization to be effective until June 29, 2024.
2. Any director or officer of the Company be and is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the corporate seal of the Company or otherwise, and to deliver or cause to be delivered, such other documents and instruments, and to do or cause to be done all such acts and things, as may in the opinion of such director or officer of the Company be necessary or desirable to carry out the intent of the foregoing resolution, including the filing of all necessary documents with regulatory authorities including the TSX.”

The resolution approving the renewal of the Stock Option Plan and the unallocated Entitlements under the Stock Option Plan must be approved by a majority of the shareholders entitled to vote present at the Meeting or by proxy at the Meeting and be accepted for filing by the TSX. In the event that shareholder approval is not obtained, the Company will not be permitted to grant further Entitlements under the Stock Option Plan until such time as renewal approval is obtained. In such case, all stock options that have been granted, but not yet exercised will continue unaffected. **In the absence of contrary instructions, the persons named in the accompanying form of proxy intend to vote the Shares represented thereby in favour of the resolution re-approving the unallocated stock options under the Stock Option Plan.**

## STATEMENT OF EXECUTIVE COMPENSATION

*Unless otherwise stated, “dollars”, “CA \$” or “\$” means Canadian dollars.*

### Compensation Discussion and Analysis

All references to currency amounts are to Canadian dollars unless otherwise specified.

The purpose of this Compensation Discussion and Analysis (“**CD&A**”) is to provide information about the Company’s executive compensation philosophy, objectives, and processes and to discuss compensation decisions relating to the Company’s senior officers, being the three identified named executive officers (the “**NEOs**”) for the year ended December 31, 2020. The NEOs for 2020 are: Kristina Walcott, President & Chief Executive Officer (the “**CEO**”), Gordon Steblin, Chief Financial Officer (the “**CFO**”), and Alvin Jackson, Vice-President, Exploration and Development.

The Company notes that it is in an exploration phase with respect to its properties and has to operate with limited financial resources and control costs to ensure that funds are available to complete scheduled programs and otherwise fund its operations. The Board has to consider the current and anticipated financial position of the Company at the time of any compensation determination. The Board has attempted to keep the cash compensation paid to the Company’s senior officers relatively modest, while providing long-term incentives through the granting of stock options.

The Company’s executive compensation program is administered by the Board, upon the recommendations of the Compensation and Corporate Governance Committee and is designed to provide

incentives for the enhancement of shareholder value. The overall objectives are to attract and retain qualified executives critical to the success of the Company, to provide fair and competitive compensation, to align the interest of management with those of shareholders and to reward corporate and individual performance. The compensation package has been structured so as to link shareholder return, measured by the change in the share price, with executive compensation through the use of stock options as the primary element of variable compensation. The Company does not currently offer long-term incentive plans or pension plans to its executive officers.

The Company bases the compensation of executive officers on the years of service with the Company, responsibilities of each officer and their duties in that position. The Company also bases compensation on the performance of each officer. The Company believes that stock options can create a strong incentive to the performance of each officer and is intended to recognize extra contributions and achievements towards the goals of the Company.

The Board, when determining cash compensation to the NEOs takes into consideration their experience in the mining industry, as well as their responsibilities and duties and contributions to the Company's success. The Board does not benchmark such compensation against any specific peer group.

In performing its duties, the Compensation and Corporate Governance Committee has considered the implications of risks associated with the Company's compensation policies and practices. At its present early stage of development and considering its present compensation policies, the Company currently has no compensation policies or practices that would encourage a NEO or individual to take inappropriate or excessive risks.

A NEO or director is permitted for his or her own benefit and at his or her own risk, to purchase financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units or exchange funds, that are designed to hedge or offset a decrease in the market value of equity securities granted as compensation or held, directly or indirectly, by the NEO or director. The Company is not aware of any NEO or director entering into any such arrangements.

### **Stock Option Re-pricings**

During the financial year ended December 31, 2020 no stock options to Named Executive Officers were re-priced.

### **Defined Benefit or Actuarial Plan Disclosure**

The Company does not have defined benefit or actuarial plans.

### **Termination of Employment, Change in Responsibilities and Employment Contracts**

Management functions of the Company and its subsidiaries are substantially performed by the Company's directors and executive officers. The Company has entered into employment contracts with Kristina Walcott, the President and Chief Executive Officer, and Alvin Jackson, the Vice-President, Exploration and Development, for an indefinite term, reviewable annually, unless terminated (the "**Employment Agreements**"). The Employment Agreements provide for annual salaries of \$195,000 to each of these executive officers.

Pursuant to the Employment Agreements, if an employee is terminated without cause, then the employee is entitled to receive his or her full salary and benefits to the date of termination, plus an additional amount for severance equal to two years annual base salary and two times the amount of any cash

incentive bonus received by the employee during the preceding three years. The Company will also continue in effect all stock option grants, until the earlier of three years or the expiry dates of such stock options. The Company is also required to continue all other employee benefit programs then in effect until the earlier of two years or the date the employee obtains similar benefits through other employment and pay to the employee the next 24 months of the employee’s long-term disability insurance premiums.

In the event that there is a change in control of the Company, or the Company sells all or substantially all of its assets, and (i) the employee is terminated within 12 months of such event, or (ii) the employee elects to terminate his or her employment, then Company must pay the employee on the fifth business day from his or her termination or resignation, his or her full salary and benefits to the date of such termination or resignation, plus an amount equal to two years’ annual base salary, plus the cash value of any “in-the-money” stock options unless the employee elects to waive such right, in which event, such stock option grants will continue in effect as amended by the applicable Employment Agreement. The Company is also required to continue all other employee benefit programs then in effect until the earlier of two years or the date the employee obtains similar benefits through other employment and pay to the employee the next 24 months of the employee’s long-term disability insurance premiums.

The following table sets out the estimated maximum amount of incremental payments, payables and benefits the Company could be obligated to pay in the event that a NEO was terminated without cause following a Change of Control (as defined in the applicable Employment Agreement) or terminated without cause with no Change of Control as of December 31, 2020.

Name	Change of Control Termination Payment	No Control Change Termination Payment
Kristina Walcott President & Chief Executive Officer	\$400,000	\$400,000
Alvin Jackson Vice-President, Exploration & Development	\$400,000	\$400,000

The Company would also be obligated to continue the NEO’s option entitlements for the period set out in the Stock Option Plan in the event that a NEO was terminated without cause following a Change or Control or no Change of Control.

## Executive Compensation: Tables and Narrative

### Summary Compensation Table

The following table provides a summary of the compensation earned by the NEOs for services rendered in all capacities during the last three fiscal years ended December 31:

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation Annual Incentive Plan (\$)	All other Compensation (\$) <sup>(3)</sup>	Total Compensation (\$)
Kristina Walcott President & CEO	2020	195,000	N/A	Nil	Nil	16,250	211,250
	2019	195,000	N/A	Nil	Nil	16,250	211,250
	2018	195,000	N/A	33,868	Nil	12,188	241,056

Name and Principal Position	Year	Salary (\$)	Share-based awards (\$)	Option-based awards (\$) <sup>(1)</sup>	Non-equity incentive plan compensation Annual Incentive Plan (\$)	All other Compensation (\$) <sup>(3)</sup>	Total Compensation (\$)
Alvin Jackson Vice-President, Exploration & Development	2020	195,000	N/A	Nil	Nil	16,250	211,250
	2019	195,000	N/A	Nil	Nil	16,250	211,250
	2018	195,000	N/A	28,224	Nil	12,188	235,412
Gordon Steblin CFO	2020	80,000 <sup>(2)</sup>	N/A	Nil	Nil	Nil	80,000
	2019	80,000 <sup>(2)</sup>	N/A	Nil	Nil	Nil	80,000
	2018	80,000 <sup>(2)</sup>	N/A	14,112	Nil	Nil	94,112

**Note:**

- (1) The Company used the Black-Scholes option valuation model as the methodology to calculate the grant date fair value. Details regarding the assumptions underlying these Black-Scholes estimates are set forth in the audited annual financial statements of the Company for the year ended December 31, 2020 filed under the Company's profile at www.sedar.com. These amounts do not correspond to the actual value that will be recognized by the NEOs and do not reflect the impact of possible forfeitures due to vesting conditions. Whether, and to what extent, a NEO realizes value will depend on our actual operating performance, stock price fluctuations and the NEOs continued employment. Additional information on all outstanding stock awards is reflected in the table entitled "Incentive Plan Awards – Outstanding Option Based Awards" below.
- (2) Fees paid through a service company controlled by Mr. Steblin.
- (3) Vacation pay.

The following table provides details regarding the outstanding option and share based awards held by the NEOs as at December 31, 2020:

<i>Outstanding share-based awards and option-based awards</i>							
Name	Option-based Awards					Share-based Awards	
	Option grant date	Number of securities underlying unexercised stock options (#)	Option exercise price (\$)	Option expiration date	Aggregate value of unexercised in-the-money options (\$) <sup>(3)</sup>	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Kristina Walcott	July 8, 2016 <sup>(1)</sup>	1,200,000	0.21	July 8, 2021	696,000	N/A	N/A
	July 23, 2018 <sup>(2)</sup>	600,000	0.10	July 23, 2023	414,000	N/A	N/A
Alvin Jackson	July 8, 2016 <sup>(1)</sup>	1,000,000	0.21	July 8, 2021	580,000	N/A	N/A
	July 23, 2018 <sup>(2)</sup>	500,000	0.10	July 23, 2023	345,000	N/A	N/A
Gordon Steblin	July 8, 2016 <sup>(1)</sup>	275,000	0.21	July 8, 2021	159,500	N/A	N/A
	July 23, 2018 <sup>(2)</sup>	250,000	0.10	July 23, 2023	172,500	N/A	N/A

(1) Stock options were granted on July 8, 2016 and are fully vested.

(2) Stock options were granted on July 23, 2018 and are fully vested.

(3) The aggregate dollar value of the in-the-money unexercised vested stock options held at the end of the last fiscal year, based on the difference between the market value of the shares at the fiscal year end, and the exercise price. These stock options were in-the-money on December 31, 2020 (based on the closing price of the Shares on the TSX of \$0.79).

Please see "Securities Authorized for Issuance under Equity Compensation Plans" (below) for details regarding the Company's Stock Option Plan.

**Incentive Plan Awards – Value Vested or Earned during the Year**

The following table sets forth details of the aggregate dollar value that would have been realized by the NEOs in the most recently completed financial year if the stock options under the option-based awards had been exercised on their respective vesting dates.

<i>Incentive plan awards - value vested or earned during the year</i>			
<b>Name</b>	<b>Option-based awards - Value vested during the year (\$)</b>	<b>Share-based awards - Value vested during the year (\$)</b>	<b>Non-equity incentive plan compensation - Value earned during the year (\$)</b>
Kristina Walcott	Nil	N/A	N/A
Alvin Jackson	Nil	N/A	N/A
Gordon Steblin	Nil	N/A	N/A

Pursuant to the Stock Option Plan, and in accordance with the TSX Manual, the stock options granted to NEO's have been granted at an exercise price at least equal to or greater than the closing price of the Company's common shares on the TSX as at the date of grant. Stock options are typically granted for a period of five years and have a vesting period as determined by the Board.

### **Compensation of Directors**

Directors receive stock options to purchase Shares in the Company as compensation for their services as recommended by the Compensation and Corporate Governance Committee and determined by the Board. The exercise price of such stock options is determined by the Board but shall in no event be less than the market price of the Shares of the Company at the time of the grant of the stock options. As of the Record Date, the current non-NEO directors, David Knight, Gary Moore, Garnet Dawson, Gregory Hanks, Ron Ewing, Glen Dickson and Reagan Glazier hold stock options to purchase an aggregate of 1,390,000 Shares of the Company.

<b>Name</b>	<b>Year</b>	<b>Salary (\$)</b>	<b>Share-based awards (\$)</b>	<b>Option-based awards (\$)</b>	<b>Non-equity incentive plan compensation Annual Incentive Plan (\$)</b>	<b>All other Compensation (\$)</b>	<b>Total Compensation (\$)</b>
David Knight	2020	Nil	Nil	Nil	Nil	Nil	Nil
Gary Moore	2020	Nil	Nil	Nil	Nil	Nil	Nil
Garnet Dawson	2020	Nil	Nil	Nil	Nil	Nil	Nil
Ron Ewing	2020	Nil	Nil	Nil	Nil	Nil	Nil
Glen Dickson	2020	Nil	Nil	Nil	Nil	Nil	Nil
Reagan Glazier	2020	Nil	Nil	Nil	Nil	Nil	Nil

The following table provides details regarding the outstanding option and share based awards held by the non-NEO directors as at December 31, 2020:

<i>Outstanding share-based awards and option-based awards</i>							
Name	Option-based Awards					Share-based Awards	
	Option grant date	Number of securities underlying unexercised stock options (#)	Option exercise price (\$)	Option expiration date	Aggregate value of unexercised in-the-money options (\$) <sup>(1)</sup>	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David Knight	July 8, 2016 July 23, 2018	300,000 125,000	0.21 0.10	July 8, 2021 July 23, 2023	174,000 86,250	N/A N/A	N/A N/A
Gary Moore	July 8, 2016	275,000	0.21	July 8, 2021	159,500	N/A	N/A
Garnet Dawson	July 8, 2016 July 23, 2018	250,000 125,000	0.21 0.10	July 8, 2021 July 23, 2023	145,000 86,250	N/A N/A	N/A N/A
Gregory Hanks	July 8, 2016 July 23, 2018	150,000 125,000	0.21 0.10	July 8, 2021 July 23, 2023	87,000 86,250	N/A N/A	N/A N/A
Ron Ewing	July 23, 2018	390,000	0.10	July 23, 2023	269,100	N/A	N/A
Glen Dickson	July 23, 2018	390,000	0.10	July 23, 2023	269,100	N/A	N/A
Reagan Glazier	July 23, 2018	150,000	0.10	July 23, 2023	103,500	N/A	N/A

**Note**

<sup>(1)</sup> The aggregate dollar value of the in-the-money unexercised vested stock options held at the end of the last fiscal year, based on the difference between the market value of the Shares at the fiscal year end and the exercise price. Based on the December 31, 2020 closing price of the shares on the TSX of \$0.79.

Please see “Securities Authorized for Issuance under Equity Compensation Plans” (below) for details regarding the Company’s Stock Option Plan.

Incentive Plan Awards – Value Vested or Earned during the Year

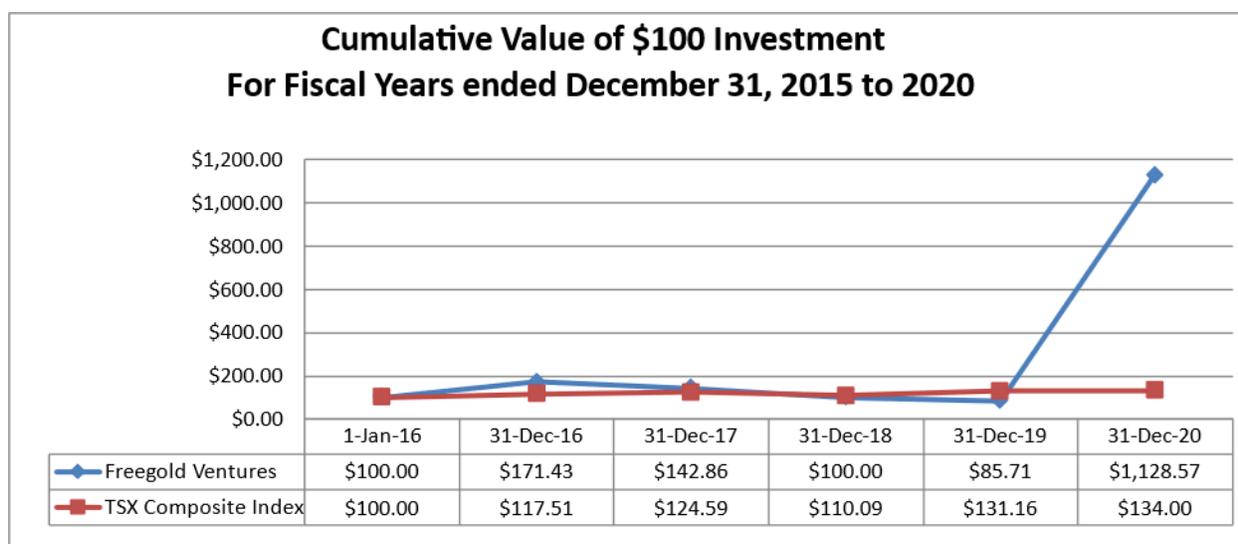
The following table sets forth details of the aggregate dollar value that would have been realized by the Company’s non-NEO directors in the most recently completed financial year if the stock options under the option-based awards had been exercised on their respective vesting dates:

<i>Incentive plan awards - value vested or earned during the year</i>			
Name	Option-based awards - Value vested during the year (\$)	Share-based awards - Value vested during the year (\$)	Non-equity incentive plan compensation - Value earned during the year (\$)
David Knight	Nil	N/A	N/A
Garnet Dawson	Nil	N/A	N/A
Gary Moore	Nil	N/A	N/A
Gregory Hanks	Nil	N/A	N/A
Ron Ewing	Nil	N/A	N/A
Glen Dickson	Nil	N/A	N/A
Reagan Glazier	Nil	N/A	N/A

Pursuant to the Stock Option Plan, and in accordance with the TSX Manual, the stock options granted to Company’s directors have been granted at an exercise price at least equal to or greater than the closing price of the Company’s common shares on the TSX as at the date of grant. Stock options are typically granted for a period of five years and have a vesting period as determined by the Board.

**Performance Graph**

The following graph compares the Company’s cumulative total shareholder return considering a \$100 Investment – for the period for December 31, 2015 to December 31, 2020 with the total cumulative return of the S&P/TSX Composite Index for that period:



The current trend shown by the performance graph shows a modest recovery in shareholder returns in 2016 and a slight decline in 2017 to 2019. In 2020 there was a significant increase in shareholder returns when the Company reported significant drill results from the Golden Summit Project. Following these drill results, the Company raised gross proceeds of Cdn\$45 million pursuant to three private placements. Over the same five-year period, the total compensation received by the NEOs, in aggregate, has stayed relatively the same. The Compensation and Corporate Governance Committee considers total compensation to be reasonable in the circumstances. The level of total compensation received by the NEOs has been relatively fixed and is therefore not directly correlated to the changes in shareholder returns, which are more dependent on metal prices. In addition, the Board believes that the CEO and VP Exploration and Development achieved significantly all that was expected of them through 2020. The Company has been successful in arranging the financing necessary to both maintain its operations and achieve significant progress on both the Shorty Creek and Golden Summit projects. In March 2019, an agreement was signed with South32 on the Shorty Creek Project, whereby South32 has the option to earn a 70% interest in the Shorty Creek property. To maintain the option in good standing South32 must contribute minimum exploration funding of US\$10 million over a four year option period with minimum exploration expenditures of US\$2million in Years 1 and 2 and US\$3 million in Years 3 and 4 for an aggregate of US\$10 million. South32 may exercise its option to subscribe for 70% of the shares of a newly formed project company by committing US\$30 million to the newly formed company, less the amount of exploration expenditure contributed by South32 during the option period following the completion of each annual program. Freegold shall act as the Operator during the option period.

## **SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS**

During fiscal year ended December 31, 2018 the Company re-approved the Stock Option Plan whereby the Board, may from time to time, grant stock options to directors, officers, employees or consultants. At the Company's annual general and special meeting of shareholders held on June 29, 2018, shareholders approved a resolution which reserves up to 10% of the issued and outstanding Shares from time to time (including existing stock options), as a "rolling stock option plan". Stock options may be granted under the Stock Option Plan with an exercise period of up to ten (10) years from the date of grant or such lesser period as determined by the Board, subject to a short extension in the case of a Company imposed blackout period. Any stock options granted under the Stock Option Plan will not be subject to any vesting schedule, unless otherwise determined by the Board. The exercise price of an option will not be less than the closing price of the common shares on the day prior to grant. Subject to the approval of the Board, unexercised stock options granted pursuant to the Stock Option Plan may be settled for cash equal

to the difference between the aggregate fair market value of the Shares underlying the unexercised stock options and the aggregate exercise price of such stock options.

The following tables set forth information in respect of the Company's Stock Option Plan as of December 31, 2020.

<b>Plan Category</b>	<b>Number of Shares to be issued upon exercise of outstanding stock options and other rights (a)</b>	<b>Weighted-average exercise price of outstanding options and other rights (b)</b>	<b>Number of Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)</b>
Equity compensation plans approved by shareholders	6,405,000 <sup>(1)</sup>	\$0.16	26,908,936
Equity compensation plans not approved by shareholders	N/A	N/A	N/A
<b>Total</b>	<b>6,405,000</b>		<b>26,908,936</b>

(1) As at May 17, 2021, 5,495,000 stock options were outstanding and 27,818,936 options are available for future issuance.

<b>Burn Rate<sup>(1)</sup></b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Equity compensation plans approved by shareholders	0%	0.05%	1.78%

(1) Number of securities granted under the arrangement during the applicable fiscal year divided by the weighted average number of securities outstanding for the applicable fiscal year.

## STATEMENT OF CORPORATE GOVERNANCE PRACTICES

In June 2005, National Policy 58-201 - *Corporate Governance Guidelines* (the “**Governance Guidelines**”) and National Instrument 58-101 - *Disclosure of Corporate Governance Practices* (the “**Governance Disclosure Rule**”) were adopted by the securities regulatory authorities in Canada. The Governance Guidelines deal with matters such as the constitution and independence of corporate boards, their functions, the effectiveness and education of board members and other items dealing with sound corporate governance practices. The Governance Disclosure Rule requires that, if management of an issuer solicits proxies from its security holders for the purpose of electing directors, specified disclosure of its corporate governance practices must be included in its management information circular.

The Board recognizes the importance of corporate governance to the effective management of the Company. The Company's approach to significant issues of corporate governance is designed with a view to ensuring that the business and affairs of the Company are effectively managed so as to enhance shareholder value. The Board fulfills its mandate directly and through its committees at regularly scheduled meetings or as required. Frequency of meetings may be increased and the nature of the agenda items may be changed depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. The directors are kept informed of the Company's operations at these meetings as well as through reports and discussions with management.

The following is a description of the Company's corporate governance practices.

### Board of Directors

The Board is currently composed of nine directors. Nine directors are proposed to be elected at the Meeting.

### Independence

Six director nominees are independent within the meaning of the Governance Disclosure Rule. The independent nominees are: Gary Moore, Garnet Dawson, Gregory Hanks, Glen Dickson, Ron Ewing and Reagan Glazier.

Kristina Walcott is not independent as she is the President and CEO of the Company. Alvin Jackson is not independent as he is the Vice President of Exploration and Development of the Company. David Knight is not independent as he is a partner with a law firm that provides legal services to the Company. To facilitate the Board functioning independently of management, the following structures and processes are in place:

- A majority of the nominees for director, including the Chairman, are independent;
- The Audit Committee, Corporate Governance and Compensation Committee and Nominating Committee are composed entirely of independent directors and the members of such committees meet formally and also hold informal discussions without management present; and
- If a director or executive officer has a material interest in the transaction or the agreement being considered by the Company, such individual, if a director, is precluded from voting on the matter and the Board considers such matter without the individual present.

### Meetings of Directors

The Board holds meetings as required. Since the beginning of the Company's most recently completed financial year, the independent directors have not held a meeting at which non-independent directors were not in attendance. Management maintains regular updates to the Board.

During the year ended December 31, 2020, the Board held six (6) formal meetings. All directors were in attendance for five (5) meetings and all but one director were in attendance for one (1) meeting. During the year ended December 31, 2020, seven (7) resolutions were passed by way of consent resolution. All of the directors executed all of the consent resolutions. Since January 1, 2021, one (1) Board meeting was held at which all directors were in attendance. One (1) resolutions were passed by way of consent resolution.

The information below sets out the Board meetings held and the attendance for the year ended December 31, 2020.

<b>Director</b>	<b>Board Meetings Attended</b>	<b>Audit Committee Meetings Attended</b>	<b>Compensation Committee Meetings Attended</b>	<b>Total Percentage of Meetings Attended</b>
Kristina Walcott	6 of 6			100%
Alvin Jackson	6 of 6			100%
David Knight	6 of 6			100%
Gary Moore	6 of 6	4 of 4	1 of 1	100%
Garnet Dawson	6 of 6	4 of 4		100%
Gregory Hanks	6 of 6		1 of 1	100%
Ron Ewing	5 of 6	4 of 4		90%
Glen Dickson	6 of 6		1 of 1	100%
Reagan Glazier	6 of 6			100%

### Other Directorships

In addition to their positions on the Board, the following directors also serve as directors of the following reporting issuers or reporting issuer equivalents:

<b>Name of Director</b>	<b>Reporting Issuer(s) or Equivalent(s)</b>	<b>Exchange</b>
Gary Moore	Goldcliff Resource Corporation El Nino Ventures Limited	TSXV TSXV
Alvin Jackson	Canasil Resources Inc. CopAur Minerals Inc. Finlay Minerals Ltd	TSXV TSXV TSXV
Garnet Dawson	GoldMining Inc. Gold Royalty Corp.	TSX NYSE
Gregory Hanks	Canex Metals Inc.	TSXV

### **Mandate of the Board of Directors**

The Board has a written mandate as set forth below which ensures that the Board discharges its responsibilities in an effective manner and that the Board understands the boundaries between Board and management responsibilities.

The mandate of the Board, as prescribed by applicable corporate law, is to manage or supervise the management of the business and affairs of the Company and to act with a view to the best interests of the Company. In doing so, the Board oversees the management of the Company's affairs directly and through its committees. In fulfilling its mandate, the Board, among other matters, is responsible for reviewing and approving the Company's overall business strategies and its annual business plan, reviewing and approving the annual corporate budget and forecast, reviewing and approving significant capital investments outside the approved budget; reviewing major strategic initiatives to ensure the Company's proposed actions accord with shareholder objectives; reviewing succession planning; assessing management's performance against approved business plans and industry standards; reviewing and approving the reports and other disclosure issued to shareholders; ensuring the effective operation of the Board; and safeguarding shareholders' equity interests through the optimum utilization of the Company's capital resources.

### **Position Description for Chairman and CEO**

The Board has developed a written position description for the Chairman of the Board. They have also developed a written position description for the chair of each of the Audit Committee, the Compensation and Corporate Governance Committee, and the Nominating Committee. The Board has also developed a written position description for the CEO.

### **Orientation and Continuing Education**

Board turnover is relatively rare and, accordingly, the Company has not adopted a formalized process of orientation for new Board members. Orientation of new directors is conducted on an ad hoc basis.

Directors are kept informed as to matters impacting, or which may impact, the Company's operations through reports and presentations at the Board meetings and through information communication on a regular basis. Directors are also provided the opportunity to meet with senior management and other employees, advisors and directors, who can answer any questions that may arise.

### **Ethical Business Conduct**

The Board has adopted a Code of Business Conduct and Ethics, which may be found on the Company's website under "Corporate/Governance" at [www.freegoldventures.com](http://www.freegoldventures.com). To ensure and monitor compliance with the Code, the Code requires that the Code be distributed to all directors, officers, and employees of the Company. The Code itself requires each of the Company's directors, officers, and employees, to understand and comply with the code and to report any violation of the Code of any of such individuals becomes aware. The Code also contains "whistleblower" provisions which allow any suspected violations of the Code on an anonymous basis.

### **Term Limits**

The Board has not adopted a formal term limit for directors. The Board strives to be constituted to achieve a balance between experience and the need for renewal and fresh perspective. The Board believes, however, that the imposition of director term limits on a board implicitly discounts the value of experience and continuity amongst Board members and runs the risk of excluding experienced and potentially valuable Board members as a result of an arbitrary determination. The Board believes that it is better served with a regular assessment of the effectiveness of the Board, Board committees and individual directors rather than on arbitrary term limits.

### **Corporate and Board Diversity**

Diversity is an important part of the Company's culture and its operations. On May 18, 2021, the Board adopted a Board Diversity Policy (the "**Diversity Policy**"), which confirms the Corporation's commitment to diversity on its Board, with a specific emphasis on gender diversity. The Company believes that a Board made up of highly qualified individuals from diverse backgrounds promotes better corporate governance, performance and effective decision-making. The Company is committed to diversity on its Board and recognizes that gender diversity is a significant aspect of diversity and acknowledges the important role women with appropriate and relevant skills and experience can play in contributing to the diversity perspective on the Board. In selecting candidates to the Board and management, the Company gives appropriate consideration to women along with a variety of other factors including the skills, qualities, experience and expertise to find the best candidate to be an effective member of the Board, while having due regard to the benefits of diversity and the needs of the Board. The Company believes the Board should reflect the diverse nature of the business environment in which the Company operates.

The Board has not, at this time, adopted any fixed targets or quotas relating to the representation of women on the Board or in executive officer positions as it does not believe that quotas or a formulaic approach necessarily result in the identification or selection of the best candidates. However, the Diversity Policy specifically provides that any search firm engaged to assist the Board or a committee of the Board in identifying candidates for appointment to the Board will be specifically directed to include diverse candidates generally, and multiple women candidates in particular.

There is currently one woman on the Board (**11.1%**) and one woman in an executive officer position (as such term is defined in the Governance Guidelines) (**33%**). The Company notes that it is one of the few companies listed on the TSX to have a woman as chief executive officer.

## **Nomination of Directors**

The Board has appointed a formal Nominating Committee composed entirely of independent directors. See “Board Committees-Nominating Committee”.

## **Majority Voting for Directors**

The Board has adopted a policy stipulating that if the votes in favour of the election of a director nominee at a shareholders’ meeting represent less than a majority of the total common shares withheld, the nominee will offer his or her resignation promptly after the meeting, for the Compensation and Corporate Governance Committee’s consideration. The Compensation and Corporate Governance Committee will then make a recommendation to the Board after reviewing the matter, and the Board’s decision to accept or reject the resignation offer will be disclosed to the public within 90 days of the applicable shareholders’ meeting, together with the voting results for each director. Resignations must be accepted, except in situations where exceptional circumstances would warrant the applicable director to continue to serve as a member of the Board. The nominee will not participate in any committee or Board deliberations on the resignation offer. The policy does not apply in circumstances involving contested director elections.

## **Board Committees**

Committees of the Board are an integral part of the Company’s governance structure. There are currently three standing committees, the Audit Committee, the Compensation and Corporate Governance Committees and the Nominating Committee (collectively, the “**Committees**”), established to devote the necessary expertise and resources to particular areas, and to enhance the quality of discussion at Board meetings. The Committees facilitate effective Board decision-making by providing recommendations to the Board on matters within their respective responsibilities. The Board believes that the Committees assist in the effective functioning of the Board and that the composition of the Committees should ensure that the views of unrelated and independent directors are effectively represented.

A summary of the responsibilities and activities and the membership of each of the Committees are set out below:

### Audit Committee

The Audit Committee currently consists of Gary Moore (Chairman), Garnet Dawson and Ron Ewing, all of whom are financially literate. Each of Messrs. Moore, Dawson and Ewing are independent pursuant to the Governance Disclosure Rule. See “Statement of Corporate Governance Practices Board of Directors – Independence”.

The Audit Committee reviews and recommends to the Board for approval the annual financial statements and the annual report of the Company. The quarterly financial statements of the Company are reviewed by the Audit Committee and the Board. In addition, the Audit Committee is charged with the responsibility of monitoring the integrity of the Company’s internal controls and management information systems. For the purposes of performing these duties, the members of the Audit Committee have the right, at all times, to inspect all of the books and financial records of the Company and to discuss with management and the auditors of the Company any accounts, records and matters relating to the financial statements of the Company.

Additional information regarding the Audit Committee may be found in the Company’s Annual Information Form dated March 31, 2021 (“AIF”) filed on SEDAR at [www.sedar.com](http://www.sedar.com), under the Company’s profile; in particular at pages **52-55** and Schedule “A” to the AIF.

Compensation and Corporate Governance Committee

The Compensation and Corporate Governance Committee is currently composed of Glen Dickson, Chair, Gary Moore and Gregory Hanks. All of the members of the Compensation and Corporate Governance Committee are independent pursuant to the Governance Disclosure Rule. See “Statement of Corporate Governance Practices Board of Directors – Independence”.

The Compensation and Corporate Governance Committee is responsible for, among other things, evaluating the performance of the Company’s executive officers, determining or making recommendations to the Board with respect to the compensation of the Company’s executive officers, making recommendations to the Board with respect to director compensation, incentive compensation plans and equity-based plans, making recommendations to the Board with respect to the compensation policy for the employees of the Company or its subsidiaries and ensuring that the Company is in compliance with all legal requirements with respect to compensation disclosure. In performing its duties, the Compensation and Corporate Governance Committee has the authority to engage such advisors, including executive compensation consultants, as it considers necessary. The table below sets forth the experience of each of the members of the Compensation and Corporate Governance Committee that is relevant to their responsibilities as such:

Name	Independent	Relevant Experience
Glen Dickson	Yes	Mr. Dickson, B.Sc., P. Geol. with over 40 years of exploration and mining and operational experience in several different countries. During the past 30 years he focused on gold exploration in a wide variety of depositional environments. He served as Chairman of the Board and Chief Executive Officer of Gold-ore Resources Ltd. until the Company was acquired by Elgin Mining Ltd. He served as the President, Chief Executive Officer, and Director of Cumberland Resources Limited until the Company was acquired by Agnico Eagle Mines Ltd. As well as serving as a director on several other companies including Atna Resources Ltd., Brazilian Gold Corporation and Venerable Ventures Ltd. Mr. Dickson is currently President and CEO of Meliadine Gold Ltd. a private resource company with mineral holdings in Nunavut.
Gregory Hanks	Yes	Mr. Hanks has held a number of management and senior management roles throughout his more than 20 years in the Financial Services Industry. He has extensive experience in commercial and industrial lending. He is now self employed. He has held several non-profit board positions and is currently on the board of Northern Interior Mining Group and Canex Metals Inc.

Gary Moore	Yes	Mr. Moore has held junior and senior executive positions with various companies, including a director of the Company (2009-present); a director of El Nino Ventures Inc. (2009-present); a director of Goldcliff Resource Corporation (2007-present); President and director of HTI Ventures Corp. (2006-2011); Assistant VP and then VP and Branch Manager of Pacific International Securities Inc. (2000-2005); Chief Investment Officer, AFT Trivest Management Inc. (1999-2000); Manager then Vice-President of Global Securities Corp. (1994-1999); Co-founder and President of AFT Trivest Management Inc. (1994-1996); and Vice President Finance, Vice President Operations and CFO of Trionics Technology Ltd. (1988-1993).
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### Nominating Committee

The Nominating Committee is currently composed of Glen Dickson, Chairman, Gary Moore and Garnet Dawson. All of the members of the Compensation and Corporate Governance Committee are independent pursuant to the Governance Disclosure Rule. See “Statement of Corporate Governance Practices Board of Directors – Independence”.

The Nominating Committee is responsible for: (a) conducting an analysis of the collection of tangible and intangible skills and qualities necessary for an effective Board given the Company’s current operational and financial condition, the industry in which it operates and the strategic outlook of the Company; (b) periodically comparing the tangible and intangible skills and qualities of the existing Board members with the analysis of required skills and identifying opportunities for improvement; and (c) recommending, as required, changes to the selection criteria used by the Board to reflect the needs of the Board.

### **Assessments**

The Nominating Committee conducts an informal review process of the Board, the committees and individual directors on an as needed basis and consults with the Board as is required.

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

None of the current or former directors, executive officers or employees of the Company or persons who were directors, executive officers or employees of the Company at any time during the Company’s last completed financial year, none of the proposed nominees for election of directors of the Company and none of the associates or affiliates of such persons are or have been indebted to the Company (or its subsidiaries) at any time since the beginning of the last completed financial year ending December 31, 2020. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries.

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

None of the directors or executive officers of the Company or other informed person, nor any proposed nominee for election as a Director of the Company, nor any person who beneficially owns, directly or indirectly, Shares carrying more than 10% of the voting rights attached to all outstanding Shares of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, in any transaction since the commencement of the Company’s last completed financial year or in

any proposed transaction which, in either case, has or will materially affect the Company, except as disclosed herein or elsewhere in this Information Circular.

### **ADDITIONAL INFORMATION**

Additional information relating to the Company concerning the Company and its operations is available on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information concerning the Company is provided in its comparative financial statements and management's discussion and analysis for the Company's most recently completed financial year. Copies of this information are available either on SEDAR at [www.sedar.com](http://www.sedar.com) or by contacting the Company at its offices located at Suite 888 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1G5; telephone 604-662-7307; facsimile 604-662-3791.

### **BOARD APPROVAL**

The contents of this Information Circular have been approved and its mailing has been authorized by the Board of Directors of the Company.

### **OTHER BUSINESS**

Management of the Company is not aware of any matter to come before the Meeting other than the matters referred to in the Notice of the Meeting. However, if any other matter properly comes before the Meeting, the accompanying form of proxy confers discretionary authority to vote with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters that properly may come before the Meeting.

Dated this 17<sup>th</sup> day of May 2021

### **ON BEHALF OF THE BOARD OF DIRECTORS**

*"Kristina Walcott"*

Kristina Walcott  
President, Chief Executive Officer and Director

SCHEDULE "A" TO INFORMATION CIRCULAR

## Freegold Ventures Limited

### STOCK OPTION PLAN

#### 1. PURPOSE OF THE PLAN

The Company hereby establishes a stock option plan for directors, senior officers, and employees of the Company, or of a Related Entity of the Company, and any Permitted Consultant, or employee of a Permitted Consultant, or any Permitted Assign (as such terms are defined below) (collectively "**Eligible Persons**"), to be known as the "Stock Option Plan" (the "**Plan**"). The purpose of the Plan is to give to Eligible Persons, as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals stock options, exercisable over periods of up to ten years, as determined by the board of directors of the Company, to buy shares of the Company at a price equal to the Market Price prevailing on the date the option is granted, as permitted by the policies of the Exchanges and approved by the Board.

#### 2. DEFINITIONS

In this Plan, the following terms shall have the following meanings:

- 2.1 "**Associate**" has the same meaning ascribed to that term under subsection 2.22 of National Instrument 45-106.
- 2.2 "**Black-Out Period**" means that period during which a trading black-out period is imposed by the Company to restrict trades in the Company's securities by an Eligible Person or Permitted Assign.
- 2.3 "**Board**" means the Board of Directors of the Company.
- 2.4 "**Change of Control**" means the acquisition by any person or by any person and all Joint Actors, whether directly or indirectly, of voting securities (as defined in the *Securities Act*) of the Company, which, when added to all other voting securities of the Company at the time held by such person or by such person and a Joint Actor, totals for the first time not less than fifty percent (50%) of the outstanding voting securities of the Company or the votes attached to those securities are sufficient, if exercised, to elect a majority of the Board of Directors of the Company.
- 2.5 "**Company**" means Freegold Ventures Limited and its successors.
- 2.6 "**Consultant**" means an individual, other than an employee, director or officer of the Company or its Related Entity or a registrant under *Securities Act* (British Columbia), that:
- (a) is engaged to provide on *bona fide* basis, consulting, technical, management or other services to the Company or Related Entity of the Company, other than services provided in relation to a distribution, services provided by registrants and services that include investor relations activities;
  - (b) provides the services under a written contract between the Company or its Related Entity and the individual Consultant or a Consultant Company or Consultant Partnership of the individual; and

- (c) in the reasonable opinion of the Board, spends or will spend a significant amount of time and attention on the affairs and business of the Company or Related Entity of the Company.
- 2.7 “**Consultant Company**” means for an individual Consultant, the company of which the individual consultant is an employee or shareholder.
- 2.8 “**Consultant Partnership**” means for an individual consultant, a partnership of which the individual Consultant is an employee or partner.
- 2.9 “**Disability**” means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to prevent permanently the Optionee from:
  - (a) being employed or engaged by the Company, its Related Entities or another employer, in a position the same as or similar to that in which he was last employed or engaged by the Company or its Related Entities; or
  - (b) acting as a director or officer of the Company or its Related Entities.
- 2.10 “**Eligible Persons**” has the meaning given to that term in section 1 hereof.
- 2.11 “**Exchanges**” means the Toronto Stock Exchange and, if applicable, any other stock exchange on which the Shares are listed.
- 2.12 “**Expiry Date**” means the date set by the Board under subsection 3.1 of the Plan, as the last date on which an Option may be exercised.
- 2.13 “**Grant Date**” means the date specified in the Option Agreement as the date on which an Option is granted.
- 2.14 “**Insider**” means an “Insider” as defined in the Securities Act.
- 2.15 “**Joint Actor**” means a person acting “jointly or in concert with” another person as that phrase is interpreted in Multi-lateral Instrument 62-104, *Take-Over Bids and Issuer Bids*.
- 2.16 “**Market Price**” of Shares at any Grant Date means the last closing price per Share on the trading day immediately preceding the day on which the Company announces the grant of the option or, if the grant is not announced, on the Grant Date, or if the Shares are not listed on any stock exchange, “Market Price” of Shares means the fair value per Share on that day determined in good faith by the Board.
- 2.17 “**Option**” means an option to purchase Shares granted pursuant to this Plan.
- 2.18 “**Option Agreement**” means an agreement, in the form attached hereto as Schedule “A”, whereby the Company grants to an Optionee an Option.
- 2.19 “**Optionee**” means each of Eligible Persons granted an Option pursuant to this Plan and their heirs, executors and administrators.
- 2.20 “**Option Price**” means the price per Share specified in an Option Agreement, adjusted from time to time in accordance with the provisions of section 5.

- 2.21 “**Option Shares**” means the aggregate number of Shares which an Optionee may purchase under an Option.
- 2.22 “**Permitted Assign**” means for a person that is an employee, executive officer, director or Consultant of the Company or Related Entity, a holding entity (as defined in National Instrument 45-106) of the person, or an RRSP or RRIF of the person.
- 2.23 “**Permitted Consultant**” means a Consultant, a Consultant Company or Consultant Partnership, performing services for the Company.
- 2.24 “**Plan**” means this Stock Option Plan.
- 2.25 “**Redundancy**” means the termination of employment due to the fact that,
- (a) the person’s employer has ceased or intends to cease:
    - (i) to carry on business for the purposes of which the employee was employed by him, or
    - (ii) to carry on that business in the place where the employee was so employed, or
  - (b) the requirements of that business:
    - (i) for employees to carry out work of a particular kind, or
    - (ii) for employees to carry out work of a particular kind in the place where the employee was employed by the employer,have ceased or diminished or are expected to cease or diminish.
- 2.26 “**Related Entity**” means a person that is controlled by the Company or is controlled by the same person that controls the Company, and “control” for the purpose of this definition has the same meaning as set out in section 2.23 of National Instrument 45-106.
- 2.27 “**Retirement**” means the termination of employment due to retirement of an Optionee on or after such Optionee’s normal retirement date under the applicable retirement plan or policy of his or her employer or due to early retirement with the consent of the Board.
- 2.28 “**Securities Act**” means the *Securities Act*, R.S.B.C. 1996, c.418, as amended, as at the date hereof.
- 2.29 “**Shares**” means the common shares in the capital of the Company as constituted on the Grant Date provided that, in the event of any adjustment pursuant to section 5, “Shares” shall thereafter mean the shares or other property resulting from the events giving rise to the adjustment.
- 2.30 “**TSX Policies**” means the policies included in the Toronto Stock Exchange Corporate Finance Manual and “TSX Policy” means any one of them.
- 2.31 “**Unissued Option Shares**” means the number of Shares which have, at a particular time, been reserved for issuance upon the exercise of an Option, but which have not been issued, as adjusted from time to time in accordance with the provisions of section 5, such adjustments to be cumulative.
- 2.32 “**Vested**” means that an Option has become exercisable in respect of a number of Option Shares by the Optionee pursuant to the terms of the Option Agreement.

### **3. GRANT OF OPTIONS**

#### **3.1 Option Terms**

The Board may from time to time authorize the issue of Options to Eligible Persons of the Company and its Related Entities. The Option Price under each Option shall be not less than the Market Price on the Grant Date. The Expiry Date for each Option shall be set by the Board at the time of issue of the Option and shall not be more than ten years after the Grant Date. If an Option expires during a Black-Out Period, then, notwithstanding any other provision of the Plan, the Option shall expire 10 business days after the Black-Out Period is lifted by the Company. Options shall not be assignable (or transferable) by the Optionee in any way, except by will or by the laws governing the devolution of property, to the Optionee's executor, administrator or other personal representation, in the event of death of the Optionee, or to a Permitted Assign.

#### **3.2 Limits on Shares Issuable on Exercise of Options**

The maximum number of Shares which may be issuable pursuant to options granted under the Plan shall be that number equal to 10% of the Company's issued share capital from time to time. The number of Shares reserved for issuance under the Plan and all of the Company's other previously established or proposed share compensation arrangements:

- (a) in aggregate shall not exceed 10% of the total number of issued and outstanding Shares on a non-diluted basis; and
- (b) to any one Optionee within a 12 month period shall not exceed 5% of the total number of issued and outstanding Shares on a non-diluted basis.

The number of Shares issued within any one year period or issuable at any time under the Plan and all of the Company's other previously established or proposed share compensation arrangements to all Insiders shall not exceed 10% of the total number of issued and outstanding Shares on the Grant Date a non-diluted basis. Any entitlement to acquire Shares granted pursuant to the Plan or any other options prior to the grantee becoming an Insider shall be included for the purposes of the limit set out above.

#### **3.3 Option Agreements**

Each Option shall be confirmed by the execution of an Option Agreement. Each Optionee shall have the option to purchase from the Company the Option Shares at the time and in the manner set out in the Plan and in the Option Agreement applicable to that Optionee. For stock options granted to employees of the Company, a Related Entity, or a Permitted Consultant, the Company is representing herein and in the applicable Option Agreement that the Optionee is a bona fide employee of the Company, a Related Entity or a Permitted Consultant, as the case may be. The execution of an Option Agreement shall constitute conclusive evidence that it has been completed in compliance with this Plan.

### **4. EXERCISE OF OPTION**

#### **4.1 When Options May be Exercised**

Subject to subsections 4.3 and 4.4, an Option shall be granted as fully Vested on the Grant Date, and may be exercised to purchase any number of Shares up to the number of Unissued Option Shares at any time after the Grant Date, provided that this Plan has been previously approved by the shareholders of the Company, where such prior approval is required by TSX Policies, up to 4:00 p.m. local time on the Expiry Date and shall not be exercisable thereafter.

#### **4.2 Manner of Exercise**

The Option shall be exercisable by delivering to the Company a notice specifying the number of Shares in respect of which the Option is exercised together with payment in full of the Option Price for each such Share. Upon the request of the Company, the Optionee will also remit the applicable Canadian government withholding taxes attributed to such exercise, and Canada or Québec (if applicable) pension plan contributions. Upon notice and payment there will be binding contract for the issue of the Shares in respect of which the Option is exercised, upon and subject to the provisions of the Plan. Delivery of the Optionee's cheques payable to the Company in the amount of the Option Price and applicable withholding taxes and pension plan contributions, shall constitute full payment, unless any cheque is not honoured upon presentation in which case the Option shall not have been validly exercised.

#### **4.3 Vesting of Option Shares**

An Option shall be granted hereunder as fully Vested, unless a vesting schedule is imposed by the Board as a condition of the grant on the Grant Date.

#### **4.4 Termination of Employment**

If an Optionee ceases to be an Eligible Person, his or her Option shall be exercisable as follows:

(a) Death or Disability

If the Optionee ceases to be an Eligible Person, due to his or her death or Disability or, in the case of an Optionee that is an employee of a Related Entity or Permitted Consultant, the death or Disability of the person who provides management or consulting services to the Company or to any Related Entity, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any time up to but not after the earlier of:

- (i) 365 days after the date of death or Disability; and
- (ii) the Expiry Date.

(b) Termination For Cause

If the Optionee, or in the case of an employee of a Related Entity or a Permitted Consultant, the Optionee's employer, ceases to be an Eligible Person as a result of termination for cause, as that term is interpreted by the courts of the jurisdiction in which the Optionee, or, in the case of an employee of a Related Entity or a Permitted Consultant, of the Optionee's employer, is employed or engaged; any outstanding Option held by such Optionee on the date of such termination shall be cancelled as of that date.

(c) Early Retirement, Redundancy, Voluntary Resignation or Termination Other than For Cause

If the Optionee or, in the case of an employee of a Related Entity or a Permitted Consultant, the Optionee's employer, ceases to be an Eligible Person due to his or her retirement at the request of his or her employer earlier than the normal date for Retirement under the retirement policy then in force, or due to his or her termination by the Company other than for cause, or due to Redundancy, or due to his or her voluntary resignation, the Option then held by the Optionee shall be exercisable to acquire Vested Unissued Option Shares at any

time up to but not after the earlier of the Expiry Date and the date which is 90 days after the Optionee or, in the case of an employee of a Related Entity or a Permitted Consultant, the Optionee's employer, ceases to be an Eligible Person.

#### **4.5 Effect of a Take-Over Bid**

If a *bona fide* offer (an "Offer") for Shares is made to the Optionee or to shareholders of the Company generally or to a class of shareholders which includes the Optionee, which Offer, if accepted in whole or in part, would result in the offeror becoming a control person of the Company, within the meaning of subsection 1(1) of the *Securities Act*, the Company shall, immediately upon receipt of notice of the Offer, notify each Optionee of full particulars of the Offer, whereupon the Option Shares subject to such Option may be exercised in whole or in part by the Optionee so as to permit the Optionee to tender the Option Shares received upon such exercise, pursuant to the Offer. However, if:

- (a) the Offer is not completed within the time specified therein; or
- (b) all of the Option Shares tendered by the Optionee pursuant to the Offer are not taken up or paid for by the offeror in respect thereof,

then the Option Shares received upon such exercise, or in the case of clause (b) above, the Option Shares that are not taken up and paid for, may be returned by the Optionee to the Company and reinstated as authorized but unissued Shares and with respect to such returned Option Shares, the Option shall be reinstated as if it had not been exercised. If any Option Shares are returned to the Company under this subsection 4.5, the Company shall immediately refund the exercise price to the Optionee for such Option Shares.

#### **4.6 Acceleration of Expiry Date**

If at any time when an Option granted under the Plan remains unexercised with respect to any Unissued Option Shares, an Offer is made by an offeror, the Directors may, upon notifying each Optionee of full particulars of the Offer, declare all Option Shares issuable upon the exercise of Options granted under the Plan, are Vested, and declare that the Expiry Date for the exercise of all unexercised Options granted under the Plan is accelerated so that all Options will either be exercised or will expire prior to the date upon which Shares must be tendered pursuant to the Offer. The Directors shall give each Optionee as much notice as possible of the acceleration of the Options under this section, except that not less than 5 business days and not more than 35 days notice is required.

#### **4.7 Effect of a Change of Control**

If a Change of Control occurs, all Option Shares subject to each outstanding Option may be exercised in whole or in part by the Optionee.

#### **4.8 Exclusion from Severance Allowance, Retirement Allowance or Termination Settlement**

If the Optionee, or, in the case of an employee of a Related Entity, or a Permitted Consultant, the Optionee's employer, retires, resigns or is terminated from such employment or engagement, whether for Redundancy or otherwise, the loss or limitation, if any, by the cancellation of the right to purchase Option Shares under the Option Agreement shall not give rise to any right to damages and shall not be included in the calculation of nor form any part of any severance allowance, retiring allowance or termination settlement of any kind whatsoever in respect of such Optionee.

#### **4.9 Shares Not Acquired or Exercised**

Any Unissued Option Shares not acquired by an Optionee under an Option which has expired, and any Option Shares acquired by an Optionee under an Option when exercised, may be made the subject of a further Option granted pursuant to the provisions of the Plan.

### **5. ADJUSTMENT OF OPTION PRICE AND NUMBER OF OPTION SHARES**

#### **5.1 Share Reorganization**

Whenever the Company issues Shares to all or substantially all holders of Shares by way of a stock dividend or other distribution, or subdivides all outstanding Shares into a greater number of Shares, or combines or consolidates all outstanding Shares into a lesser number of Shares (each of such events being herein called a “Share Reorganization”) then effective immediately after the record date for such dividend or other distribution or the effective date of such subdivision, combination or consolidation, for each Option:

- (a) the Option Price will be adjusted to a price per Share which is the product of:
  - (i) the Option Price in effect immediately before that effective date or record date; and
  - (ii) a fraction, the numerator of which is the total number of Shares outstanding on that effective date or record date before giving effect to the Share Reorganization, and the denominator of which is the total number of Shares that are or would be outstanding immediately after such effective date or record date after giving effect to the Share Reorganization; and
- (b) the number of Unissued Option Shares will be adjusted by multiplying (i) the number of Unissued Option Shares immediately before such effective date or record date by (ii) a fraction which is the reciprocal of the fraction described in subparagraph (a)(ii).

#### **5.2 Special Distribution**

Subject to the prior approval of the Exchanges, whenever the Company issues by way of a dividend or otherwise distributes to all or substantially all holders of Shares:

- (a) shares of the Company, other than the Shares;
- (b) evidences of indebtedness;
- (c) any cash or other assets, excluding cash dividends (other than cash dividends which the Board of Directors of the Company has determined to be outside the normal course); or
- (d) rights, options or warrants,

then to the extent that such dividend or distribution does not constitute a Share Reorganization (any of such non-excluded events being herein called a “Special Distribution”), and effective immediately after the record date at which holders of Shares are determined for purposes of the Special Distribution, for each Option the Option Price will be reduced, by such amount, if any, as is determined by the Board in its sole and unfettered discretion to be appropriate in order to properly reflect any diminution in value of the Option Shares as a result of such Special Distribution.

### **5.3 Corporate Organization**

Whenever there is:

- (a) a reclassification of outstanding Shares, a change of Shares into other shares or securities, or any other capital reorganization of the Company, other than as described in subsections 5.1 or 5.2;
- (b) a consolidation, merger or amalgamation of the Company with or into another corporation resulting in a reclassification of outstanding Shares into other shares or securities or a change of Shares into other shares or securities; or
- (c) a transaction whereby all or substantially all of the Company's undertaking and assets become the property of another corporation,

(any such event being herein called a "Corporate Reorganization") the Optionee will have an option to purchase (at the times, for the consideration, and subject to the terms and conditions set out in the Plan) and will accept on the exercise of such option, in lieu of the Unissued Option Shares which he would otherwise have been entitled to purchase, the kind and amount of shares or other securities or property that he would have been entitled to receive as a result of the Corporate Reorganization if, on the effective date thereof, he had been the holder of all Unissued Option Shares or if appropriate, as otherwise determined by the directors.

### **5.4 Determination of Option Price and Number of Unissued Option Shares**

If any questions arise at any time with respect to the Option Price or number of Unissued Option Shares deliverable upon exercise of an Option following a Share Reorganization, Special Distribution or Corporate Reorganization, such questions shall be conclusively determined by the Company's auditor, or, if they decline to so act, any other firm of Chartered Accountants in Vancouver, British Columbia, that the directors may designate and who will have access to all appropriate records and such determination will be binding upon the Company and all Optionees.

### **5.5 Regulatory Approval**

Any adjustment to the Option Price or the number of Unissued Option Shares purchasable under the Plan pursuant to the operation of any one of subsection 5.1, 5.2 or 5.3 is subject to the approval of the Exchanges where required pursuant to their policies, and compliance with the applicable securities rules or regulations of any other governmental authority having jurisdiction.

## **6. CASH SURRENDER OPTION**

Where the Shares are listed and posted for trading on any Exchanges, Optionees may elect to surrender, unexercised, Options granted pursuant to the Plan that are exercisable, to the Company in consideration of the receipt by the Optionee of an amount (the "**Settlement Amount**") equal to the excess, if any, of the aggregate fair market value of the Shares (based on the volume weighted average trading price of the Shares on such stock exchange during the five trading days preceding the date of surrender or the price pursuant to an offer made for all of the issued and outstanding Shares, whichever is greater) able to be purchased pursuant to the exercisable portion of such Options on the date of surrender, over the aggregate exercise price for the Shares pursuant to such Options. In no circumstances will the Optionee at any time be obligated to surrender Options as provided by this cash surrender option. The Company may, in its sole discretion, refuse to accept the surrender of unexercised Options and if any such surrender is not accepted by the Company or completed for any reason, the notice of surrender (as

described below) shall be deemed to be withdrawn and the Options in respect of which such notice was provided shall again become subject to their original terms as if such notice of surrender had not been provided. Unexercised Options may be surrendered in whole or in part from time to time by delivery to the Company at its head office of a written notice of surrender specifying the number of Shares with respect to which the unexercised Options are being surrendered. Upon the surrender of unexercised Options as aforesaid, the Company shall use its reasonable efforts to forthwith deliver to the relevant Optionee (or his personal representative, if applicable) or to the order thereof, payment of the Settlement Amount (net of any amounts required to be withheld under applicable withholding legislation) by way of cheque or otherwise in a manner acceptable to the Company.

## **7. MISCELLANEOUS**

### **7.1 Right to Employment**

Neither this Plan nor any of the provisions hereof shall confer upon any Optionee any right with respect to employment or continued employment with the Company or any Related Entity of the Company or interfere in any way with the right of the Company or any Related Entity of the Company to terminate such employment.

### **7.2 Necessary Approvals**

The Plan shall be effective immediately upon the approval of the board of directors of the Company, where the Company is a non-reporting issuer. If the Company is a reporting issuer whose Shares are listed on any Exchanges, then the Plan shall be effective only upon the approval of the shareholders of the Company given by way of an ordinary resolution, where such prior approval is required by the policies of the Exchanges. Any Options granted under this Plan before such prior approval shall only be exercised upon the receipt of such approval, where it is required by the policies of the Exchanges. Shareholder approval (as required by the Exchanges) will be obtained for any reduction in the exercise price of any Option granted under this Plan if the Optionee is an Insider of the Company at the time of the proposed amendment. The obligation of the Company to sell and deliver Shares in accordance with the Plan is subject to compliance with the policies of the Exchanges and applicable securities rules or regulations of any governmental authority having jurisdiction. If any Shares cannot be issued to any Optionee for any reason, including, without limitation, the failure to comply with such policies, rules or regulations, then the obligation of the Company to issue such Shares shall terminate and any Option Price paid by an Optionee to the Company shall be immediately refunded to the Optionee by the Company.

### **7.3 Administration of the Plan**

The directors shall, without limitation, have full and final authority in their discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to the Plan and to make all other determinations deemed necessary or advisable in respect of the Plan. Except as set forth in subsection 5.4, the interpretation and construction of any provision of the Plan by the directors shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

### **7.4 Income Taxes**

As a condition of and prior to participation of the Plan any Optionee shall on request authorize the Company in writing to withhold from any remuneration otherwise payable to him or her any amounts required by any taxing authority to be withheld for taxes of any kind as a consequence of his or her participation in the Plan.

## 7.5 Suspension, Termination or Amendments

The Board shall have the right:

- (a) without the approval of the shareholders of the Company, to:
  - (i) suspend or terminate (and to re-instate) the Plan; and
  - (ii) subject to section 7.5(b) of the Plan, make any amendments to the Plan or any Options granted thereunder, including but not limited to the following amendments:
    - A. any amendment of a “housekeeping” nature, including, without limitation, amending the wording of any provision of the Plan or an Option for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan or Option, as the case may be, that is inconsistent with any other provision of the Plan or such Option, correcting grammatical or typographical errors and amending the definitions contained within the Plan or such Option;
    - B. any amendment to comply with the rules, policies, instruments and notices of any regulatory authority to which the Company is subject, including the Exchanges, or to otherwise comply with any applicable law or regulation;
    - C. any amendment to the vesting provisions of the Plan or any Option;
    - D. other than changes to the expiration date and the exercise price of an Option as described in subparagraph 7.5(b)(iii) and subparagraph 7.5(b)(iv) of the Plan, any amendment, with the consent to the Optionee, to the term of any Option previously granted to such Optionee under the Plan;
    - E. any amendment to the provisions concerning the effect of the termination of an Optionee’s position, employment or services on such Optionee’s status under the Plan;
    - F. any amendment to the categories of persons who are Eligible Persons;
    - G. any amendment which reduces the exercise price of any Option other than an Option benefiting an Insider of the Company;
    - H. any amendment which extends the expiry date of an Option other than an Option benefiting an Insider of the Company;
    - I. any amendment respecting the administration or implementation of the Plan; and
    - J. any amendment to or addition of a cashless exercise feature of any Option or the Plan.

and

- (b) with the approval of the shareholders of the Company by ordinary resolution, to make any amendment to the Plan not contemplated by paragraph 7.5(a) of the Plan, including, but not limited to:
- (i) any change to the number of Shares issuable from treasury under the Plan, including an increase to the fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage, other than an adjustment pursuant to section 5.3 of the Plan;
  - (ii) any amendment which would change the number of days set out in section 3.1 of the Plan with respect to the extension of the expiration date of Options expiring during or immediately following a Black-Out Period;
  - (iii) any amendment which reduces the exercise price of any Option benefiting an Insider of the Company, other than an adjustment pursuant to section 5.3 of the Plan;
  - (iv) any amendment which extends the expiry date of an Option benefiting an Insider of the Company ;
  - (v) any amendment which cancels any Option benefiting an Insider of the Company and replaces such Option with an Option which has a lower exercise price, within a three month period, other than an adjustment pursuant to section 5.3 of the Plan; and
  - (vi) any amendment which would permit Options to be transferred or assigned by any other than to a Permitted Assign.

Notwithstanding the foregoing, any amendment to the Plan shall be subject to the receipt of all required regulatory approvals including, without limitation, the approval of the Exchanges.

#### **7.6 Form of Notice**

A notice given to the Company shall be in writing, signed by the Optionee and delivered to the head business office of the Company.

#### **7.7 No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Shares issued in accordance with the provisions of the Plan.

#### **7.8 Compliance with Applicable Law**

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

#### **7.9 No Assignment**

No Optionee may assign any of his or her rights under the Plan or any Option granted thereunder, other than to a Permitted Assign.

#### **7.10 Rights of Optionees**

An Optionee shall have no rights whatsoever as a shareholder of the Company in respect of any of the Unissued Option Shares (including, without limitation, voting rights or any right to receive dividends, warrants or rights under any rights offering).

#### **7.11 Conflict**

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

#### **7.12 Governing Law**

The Plan and each Option Agreement issued pursuant to the Plan shall be governed by the laws of the Province of British Columbia.

#### **7.13 Time of Essence**

Time is of the essence of this Plan and of each Option Agreement. No extension of time will be deemed to be or to operate as a waiver of the essentiality of time.

#### **7.14 Entire Agreement**

This Plan and the Option Agreement sets out the entire agreement between the Company and the Optionees relative to the subject matter hereof and supersedes all prior agreements, undertakings and understandings, whether oral or written.

**SCHEDULE "A"**

**FREGOLD VENTURES LIMITED  
STOCK OPTION PLAN**

**OPTION AGREEMENT**

This Option Agreement is entered into between **Freegold Ventures Limited** (the "Company") and the Optionee named below pursuant to the Company Stock Option Plan (the "Plan"), a copy of which is attached hereto, and confirms that:

1. on ♦, 20♦ (the "Grant Date");
2. ♦ (the "Optionee");
3. was granted the option (the "Option") to purchase ♦ Common Shares (the "Option Shares") of the Company;
4. for the price (the "Option Price") of \$♦ per share;
5. which shall be exercisable as fully Vested from the Grant Date;
6. terminating on the ♦, 20♦ (the "Expiry Date"); and
7. when exercised, the Company will forthwith calculate all applicable Canadian government withholding taxes of the Optionee, and Canada or Quebec (if applicable) Pension Plan contributions, and the Optionee agrees to remit to the Company such taxes and contributions to the Company, which will be remitted by the Company to Canada Revenue Agency and reflected on any annual statement of remuneration issued by the Company;

all on the terms and subject to the conditions set out in the Plan.

By signing this Option Agreement, the Optionee acknowledges that the Optionee has read and understands the Plan and agrees to the terms and conditions of the Plan and this Option Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Option Agreement as of the ♦ day of ♦, 20♦.

**FREGOLD VENTURES LIMITED**

Per:

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OPTIONEE

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Authorized Signatory