

PACTON GOLD INC.
Suite 1680 – 200 Burrard Street
Vancouver, BC, V6C 3L6
Toll Free: 1.855.678.5308

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 15, 2020

NOTICE IS HEREBY GIVEN that the 2020 annual general meeting (the “**Meeting**”) of the shareholders of Pacton Gold Inc. (the “**Company**”) will be held at Suite 1680, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, on Tuesday, December 15, 2020, at 9:00 a.m. (Pacific time) for the following purposes:

1. To receive the audited financial statements of the Company for the year ended November 30, 2019, and the report of the auditor thereon.
2. To set the number of directors for the ensuing year at five.
3. To elect directors for the ensuing year.
4. To appoint the auditor of the Company for the ensuing year and to authorize the directors to fix the remuneration to be paid to the auditor.
5. To consider and, if thought advisable, approve by ordinary resolution the adoption of the Company’s 2020 stock option plan, as more particularly described in the Company’s management information circular dated November 16, 2020, accompanying this Notice of Meeting (the “**Information Circular**”).
6. To transact such other business as may properly come before the Meeting or any adjournment(s) thereof.

This Notice is accompanied by the Information Circular and either a form of proxy for registered shareholders or a voting instruction form for beneficial shareholders. Shareholders are requested to read the Information Circular and complete, date, sign and return the proxy or voting instruction form, as applicable, so that as large a representation as possible may be had at the Meeting.

The Board of Directors of the Company has fixed the close of business on November 10, 2020, as the record date, being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof. The Board of Directors has also fixed 9:00 a.m. (Pacific time) on December 11, 2020, or no later than 48 hours before the time of any adjourned Meeting (excluding Saturdays, Sundays and holidays), as the time before which proxies to be used or acted upon at the Meeting or any adjournment thereof shall be deposited with the Company’s registrar and transfer agent, Computershare Trust Company of Canada.

Due to the COVID-19 pandemic and given the restrictions on public gatherings and in the best interest of the health of all participants in the Meeting, the Company respectfully asks that shareholders do not attend the Meeting in person. The Company requests that shareholders who wish to participate by listening to the Meeting, contact the Company by 9:00 am Pacific time on December 11, 2020, at carrie@rsdcapital.com to be included in the teleconference for the Meeting. The Company will arrange for teleconference participation for all shareholders who have requested it by 9:00 am Pacific time on December 11, 2020; however, the Company strongly recommends that shareholders vote by Proxy or by a request for voting instructions in advance to ease the voting tabulation at the Meeting. If public health guidelines regarding physical distancing in British Columbia have changed by the Meeting date of December 15, 2020, the Company may issue a news release advising of permitted Meeting attendance in accordance with such updated guidelines.

DATED at Vancouver, British Columbia, as of the 16th day of November, 2020.

PACTON GOLD INC.

By: “R. Dale Ginn”

Executive Chairman

PACTON GOLD INC.
INFORMATION CIRCULAR

The information contained in this Information Circular, unless otherwise indicated, is as of November 16, 2020.

This Information Circular is in respect of the annual general meeting (the “**Meeting**”) of the shareholders of **Pacton Gold Inc.** (the “**Company**”) to be held on December 15, 2020, at the time and place set out in the accompanying Notice of Meeting. **This Information Circular is furnished in connection with the solicitation of proxies by management of the Company for use at the Meeting and any adjournment of the Meeting.** The Board of Directors of the Company (the “**Board**”) has fixed the close of business on November 10, 2020, as the record date (the “**Record Date**”), being the date for the determination of the registered holders of common shares entitled to receive notice of, and to vote at, the Meeting and any adjournment thereof.

PART 1 – PROXY INSTRUCTIONS

MANAGEMENT SOLICITATION AND APPOINTMENT OF PROXIES

The persons named in the form of proxy are nominees of the Company’s management. **A shareholder has the right to appoint a person (who need not be a shareholder) to act for and on the shareholder’s behalf at the Meeting other than the persons designated as proxyholders in the form of proxy.** To exercise this right, the shareholder must either:

- (a) on the form of proxy, strike out the printed names of the individuals specified as proxyholders and insert the name of the shareholder’s nominee in the blank space provided; or
- (b) complete another proper form of proxy.

To be valid, a proxy must be dated and signed by the shareholder or by the shareholder’s attorney authorized in writing. In the case of a corporation, the proxy must be signed by a duly authorized officer or attorney for the corporation.

The completed proxy, together with the power of attorney or other authority, if any, under which the proxy was signed or a notarially certified copy of the power of attorney or other authority, must be delivered to Computershare Trust Company of Canada (“**Computershare**”), Suite 301 – 100 Adelaide Street West, Toronto, Ontario M5H 4H1; fax within North America: 1-866-249-7775; fax outside North America: 416-263-9524, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time for holding the Meeting or any adjournment thereof. Computershare also offers voting via the Internet. Instructions for Internet voting can be found on the enclosed form of proxy or voting instruction form.

REVOCABILITY OF PROXIES

A shareholder who has given a proxy may revoke it at any time before the proxy is exercised:

- (a) by an instrument in writing that is:
 - (i) signed by the shareholder, the shareholder’s attorney authorized in writing or, where the shareholder is a corporation, a duly authorized officer or attorney of the corporation; and
 - (ii) delivered to Computershare or to the Company’s registered and records office at Suite 400, 725 Granville Street, Vancouver, British Columbia, V6Y 1G5, at any time up to and including the last business day preceding the day of the Meeting or any adjournment of the Meeting, or delivered to the Chairperson of the Meeting on the day of the Meeting or any adjournment of the Meeting before any vote on a matter in respect of which the proxy is to be used has been taken; or
- (b) in any other manner provided by law.

EXERCISE OF DISCRETION BY PROXYHOLDERS

A shareholder may indicate the manner in which the persons named in the form of proxy are to vote with respect to a matter to be acted upon at the Meeting by marking the appropriate space. **If the instructions as to voting indicated in the proxy are certain, the shares represented by the proxy will be voted or withheld from voting on any ballot that may be called for in accordance with the instructions given in the proxy.**

If the shareholder specifies a choice in the proxy with respect to a matter to be acted upon, then the shares represented will be voted or withheld from the vote on that matter accordingly. If no choice is specified in the proxy with respect to a matter to be acted upon, the proxy confers discretionary authority with respect to that matter upon the proxyholder named in the form of proxy. It is intended that the proxyholder named by management in the form of proxy will vote the shares represented by the proxy in favour of each matter identified in the proxy and for the nominees of the Company for directors and auditor.

The form of proxy also confers discretionary authority upon the named proxyholder with respect to amendments or variations to the matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As of the date of this Information Circular, management of the Company is not aware of any such amendments or variations, or any other matters that will be presented for action at the Meeting other than those set out herein and referred to in the Notice of Meeting. If, however, other matters that are not now known to management properly come before the Meeting, then the persons named in the form of proxy intend to vote on them in accordance with their best judgment.

SOLICITATION OF PROXIES

It is expected that solicitations of proxies will be made primarily by mail and possibly supplemented by telephone or other personal contact by directors, officers, employees and consultants of the Company without special compensation. The Company will not reimburse shareholders' nominees or agents (including brokers holding shares on behalf of clients) for the costs incurred in obtaining authorization to execute forms of proxy from their principals. The cost of solicitation will be borne by the Company.

ADVICE TO BENEFICIAL SHAREHOLDERS

ONLY REGISTERED SHAREHOLDERS OR DULY APPOINTED PROXYHOLDERS ARE PERMITTED TO VOTE AT THE MEETING. SHAREHOLDERS WHO DO NOT HOLD THEIR SHARES IN THEIR OWN NAME (REFERRED TO AS “**NON-REGISTERED SHAREHOLDERS**”) ARE ADVISED THAT ONLY PROXIES FROM SHAREHOLDERS OF RECORD CAN BE RECOGNIZED AND VOTED AT THE MEETING. Non-Registered Shareholders who complete and return an instrument of proxy or voting instruction form must indicate thereon the person (usually a brokerage house) who holds their shares as a registered shareholder.

If securities are listed in an account statement provided to a shareholder by a broker, then in almost all cases those securities will not be registered in such shareholder's name on the records of the Company and will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such securities are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which company acts as nominee for many Canadian brokerage firms). Securities held by brokers or their nominees can only be voted (for or against resolutions) upon the instructions of the beneficial shareholder. Without specific instructions, brokers/nominees are prohibited from voting securities for their clients.

If you are a Non-Registered Shareholder and Computershare has sent Meeting materials directly to you, your name and address and information about your shareholdings have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf. Such shareholders can expect to receive a scannable voting instruction form (“**VIF**”) with this Meeting material. The VIF is to be completed and returned to Computershare in the envelope provided or by facsimile. In addition, Computershare provides both telephone voting and internet voting as described in the VIF. Computershare will tabulate the results of the VIFs received from beneficial shareholders and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive. **A NON-REGISTERED SHAREHOLDER RECEIVING A VIF CANNOT USE THAT VIF TO VOTE SECURITIES DIRECTLY AT THE MEETING. THE VIF MUST BE RETURNED TO COMPUTERSHARE WELL IN ADVANCE OF THE MEETING IN ORDER TO HAVE THE SHARES VOTED.**

Non-Registered Shareholders who have objected to their broker/nominee disclosing ownership information about themselves to the Company are referred to as objecting beneficial owners (“OBOs”). In accordance with securities regulatory policy, we will have distributed copies of the required Meeting materials to the brokers/nominees for onward distribution to OBOs. THE COMPANY DOES NOT INTEND TO PAY FOR A BROKER/NOMINEE TO DELIVER MEETING MATERIALS TO OBOs. THEREFORE, AN OBO WILL NOT RECEIVE THE MATERIALS UNLESS THE OBO’S BROKER/NOMINEE ASSUMES THE COSTS OF DELIVERY. Brokers/nominees are required to forward the Meeting materials to each OBO unless the OBO has waived the right to receive them. Every broker/nominee has its own mailing procedures and provides its own return instructions, which should be carefully followed by OBOs in order to ensure that their securities are voted at the Meeting. Often the form of proxy supplied to a beneficial shareholder by its broker is identical to the form of proxy provided by the Company to the registered shareholders; however, its purpose is limited to instructing the registered shareholder how to vote on behalf of the beneficial shareholder.

Should a Non-Registered Shareholder receiving a form of proxy or VIF wish to vote at the Meeting, the Non-Registered Shareholder should strike out the names of the management proxyholders named in the form and insert the Non-Registered Shareholder’s name in the blank provided and return the materials to the broker or Computershare as directed and well before the Meeting date.

UNITED STATES SHAREHOLDERS

This solicitation of proxies involves securities of a corporation incorporated in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the United States *Securities Exchange Act of 1934*, as amended, are not applicable to the Company or this solicitation. Shareholders should be aware that disclosure and proxy solicitation requirements under the securities laws of the provinces of Canada differ from the disclosure and proxy solicitation requirements under United States securities laws. The enforcement by shareholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the *Business Corporations Act* (British Columbia), some of its directors and its executive officers are residents of Canada and a significant portion of its assets and the assets of such persons are located outside the United States. Shareholders may not have standing to bring a claim against a foreign corporation or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign corporation and its officers and directors to subject themselves to a judgment by a United States court.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as disclosed elsewhere in this Information Circular in relation to approval of the Company’s stock option plan, under which directors and officers may receive incentive stock options, none of the directors or senior officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or senior officers of the Company since the beginning of the most recently completed financial year and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

PART 2 - VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company has only one class of shares entitled to be voted at the Meeting, namely, common shares without par value (each a “Share”). All issued Shares are entitled to be voted at the Meeting and each has one vote. As of November 10, 2020, there were 33,573,019 Shares issued and outstanding.

Only shareholders of record on November 10, 2020, will be entitled to vote at the Meeting or any adjournment thereof.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, or exercises control or direction, directly or indirectly, over Shares carrying 10% or more of the voting rights attached to all outstanding Shares of the Company which have the right to vote in all circumstances.

PART 3 – PARTICULARS OF MATTERS TO BE ACTED UPON

FINANCIAL STATEMENTS

The audited financial statements of the Company for the year ended November 30, 2019, will be placed before shareholders at the Meeting. These financial statements and management’s discussion and analysis are also available for review on SEDAR (www.sedar.com). See Part 8 “OTHER INFORMATION – Additional Information” below.

SETTING NUMBER OF DIRECTORS

Management proposes to nominate the persons named under the heading “Election of Directors” below for election as directors of the Company. Each director elected will hold office until the next annual general meeting or until his successor is duly elected or appointed, unless his office is earlier vacated in accordance with the Articles of the Company or he becomes disqualified to act as a director.

It is proposed to set the number of directors at five. This requires the approval of the shareholders of the Company by an ordinary resolution, which approval will be sought at the Meeting.

Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the setting of the number of directors, the persons named in the enclosed Proxy will vote FOR the number of directors of the Company to be set at five.

ELECTION OF DIRECTORS

The Board presently consists of four directors. At the Meeting, it is proposed to increase the number of directors elected at five, to hold office until the next annual general meeting or until their successors are duly elected or appointed. **Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the election of directors, the persons named in the enclosed Proxy will vote FOR the election of the five nominees whose names are set forth below.** Management does not contemplate that any of the following nominees will be unable to serve as a director but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Proxy shall have the right to vote for another nominee in their discretion.

The following table and notes thereto state the names, provinces and countries of residence of all persons proposed to be nominated for election as directors, the date on which each of them first became a director of the Company, all positions and offices with the Company held by each of them, the principal occupation or employment of each of them, and the number of Shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by each of them as at the Record Date. The information set out below as to principal occupation of, and number of Shares owned by, each of the nominees, not being within the knowledge of the Company, has been furnished by the nominees.

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation ⁽¹⁾⁽²⁾	Director Since	Shares Owned
R. Dale Ginn⁽³⁾ Ontario, Canada <i>Executive Chairman and Director</i>	Executive Chairman and director of the Company; Chief Operating Officer of Gatling Exploration Inc.	October 25, 2018	435,850 ⁽⁴⁾
Alec Pismiris Western Australia, Australia <i>Interim President and CEO and Director</i>	Interim President and CEO of the Company; director and Company Secretary of Agrimin Limited; director of Frontier Resources Limited; director and Company Secretary of Pelican Resources Limited; director of The Market Herald Limited	August 22, 2018	Nil
Richard Boulay, B.Sc.⁽³⁾ Alberta, Canada <i>Director</i>	Consulting geologist; director of the Company; director of Gatling Exploration Inc.	January 5, 2016	161,333
Peter Caldbick⁽³⁾ Ontario, Canada <i>Director</i>	Consulting Geologist; director of the Company	March 16, 2017	Nil

Name, Province/State and Country of Residence and Position with Company	Present Principal Occupation ⁽¹⁾⁽²⁾	Director Since	Shares Owned
Karly Oliver British Columbia, Canada <i>Director Nominee</i>	Professional Geoscientist since October 2019; GIS Specialist since 2017; consulting geologist since 2012; director of Viking Gold Exploration Inc. since July, 2018	N/A	9,200

- (1) Information as to principal occupation, not being within the knowledge of the Company, has been furnished by the respective directors individually.
- (2) Unless otherwise stated above, any nominee not elected at the last annual general meeting has held the principal occupation or employment indicated for at least five years.
- (3) Member of the Audit Committee.
- (4) 117,900 Shares held personally; 254,200 Shares held by Mastodon Geological Services Inc., a company of which Mr. Ginn is an owner; 63,750 Shares held by RD Ginn Geological Services Inc., a company wholly owned by Mr. Ginn.

The Company does not have an executive committee. Pursuant to the provisions of the *Business Corporations Act* (British Columbia), the Company is required to have an audit committee whose members are indicated above. See also Part 6 “AUDIT COMMITTEE” below.

Corporate Cease Trade Orders or Bankruptcy

Except as disclosed below, as at the date of this Information Circular, and within the last 10 years before the date of this Information Circular, no proposed director (or any of their personal holding companies) of the Company was a director, chief executive officer or chief financial officer of any company (including the Company) that:

- (a) was subject to a cease trade or similar order or an order denying the relevant company access to any exemptions under securities legislation, for more than 30 consecutive days while that person was acting in the capacity as director, executive officer or chief financial officer; or
- (b) was the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under securities legislation in each case for a period of 30 consecutive days, that was issued after the person ceased to be a director, chief executive officer or chief financial officer in the company and which resulted from an event that occurred while that person was acting in the capacity as director, executive officer or chief financial officer; or
- (c) is as at the date of this Information Circular or has been within 10 years before the date of this Information Circular, a director or executive officer of any company, including the Company, that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) has within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager as trustee appointed to hold the assets of that individual.

R. Dale Ginn was the President and CEO of SGX Resources Inc. when it failed to file its audited financial statements and related management’s discussion and analysis for the year ended December 31, 2014 and the certification of annual filings. On May 1, 2015, the Manitoba Securities Commission issued an order ceasing the trading in or purchasing of securities of SGX Resources Inc. by Mr. Ginn. This cease trade order was revoked on June 3, 2015.

Conflicts of Interest

The directors of the Company are required by law to act honestly and in good faith with a view to the best interest of the Company and to disclose any interests which they may have in any project or opportunity of the Company. If a conflict of interest arises at a meeting of the Board, any director in a conflict will disclose his interest and abstain from voting on such matter. In determining whether or not the Company will participate in any project or opportunity, the

directors will primarily consider the degree of risk to which the Company may be exposed and its financial position at that time.

Except as disclosed in this Information Circular, to the Company's knowledge, there are no known existing or potential conflicts of interest among the Company and its promoters, directors, officers or other members of management as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management now or may in the future serve as directors, officers, promoters and members of management of other public companies, some of which are or may be involved in the exploration and development of natural resources, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of the Company and their duties as a director, officer, promoter or member of management of such other companies.

APPOINTMENT OF THE AUDITOR

It is proposed that Crowe MacKay LLP, Chartered Professional Accountants of Vancouver, British Columbia, be appointed as the auditor of the Company to hold office until the next annual general meeting of the shareholders or until a successor is appointed, and that the directors be authorized to determine the auditor's remuneration.

At the Meeting, shareholders will be asked to consider, and if deemed advisable, to pass the following resolution with respect to the appointment of auditors for the Company:

"RESOLVED, as an ordinary resolution, THAT Crowe MacKay LLP, Chartered Professional Accountants, be appointed as the Company's auditor for the ensuing year, at a remuneration to be fixed by the Board of Directors."

Unless such authority is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Crowe MacKay LLP, Chartered Professional Accountants, to serve as auditor of the Company until the next annual general meeting of the Company's shareholders and to authorize the Board to fix the remuneration to be paid to the auditor.

ADOPTION OF NEW STOCK OPTION PLAN

The Company proposes to adopt a new stock option plan (the "**Option Plan**"), subject to TSX Venture Exchange ("**TSXV**") acceptance, which shall replace and supersede the current stock option plan of the Company. Shareholder approval of the Option Plan is required as a condition of obtaining TSXV acceptance of the Option Plan.

Under the Option Plan, a maximum of 10% of the issued and outstanding Shares of the Company are proposed to be reserved at any time for issuance on the exercise of stock options. As the number of Shares reserved for issuance under the Option Plan increases with the issue of additional Shares by the Company, the Option Plan is considered to be a "rolling" stock option plan.

The following is a summary of the principal terms of the Option Plan.

The Option Plan provides that stock options may be granted to directors, senior officers, employees and consultants of the Company (and any subsidiary of the Company) and management company employees. For the purposes of the Option Plan, the terms "employees", "consultants" and "management company employees" have the meanings set out in TSXV Policy 4.4. In addition, the term "director" is defined in TSXV Policy 4.4 to include directors, senior officers and management company employees.

Under the Option Plan, the Company's Board may from time to time designate a director or other senior officer or employee of the Company as administrator (the "**Administrator**") for the purposes of administering the Option Plan. The Administrator will be Mr. Dale Ginn.

The Option Plan provides for the issuance of stock options to acquire at any time up to a maximum of 10% of the issued and outstanding Shares (subject to standard anti-dilution adjustments). If a stock option expires or otherwise terminates for any reason without having been exercised in full, the number of Shares reserved for issuance under that expired or terminated stock option will again be available for the purposes of the Option Plan. Any stock option outstanding when the Option Plan is terminated will remain in effect until it is exercised or it expires.

The Option Plan provides that it is solely within the discretion of the Board to determine who should receive stock options and in what amounts, subject to the following conditions:

- (a) options will be non-assignable and non-transferable except that they will be exercisable by the personal representative of the option holder in the event of the option holder's death;
- (b) options may be exercisable for a maximum of ten years from the date of grant;
- (c) options to acquire no more than 5% of the issued Shares may be granted to any one person (including companies wholly-owned by such person) in any 12 month period;
- (d) options to acquire no more than 2% of the issued Shares may be granted to any one consultant in any 12 month period;
- (e) options to acquire no more than an aggregate of 2% of the issued Shares may be granted to an employee conducting "**Investor Relations Activities**" (as defined in TSXV Policy 1.1), in any 12 month period;
- (f) at no time will options be issued which could permit at any time the aggregate number of Shares reserved for issuance under stock options granted to insiders (as a group) at any point in time exceeding 10% of the issued Shares;
- (g) at no time will options be issued which could permit at any time the grant to insiders (as a group), within a 12 month period, of an aggregate number of options exceeding 10% of the issued Shares calculated at the date an option is granted to any insider;
- (h) options held by an option holder who is a director, employee, consultant or management company employee must expire within one year after the option holder ceases to be a director, employee, consultant or management company employee, which time period the Company determines is reasonable;
- (i) options held by an option holder who is engaged in Investor Relations Activities must expire within 30 days after the option holder ceases to be employed by the Company to provide Investor Relations Activities; and
- (j) in the event of an option holder's death, the option holder's personal representative may exercise any portion of the option holder's vested outstanding options for a period of one year following the option holder's death.

The Option Plan provides that other terms and conditions may be attached to a particular stock option, such terms and conditions to be referred to in a schedule attached to the option certificate. Stock options granted to directors, senior officers, employees or consultants vest when granted unless otherwise determined by the Board on a case by case basis. Stock options granted to consultants performing Investor Relations Activities, will vest in stages over 12 months with no more than $\frac{1}{4}$ of the options vesting in any three month period.

In addition, under the Option Plan a stock option will expire immediately in the event a director or senior officer ceases to be a director or senior officer of the Company as a result of:

- (a) ceasing to meet the qualifications under the *Business Corporations Act* (British Columbia);
- (b) the passing of a special resolution by the shareholders; or
- (c) an order made by a regulatory authority.

A stock option will also expire immediately in the event an employee ceases to be an employee as a result of termination for cause or an employee or consultant ceases to be an employee or consultant as a result of an order made by a regulatory authority.

The price at which an option holder may purchase a Share upon the exercise of a stock option will be as set forth in the option certificate issued in respect of such option and in any event will not be less than the "**Discounted Market Price**" (as defined in TSXV Policy 1.1) of the Company's Shares as of the date of the grant of the stock option (the

“Award Date”). The exercise price of stock options granted by the Company will typically be the closing price of the Company’s Shares on the day immediately preceding the relevant Award Date, or otherwise in accordance with the terms of the Option Plan.

In no case will a stock option be exercisable at a price less than the minimum prescribed by the organized trading facility or the applicable regulatory authorities that would apply to the award of the stock option in question.

The Option Plan also provides that: (a) disinterested shareholder approval will be obtained for any reduction in the exercise price of an option held by an insider of the Company; and (b) options cannot be granted to employees, consultants or management company employees that are not bona fide employees, consultants or management company employees, as the case may be.

Shares will not be issued pursuant to stock options granted under the Option Plan until they have been fully paid for by the option holder. The Company will not provide financial assistance to option holders to assist them in exercising their stock options.

Shareholders may request a copy of the Option Plan by contacting the Company at the address or telephone number listed on the Notice of Meeting until the date of the Meeting and at the Meeting itself.

At the Meeting, the shareholders will be asked to consider, and if deemed advisable, to pass the following resolutions:

“RESOLVED as an ordinary resolution THAT:

1. Pacton Gold Inc. (the “Company”) adopt a new stock option plan (the “Option Plan”), including the reserving for issuance under the Option Plan at any time of a maximum of 10% of the issued and outstanding common shares of the Company;
2. The Board of Directors be authorized on behalf of the Company to make any further amendments to the Option Plan as may be required by regulatory authorities, without further approval of the shareholders of the Company, in order to ensure adoption of the Option Plan;
3. The Company file the Option Plan with the TSX Venture Exchange (“TSXV”) for acceptance;
4. The Option Plan shall become effective on the date acceptance of the Option Plan is received from the TSXV (the “Option Plan Effective Date”);
5. On the Option Plan Effective Date, the Option Plan shall supersede and replace the current stock option plan of the Company and all outstanding options granted thereunder shall be rolled over into and be subject to the terms and conditions of the Option Plan; and
6. Any one director or officer of the Company is authorized and directed to do all such acts and things and to execute and deliver all such deeds, documents, instruments and assurances as in his opinion may be necessary or desirable to give effect to this resolution.”

The Board unanimously recommends that the shareholders vote in favour of approving the Option Plan.

Unless the shareholder directs that his or her Shares be otherwise voted or withheld from voting in connection with the approval of the Option Plan, the persons named in the enclosed Proxy will vote FOR the approval of the above resolutions.

PART 4 – EXECUTIVE COMPENSATION

The Company is a venture issuer and is disclosing its executive compensation in accordance with Form 51-102F6V to National Instrument 51-102 – *Continuous Disclosure Obligations*.

The following persons are considered the “Named Executive Officers” or “NEOs” for the purposes of this disclosure:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer (“CEO”), including an individual performing functions similar to a CEO;
- (b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer (“CFO”), including an individual performing functions similar to a CFO;
- (c) in respect of the Company and any subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000, as determined in accordance with subsection 1.3(5) of Form 51-102F6V, for that financial year; and
- (d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year.

DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION, EXCLUDING COMPENSATION SECURITIES

The following table provides a summary of compensation paid or accrued, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each Named Executive Officer and director of the Company during the Company’s two most recent financial years ended November 30, 2018 and 2019.

Table of compensation excluding compensation securities							
Name and Position	Year	Salary, consulting fee, retainer or commission ⁽¹⁾ (\$)	Bonus (\$)	Committee or meeting fees ⁽²⁾ (\$)	Value of perquisites ⁽³⁾ (\$)	Value of all other compensation (\$)	Total compensation (\$)
Alec Pismiris, Interim CEO, Interim President and Director	2019	172,500 ⁽⁴⁾	N/A	N/A	N/A	N/A	172,500
	2018	190,500	N/A	N/A	N/A	N/A	190,500
P. Joseph Meagher, CFO	2019	122,500 ⁽⁵⁾	N/A	N/A	N/A	N/A	122,500
	2018	100,000	N/A	N/A	N/A	N/A	100,000
R. Dale Ginn, Executive Chairman and Director ⁽⁶⁾	2019	250,000 ⁽⁷⁾	N/A	N/A	N/A	N/A	250,000
	2018	10,000	N/A	N/A	N/A	N/A	10,000
Richard Boulay Director	2019	155,000	N/A	N/A	N/A	N/A	155,000
	2018	20,000	N/A	N/A	N/A	N/A	20,000
Peter Caldbick, Director	2019	Nil	N/A	N/A	N/A	N/A	Nil
	2018	Nil	N/A	N/A	N/A	N/A	Nil
Dominic Verdejo, Former CEO, President, Chairman and Director ⁽⁸⁾	2018	82,500 ⁽⁹⁾	N/A	N/A	N/A	N/A	82,500
Richard Kusmirski, Former Director ⁽¹⁰⁾	2018	Nil	N/A	N/A	N/A	N/A	Nil
Allan Folk, Former Director ⁽¹¹⁾	2019	Nil	N/A	N/A	N/A	N/A	Nil
	2018	Nil	N/A	N/A	N/A	N/A	Nil
Alfred Stewart, Former Director ⁽¹²⁾	2018	Nil	N/A	N/A	N/A	N/A	Nil

- (1) Paid or accrued salaries and/or consulting fees.
- (2) There is no standard meeting fee or committee fee for attendance at Board meetings or for service on committees.
- (3) The value of perquisites and benefits, if any, was less than \$15,000.
- (4) Paid as management fees to Lexcon Services Pty Ltd, a private company controlled by Mr. Pismiris.
- (5) Paid as consulting fees to Meagher Consulting Inc., a private company wholly owned by Mr. Meagher.
- (6) Mr. Ginn was appointed director and Executive Chairman on October 25, 2018.
- (7) Paid as geological fees to RD Ginn Geological Services Inc., a company wholly owned by Mr. Ginn.

- (8) Mr. Verdejo was appointed CEO, President and director on February 22, 2017. He resigned as CEO and President on November 10, 2017 and was appointed Chairman of the Board on November 10, 2017. He resigned as Chairman and director on October 25, 2018.
- (9) Paid to 0910978 B.C. Ltd., a private company wholly owned by Mr. Verdejo.
- (10) Mr. Kusmirski resigned as director May 14, 2018.
- (11) Mr. Folk served as a director from August 27, 2018 to March 15, 2019.
- (12) Mr. Stewart served as a director from May 14, 2018 to August 20, 2018.

INCENTIVE PLAN AWARDS

The following table sets out the compensation securities granted by the Company to the Named Executive Officers and directors of the Company during the Company's most recent financial year ended November 30, 2019:

Compensation Securities ⁽¹⁾							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of Issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Alec Pismiris, Interim CEO, Interim President and Director	Stock Option ⁽²⁾	20,000 20,000 0.11%	July 5, 2019	1.60	1.60	1.10	July 5, 2022
P. Joseph Meagher, CFO	Stock Option ⁽³⁾	50,000 50,000 0.27%	July 5, 2019	1.60	1.60	1.10	July 5, 2022
	Stock Option	60,000 60,000 0.33%	August 16, 2019	1.70	1.70	1.10	August 16, 2022
R. Dale Ginn, Executive Chairman and Director ⁽⁴⁾	Stock Option ⁽⁵⁾	150,000 150,000 0.82%	July 5, 2019	1.60	1.60	1.10	July 5, 2022
Richard Boulay, Director	Stock Option ⁽⁶⁾	30,000 30,000 0.16%	July 5, 2019	1.60	1.60	1.10	July 5, 2022
	Stock Option	40,000 40,000 0.22%	August 16, 2019	1.70	1.70	1.10	August 16, 2022
Peter Caldbick, Director	Stock Option ⁽⁷⁾	10,000 10,000 0.05%	July 5, 2019	1.60	1.60	1.10	July 5, 2022

- (1) The Company consolidated its Shares on a 10 old for 1 new Share basis effective June 9, 2020. Option amounts and prices shown in this table and notes thereto reflect such consolidation.
- (2) As at November 30, 2019, the end of the financial year, Mr. Pismiris held stock options to purchase a total of 50,000 common shares.
- (3) As at November 30, 2019, Mr. Meagher held stock options to purchase a total of 140,000 common shares.
- (4) Held in the name of RD Ginn Geological Services Inc., a company wholly owned by Mr. Ginn.
- (5) As at November 30, 2019, RD Ginn Geological Services Inc. held stock options to purchase a total of 200,000 common shares.
- (6) As at November 30, 2019, Mr. Boulay held stock options to purchase a total of 80,000 common shares.
- (7) As at November 30, 2019, Mr. Caldbick held stock options to purchase a total of 20,000 common shares.

Exercise of Compensation Securities

None of the compensation securities held by the Named Executive Officers and directors of the Company were exercised during the Company's most recent financial year ended November 30, 2019.

STOCK OPTIONS PLANS AND OTHER INCENTIVE PLANS

The Company has in place a stock option plan, the details of which are disclosed in the Company’s Information Circular dated November 18, 2019, available on SEDAR at www.sedar.com under the Company’s profile (the “**2018 Plan**”). At the Meeting, the Company is proposing the adoption of a new stock option plan, the details of which are disclosed above (see “Particulars of Matters to be Acted Upon – Adoption of New Stock Option Plan”). The Company does not have any other incentive plans in place.

EMPLOYMENT, CONSULTING AND MANAGEMENT AGREEMENTS

None of the Named Executive Officers or directors of the Company entered into any employment, consulting or management agreements with the Company during the financial year ended November 30, 2019, nor were any outstanding as of that date. The Named Executive Officers who received compensation did so under verbal agreements with the Company.

OVERSIGHT AND DESCRIPTION OF DIRECTOR AND NAMED EXECUTIVE OFFICER COMPENSATION

The Board determines director compensation from time to time.

The Board determines executive compensation from time to time. The Company does not have a formal compensation policy. The main objectives the Company hopes to achieve through its compensation are to attract and retain executives critical to the Company’s success, who will be key in helping the Company achieve its corporate objectives and increase shareholder value. The Company looks at industry standards and the economic position of the Company when compensating its executive officers.

PART 5 – SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The only equity compensation plan which the Company has in place is the 2018 Plan. The following table sets out equity compensation plan information as at the financial year ended November 30, 2019:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))⁽¹⁾ (c)
Equity compensation plans approved by security holders ⁽²⁾	1,545,000 common shares	\$2.50	291,730 common shares
Equity compensation plans not approved by security holders	None	N/A	N/A
Total ⁽²⁾	1,545,000 common shares	\$2.50	291,730 common shares

(1) This figure is based on the total number of Shares authorized for issuance under the 2018 Plan, less the number of stock options outstanding as at the Company’s year ended November 30, 2019.

(2) The Company consolidated its Shares on a 10 old for 1 new Share basis effective June 9, 2020. Share amounts and prices shown in this table and notes thereto reflect such consolidation.

PART 6 – AUDIT COMMITTEE

The Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 *Audit Committees* (“**NI 52-110**”) under this heading.

AUDIT COMMITTEE CHARTER

The Charter of the Company’s audit committee is included as Schedule “A” to this Information Circular.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee is currently composed of the following three directors:

Member	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Richard Boulay, Chair	No	Yes
Peter Caldbick	Yes	Yes
R. Dale Ginn	No	Yes

(1) As that term is defined in NI 52-110.

RELEVANT EDUCATION AND EXPERIENCE

All of the members of the Audit Committee are financially literate, in that they have the ability to read and understand statements of financial position, statements of comprehensive loss, statements of cash flows, and statements of equity and the notes attached thereto. Additionally, all of the members of the Audit Committee have accounting or related financial experience and are able to analyze and interpret a full set of financial statements, with the level of complexity of a mineral exploration issuer such as the Company, including the notes attached thereto, in accordance with International Financial Reporting Standards. The following table sets out each committee member's relevant experience:

Richard Boulay	Mr. Boulay is a geologist with over 40 years of experience in the exploration and mining industries in Canada and internationally, including 15 years of mining and infrastructure financing experience gained with Bank of Montreal, Royal Bank of Canada and Bank of Tokyo. During Mr. Boulay's project financing career, he arranged the financing of numerous underground and open pit mining projects, hydro and diversion dams, nuclear reactors, pipelines and offshore oil exploration and production platforms. He has extensive experience in the management and financing of public companies in Canada and the United States.
Peter Caldbick	Mr. Caldbick has been active in exploration and mining for the past 33 years throughout Ontario, Quebec, Newfoundland and the Northwest Territories and has served as Vice President Exploration for several public companies.
R. Dale Ginn	Mr. Ginn is an experienced mining executive and geologist of nearly 30 years. He is the founder of a number of exploration and mining companies and has led and participated in numerous gold and base metal discoveries. While specializing in complex, structurally-controlled gold deposits, he also has extensive mine-operations, development and startup experience.

AUDIT COMMITTEE OVERSIGHT

At no time since the beginning of our the recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Company's financial year ended November 30, 2019, the Company has not relied on the exemptions contained in section 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditor in the financial year in which the non-audit services were provided. Section 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

PRE-APPROVAL POLICIES AND PROCEDURES

The audit committee is authorized by the Board to review the performance of the Company's external auditors and approve in advance provision of services other than auditing and to consider the independence of the external auditors, including reviewing the range of services provided in the context of all consulting services bought by the Company.

EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

In the following table, “audit fees” are fees billed by the Company’s external auditor for services provided in auditing the Company’s annual financial statements for the subject year. “Audit-related fees” are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Company’s financial statements. “Tax fees” are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. “All other fees” are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Company to its external auditors, Crowe MacKay LLP, for services rendered to the Company in each of the last two financial years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
November 30, 2019	49,000	N/A	3,000	N/A
November 30, 2018	49,000	N/A	2,000	N/A

EXEMPTION

The Company is relying on the exemption provided by section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

PART 7 – CORPORATE GOVERNANCE

The Board believes that good corporate governance improves corporate performance and benefits all shareholders. National Policy 58-201 *Corporate Governance Guidelines* (“NP 58-201”) provides non-prescriptive guidelines on corporate governance practices for reporting issuers such as the Company. In addition, National Instrument 58-101 *Disclosure of Corporate Governance Practices* (“NI 58-101”) prescribes certain disclosure by the Company of its corporate governance practices. The disclosure required by Form 58-101F2 to NI 58-101 is presented below.

BOARD OF DIRECTORS

Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A “material relationship” is a relationship that could, in the view of the Company’s Board, be reasonably expected to interfere with the exercise of a director’s independent judgment.

Alec Pismiris and Dale Ginn are executive officers of the Company and are therefore not considered to be “independent” pursuant to NI 58-101. Richard Boulay receives consulting fees from the Company and is therefore not considered independent. Peter Caldbick is an independent director pursuant to NI 58-101.

The Board facilitates its exercise of independent supervision over management by carefully examining issues and consulting with outside counsel and other advisors in appropriate circumstances. The Board believes that fiduciary duties placed on individual directors by the Company’s governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director’s participation in decisions of the Board in which the director has an interest, have been sufficient to ensure that each director exercises independent judgment in carrying out his responsibilities and acting in the best interests of the Company.

The mandate of the Board, as prescribed by the Act is to manage or supervise 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.

DIRECTORSHIP

The directors of the Company are currently directors of the following other reporting issuers:

Alec Pismiris	Agrimin Limited Frontier Resources Limited Pelican Resources Limited The Market Herald Limited
Richard Boulay	Gatling Exploration Inc.
R. Dale Ginn	European Cobalt Ltd
Peter Caldbick	None

ORIENTATION AND CONTINUING EDUCATION

When new directors are appointed to the Board, they receive orientation, commensurate with their previous experience, on the Company's properties, business, technology and industry and on the responsibilities of directors. Board meetings may also include presentations by the Company's management and employees to give the directors additional insight into the Company's business. Individual directors are responsible for maintaining their own education, skills and knowledge at an appropriate level. Board members are encouraged to attend educational courses or presentations in relation to the Company's projects or the industry within which the Company operates.

ETHICAL BUSINESS CONDUCT

The Board has not, to date, adopted a formal written Code of Ethical Business Conduct. The current limited size of the Company's operations, and the small number of officers and consultants allow the Board to monitor, on an ongoing basis, the activities of management and to ensure that the highest standard of ethical conduct is maintained. The Board is aware of the recommendation in National Policy 58-201 *Corporate Governance Guidelines* to adopt a written code of business conduct and ethics and will review different standards that may be appropriate for the Company to adopt if warranted.

To date, the Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. A director must disclose to the Board the nature and extent of any interest of the director in any material contract or material transaction, whether made or proposed, if the director is a party to the contract or transaction, is a director or officer (or an individual acting in a similar capacity) of a party to the contract or transaction or has a material interest in a party to the contract or transaction. The disclosure must be evidenced in writing by being included in the consent resolutions or minutes of the meeting that approved the transaction or in a written disclosure delivered to the Company's records office. Unless the director properly discloses his interest and has the transaction properly approved, he may be liable to account to the Company for any profit he makes as a result of the transaction, unless the court finds that the transaction was fair and reasonable to the Company. Once the appropriate disclosure has been made by the interested director, the transaction must be approved by the directors or by the shareholders by special resolution. An interested director would not be entitled to vote at meetings of directors which evoke any such conflict.

NOMINATION OF DIRECTORS

The Board is responsible for identifying individuals qualified to become new Board members and recommending to the Board new director nominees to fill vacancies and for the next annual meeting of the shareholders. The Board considers its size each year when it considers the number of directors to recommend to the shareholders for election at the annual meeting of shareholders, taking into account the number required to carry out the Board's duties effectively and to maintain a diversity of views and experience. New nominees must have a track record in general business management, special expertise in an area of strategic interest to the Company, the ability to devote the time required, show support for the Company's mission and strategic objectives and demonstrate a willingness to serve.

The Board does not have a nominating committee, and these functions are currently performed by the Board as a whole; however, this policy may be reviewed in the future depending on the circumstances of the Company.

COMPENSATION

The Board periodically reviews the compensation paid to directors, management and other consultants based on such factors as time commitment and level of responsibility and the Company's current position as an exploration company with limited operating revenue.

The Board does not have a compensation committee, and these functions are currently performed by the Board as a whole; however, this policy may be reviewed in the future depending on the circumstances of the Company.

OTHER BOARD COMMITTEES

The Board has no standing committees other than the Audit Committee.

ASSESSMENTS

The Board conducts periodic assessments of its members including individual assessments to determine if the Board and the individual directors are performing efficiently. Based on the Company's size, stage of development and the limited number of individuals on the Board, the Board considers a formal assessment process to be unnecessary at this time. As the activities of the Company develop, it will consider the establishment of more formal evaluation procedures, including more quantitative measures of performance.

PART 8 – OTHER INFORMATION

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our directors or executive officers, proposed nominees for election as directors, or associates of any of them, is or has been indebted to the Company or our subsidiaries at any time since the beginning of the most recently completed financial year and no indebtedness remains outstanding as at the date of this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as disclosed herein, since the commencement of the last completed financial year, no "informed person" had any material interest, direct or indirect, in any transaction or any proposed transaction, which has materially affected or would materially affect the Company or any of its subsidiaries. "Informed Person" means: (a) a director or executive officer of the Company; (b) a director or officer of a person or company that is itself an informed person or subsidiary of the Company; (c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; or (d) the Company if it has purchased, redeemed or otherwise acquired any of its securities, so long as it holds any of its securities.

MANAGEMENT CONTRACTS

Management functions of the Company are generally performed by directors and executive officers of the Company and not, to any substantial degree, by any other person with whom the Company has contracted.

OTHER BUSINESS

Management is not aware of any matters to come before the Meeting other than those set forth in the Notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the Proxy to vote the Shares represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com. Financial information is provided in the Company's financial statements and Management's Discussion and Analysis for the most recently completed financial year.

The Company will provide to any securityholder upon request, copies of the Company's financial statements and Management's Discussion & Analysis for the most recently completed financial year. Please direct your request to the Company at Suite 1680, 200 Burrard Street, Vancouver, British Columbia, V6C 3L6, to request the Company's financial statements and Management's Discussion & Analysis.

DATED at Vancouver, British Columbia, on the 16th day of November, 2020.

ON BEHALF OF THE BOARD

"R. Dale Ginn"

Executive Chairman

SCHEDULE "A"

CHARTER OF THE AUDIT COMMITTEE OF THE BOARD OF DIRECTORS OF PACTON GOLD INC.

The Audit Committee will be governed by the following charter:

The Audit Committee is appointed by the board of directors of the Company (the "**Board**") to oversee the accounting and financial reporting process of the Company and audits of the financial statements of the Company. The Audit Committee's primary duties and responsibilities are to:

- (a) recommend to the Board the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company;
- (b) recommend to the Board the compensation of the external auditor;
- (c) oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- (d) pre-approve all non-audit services to be provided to the Company or its subsidiaries by the Company's external auditor;
- (e) review the Company's financial statements, MD&A and annual and interim earnings press releases before the Company publicly discloses this information;
- (f) be satisfied that adequate procedures are in place for the review of all other public disclosure of financial information extracted or derived from the Company's financial statements, and to periodically assess the adequacy of those procedures;
- (g) establish procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters; and
- (h) review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company.

The Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

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