



120 Adelaide Street West, Suite 2400
Toronto, Ontario, M5H 1T1, Canada
416-637-3523

www.toachimining.com

Management Information Circular Dated December 5th, 2016

TOACHI MINING INC.
NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that Toachi Mining Inc. (“Toachi” or the “**Corporation**”) will hold its annual and special meeting of shareholders (the “**Meeting**”) at 120 Adelaide Street West, Suite 2400, Toronto, Ontario, Canada, on Thursday, January 5th 2017 at 10:00 am (Toronto Time) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation as at and for the year ended July 31, 2016 and the independent auditors’ report thereon;
2. to elect the directors of the Corporation for the ensuing year;
3. to appoint the auditors of the Corporation and authorize the directors to fix the auditors’ remuneration;
4. to consider, and if deemed advisable, to pass, without variation, an ordinary resolution confirming the Corporation’s stock option plan; and
5. to transact any other business properly brought before the Meeting.

Holders of common shares are invited to attend the Meeting. Shareholders of record as at the close of business on Friday November 22nd, 2016, will be entitled to notice of and to vote at the Meeting.

A detailed description of the matters to be acted upon at the Meeting is set forth in the accompanying management information circular of the Corporation dated December 5th, 2016 (the “**Information Circular**”).

The Corporation has elected to use the notice-and-access provisions under National Instrument 54-101 and National Instrument 51-102 ("Notice-and-Access Provisions") of the Canadian Securities Administrators for this Meeting. Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders of the Corporation by allowing the Corporation to post the Information Circular and any additional materials online. Shareholders will still receive this Notice of Meeting and a form of proxy and may choose to receive a hard copy of the Information Circular. The Corporation will not use procedures known as 'stratification' in relation to the use of Notice-and-Access Provisions.

Please review the Information Circular carefully and in full prior to voting in relation to the matters set out above as the Information Circular has been prepared to help you make an informed decision on such matters. This Information Circular is available on the website of the Corporation at <http://noticeinsite.tsxtrust.com/ToachiMiningASM2017> and under the Corporation's profile on SEDAR at www.sedar.com. Any Shareholder who wishes to receive a paper copy of the Information Circular, should contact the Corporation's transfer agent, TSX Trust Company, 200 University Ave., Suite 300, Toronto, Ontario, M5H 4H1, Fax: (416) 595-9593, Toll-free: 1-866-600-5869.

Copies of: (a) this notice of annual and special meeting of shareholders; (b) the Information Circular; and (c) a management form of proxy and instructions in relation thereto (the “**Management Proxy**”) may be obtained at the following office: Toachi Mining Inc., 120 Adelaide Street West, Suite 2400, Toronto, Ontario, Canada, M5H 1T1, or will be sent to a shareholder without charge upon request by calling 416.637.3523.

DATED the 5th day of December, 2016.

By Order of the Board of Directors

(Signed) “*Nick Tintor*”

President & CEO

TOACHI MINING INC.
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

This management information circular (the “**Information Circular**”) is furnished in connection with the solicitation by management (“**Management**”) of Toachi Mining Inc. (the “**Corporation**”), of proxies to be used at the annual and special meeting of shareholders (the “**Meeting**”) of the Corporation to be held at 120 Adelaide Street West, Suite 2400 Toronto, Ontario, Canada, on Thursday, January 5th, 2017 at 10:00 am (Eastern Standard Time) for the purposes set forth in the accompanying notice of annual and special meeting (the “**Notice**”).

Except as otherwise indicated, information herein is given as at November 22nd, 2016. In this Information Circular, all references to dollar amounts are to Canadian dollars, unless otherwise specified. All references herein to the Corporation shall include its subsidiaries as the context may require.

The board of directors of the Corporation (the “**Board**”) has by resolution fixed the close of business on November 22nd, 2016 as the record date (the “**Record Date**”) for the Meeting. Only shareholders of the Corporation (each a “**Shareholder**” and collectively, the “**Shareholders**”) of record as at 5:00 pm (Eastern Daylight Time) as at the Record Date will be entitled to receive the Notice and related documents and to vote at the Meeting or at any adjournment thereof, but failure to receive such Notice does not deprive Shareholders of their right to vote their shares at the Meeting.

If a Shareholder has transferred any of his/her/its common shares in the Corporation (the “**Common Shares**”) after the Record Date, and the transferee of these shares produces properly endorsed share certificates or otherwise establishes that he/she/it owns such shares, as the case may be, and demands, at least ten (10) days before the Meeting, that his/her/its name be registered on the list of Shareholders entitled to vote, the transferee is entitled to vote such shares at the Meeting.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the enclosed form of proxy are officers and/or directors of the Corporation. Each Shareholder has the right to appoint a person or company, who need not be a Shareholder, other than the persons named in the enclosed form of proxy, to represent such Shareholder at the Meeting or any adjournment(s) thereof. Such right may be exercised by inserting such person’s name in the blank space provided and striking out the names of Management’s nominees in the Management Proxy or by completing another proper form of proxy. All proxies must be executed by the Shareholder or his or her attorney duly authorized in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorized. The completed form of proxy must be deposited at the office of the Corporation’s transfer agent, TSX Trust Company, 200 University Ave., Suite 300, Toronto, Ontario, M5H 4H1, Canada, no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment(s) thereof.

A Shareholder forwarding the enclosed Management Proxy may indicate the manner in which the appropriate appointee is to vote with respect to any specific item by checking the appropriate space. If the Shareholder giving the proxy wishes to confer a discretionary authority with respect to any item of business, then the space opposite the item is to be left blank. The Common Shares represented by the proxy submitted by a Shareholder will be voted in accordance with the directions, if any, given in the proxy.

In addition to revocation in any other manner permitted by law, a Management Proxy or other form of proxy may be revoked if it is received not later than 4:00 pm (Eastern Daylight Time) on Tuesday January 3, 2017 or, if the Meeting is adjourned, not later than 48 hours (excluding Saturdays, Sundays and holidays)

before the Meeting, by completing and signing a proxy bearing a later date and depositing it with TSX Trust Company on behalf of the Corporation.

If you are a registered shareholder of the Corporation, whether or not you are able to attend the Meeting, you are requested to complete, execute and deliver the enclosed form of proxy in accordance with the instructions set forth on the form to the Corporations, c/o TSX Trust Company, Attn.: Proxy Department, 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the Meeting or any adjournment(s) or postponement(s) thereof. The time limit for the deposit of proxies may be waived by the board of directors at its discretion without notice. Registered Shareholders may also vote their proxies via telephone or the internet in accordance with the instructions set forth on the proxy.

EXERCISE OF DISCRETION BY PROXIES

Common Shares represented by properly executed proxies in favour of the persons named in the enclosed Management Proxy will be either voted or withheld from voting, as applicable, in accordance with the instructions given by the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly. **Where Shareholders have properly executed proxies in favour of the persons named in the enclosed Management Proxy and have not specified in the Management Proxy the manner in which the named proxies are required to vote the Common Shares represented thereby, such Common Shares will be voted in favour of the passing of the matters set forth in the Notice.** The enclosed Management Proxy confers discretionary authority with respect to amendments or variations to the matters identified in the Notice and with respect to other matters that may properly come before the Meeting. At the date hereof, neither Management nor the directors of the Corporation (each a “**Director**” and collectively, the “**Directors**”) are aware of any such amendments, variations or others matters to come before the Meeting. However, if any other matters which at present are not known to Management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the named proxies.

INFORMATION FOR BENEFICIAL HOLDERS OF SECURITIES

Registered Holders of Common Shares or the persons they validly appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a “**Non-Registered Holder**”) are registered either: (i) in the name of an intermediary (an “**Intermediary**”) (including banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFFs, RESPs and similar plans) that the Non-Registered Holder deals with in respect of the Common Shares; or (ii) in the name of a clearing agency (such as the Canadian Depository for Securities Limited) of which the Intermediary is a participant.

Distribution to NOBOs

In accordance with the requirements of the Canadian Securities Administrators and National Instrument 54-101, *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), the Corporation will have caused its agent to distribute copies of the Notice and this Information Circular (collectively, the “**meeting materials**”) as well as a proxy directly to those Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner (“**Non-Objecting Beneficial Owner**” or “**NOBO**”).

These security holder materials are being sent to both registered holders of the securities and Non-Registered Holders of the securities. If you are a Non-Registered Holder, and the Corporation 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 Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for proxy enclosed with mailings to NOBOs.

The meeting materials distributed by the Corporation's agent to NOBOs include a proxy. Please carefully review the instructions on the proxy for completion and deposit.

Distribution to OBOs

In addition, the Corporation will have caused its agent to deliver copies of the meeting materials to the clearing agencies and Intermediaries for onward distribution to those Non-Registered Holders who have provided instructions to an Intermediary that the beneficial owner objects to the Intermediary disclosing ownership information about the beneficial owner (“**Objecting Beneficial Owner**” or “**OBO**”).

Intermediaries are required to forward the meeting materials to OBOs unless an OBO has waived his or her right to receive them. Intermediaries often use service companies such as Broadridge Financial Solutions, Inc. to forward the meeting materials to OBOs. Generally, those OBOs who have not waived the right to receive meeting materials will either:

1. be given a form of proxy which has already been signed by the Intermediary (typically by a facsimile stamped signature), which is restricted as to the number of shares beneficially owned by the OBO, but which is otherwise uncompleted. This form of proxy need not be signed by the OBO. In this case, the OBO who wishes to submit a proxy should properly complete the form of proxy and deposit it with Computershare in the manner set out above in this Information Circular, with respect to the Common Shares beneficially owned by such OBO; or
2. more typically, be given a voting registration form which is not signed by the Intermediary and which, when properly completed and signed by the OBO and returned to the Intermediary or its service company, will constitute authority and instructions (often called a “**Voting Instruction Form**”) which the Intermediary must follow. Typically, the Voting Instruction Form will consist of a one page pre-printed form. The purpose of this procedure is to permit the OBO to direct the voting of the shares he or she beneficially owns.

Should a Non-Registered Holder who receives one of the above forms wish to vote at the Meeting in person, the Non-Registered Holder should strike out the names of the persons named in the form and insert the Non-Registered Holder's name in the blank space provided. In either case, Non-Registered Holders should carefully follow the instructions, including those regarding when and where the proxy or voting instruction form is to be delivered.

NOTICE AND ACCESS

“Notice-and-Access Provisions” means provisions concerning the delivery of proxy-related materials to Shareholders found in section 9.1.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”) and NI 54-101 are met.

The Notice-and-Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer's website and sometimes the transfer agent's website) rather than delivering such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may

still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer's expense.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Corporation. In order for the Corporation to utilize Notice-and Access Provisions to deliver proxy-related materials by posting the Information Circular (and if applicable, other materials) electronically on a website that is not SEDAR, the Corporation must send a notice to shareholders, including Non-Registered Shareholders, indicating that the proxy-related materials have been posted and explaining how a shareholder can access them or obtain from the Corporation a paper copy of those materials.

This Information Circular has been posted in full on the Corporation's website at www.toachimining.com, at <http://noticeinsite.tsxtrust.com/ToachiMiningASM2017> and under the Corporation's SEDAR profile at www.sedar.com.

In order to use Notice-and Access Provisions, a reporting issuer must set the record date for notice of the meeting of the meeting to be on a date that is at least 40 days prior to the meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to shareholders. The requirements of that notice, which requires the Corporation to provide basic information about the Meeting and the matters to be voted on, explain how a shareholder can obtain a paper copy of the Information Circular and any related financial statements and MD&A, and explain the Notice-and-Access Provisions process, have been built into the Notice of Meeting. The Notice of Meeting has been delivered to shareholders by the Corporation, along with the applicable voting document (a form of proxy in the case of registered shareholders or a voting instruction form in the case of Non-Registered Shareholders).

The Corporation will not rely upon the use of 'stratification'.

The Corporation will send proxy-related materials directly to non-objecting Non-Registered Shareholders, through the services of its registrar and transfer agent, TSX Trust Company. The Corporation intends to pay for the Intermediary to deliver to objecting Non-Registered Shareholders the proxy-related materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary* of NI-54-101.

Any shareholder who wishes to receive a paper copy of this Information Circular must contact the Corporation's transfer agent, TSX Trust Company at 200 University Avenue, Suite 300, Toronto, Ontario, M5H 4H1, Fax: (416) 595 9593, Toll-free: 1-866-600-5869. In order to ensure that a paper copy of the Information Circular can be delivered to a requesting shareholder in time for such shareholder to review the Information Circular and return a proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that shareholders ensure their request is received no later than December 23rd, 2016.

All shareholders may call 1-866-600-5869 (toll-free) in order to obtain additional information regarding the Notice-and-Access Provisions or to obtain a paper copy of the Information Circular, up to and including the date of the Meeting, including any adjournment of the Meeting.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, Management is not aware of any person who may have an interest, whether such interest is by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting. The officers of the Corporation (each an “**Officer**”) and Directors since the beginning of the last financial year, each proposed Director and each associate or affiliate of such persons, have an interest in the ratification of the Corporation’s stock option plan (the “**Stock Option Plan**”), as such persons may be granted stock options (the “**Options**”) under the Stock Option Plan.

VOTING SHARES AND PRINCIPAL HOLDERS OF VOTING SHARES

The Corporation is authorized to issue an unlimited number of Common Shares without nominal or par value of which, as at the date hereof, 50,974,935 Common Shares are issued and outstanding as fully paid and non-assessable Common Shares. Each issued and outstanding Common Share entitles its holder to one vote.

To the knowledge of the Directors and Officers, there are three persons or companies, who beneficially own, directly or indirectly, or exercises control or direction over, voting securities of the Corporation carrying more than ten percent (10%) of the voting rights.

Name	Number of Toachi Shares	Percentage of Issued and Outstanding Toachi Shares
Jonathan Goodman (1)	9,718,000	19.1%

(1) Mr. Goodman holds his shares via his investment company, Metaform Investments Mining Limited Partnership.

MATTERS TO BE ACTED UPON AT THE MEETING

1. PRESENTATION OF FINANCIAL STATEMENTS FOR 2016

A copy of the audited consolidated financial statements of the Corporation for the years ended July 31, 2016 and 2015, can be found on the Corporation’s SEDAR profile at www.sedar.com. A copy can also be obtained on request by contacting the Corporation at 120 Adelaide Street West, Suite 2400, Toronto, Ontario, Canada, M5H 1T1, Attention: Daniella Tintor, Corporate Secretary.

2. ELECTION OF DIRECTORS

The articles of incorporation provide that the Board consist of a minimum of three (3). The number of Directors is currently set at (5). The number of Directors for election is set at five (5). The nominees are, in the opinion of the Board, well qualified to act as Directors for the coming year. Each nominee has established his eligibility and willingness to serve as Director, if elected. Each duly elected Director will hold office until the next annual meeting of Shareholders or until a successor is duly elected, unless his or her office is earlier vacated in accordance with the articles of the Corporation.

Jonathan Goodman

Independent Director and non-executive Chairman

Mr. Goodman is the Managing Director of Metaform Investments Inc., a Toronto-based resources investment firm and the Executive Chairman of Dundee Precious Metals Inc., an integrated precious and base metals producer.

He has over 25 years of experience in the resource and investment industry, working as a geologist, senior analyst, portfolio manager and senior executive. Mr. Goodman joined Goodman & Company, Investment Counsel Ltd., in 1990, where he was responsible for the selection of Canadian equities and played a major role in developing asset allocation strategies, before becoming the company's President.

He is also the founder of Goepel Shields and Partners, an investment firm.

Mr. Goodman graduated from the Colorado School of Mines as a Professional Engineer and holds an MBA from the University of Toronto and is a Chartered Financial Analyst.

Laurence Curtis, Ph.D, P. Geo

Independent Director

Dr. Curtis is a Professional Geologist (BSc (Hons) from Australian National University (1969) and PhD, 1975, Toronto) with forty years of international exploration experience in the natural resource sector with direct experience in Africa, Greenland, North, South and Central America, and the Pacific.

Dr. Curtis was President of Curtis & Associates, a mineral resource consulting firm, from 1980 to 1996. He has spent more than 20 years working in Latin America and has been responsible for several mineral discoveries. During this time, Mr. Curtis has consulted for a number of large, multi-national companies and served as a director for several of these companies.

Dr. Curtis founded Intrepid Minerals Corporation in 1995 and was President, CEO and director. Following the merger with Nustar Mining in 2006 the company name was changed to Intrepid Mines Limited. Intrepid Mines merged with Emperor Mines in 2007 following which Mr. Curtis stepped down as President and CEO but remained as a director. Dr. Curtis is a member of the Association of the Professional Geoscientists of Ontario.

Dr. Curtis has over 20 years experience as a director of public companies involved in exploration, development and mining. Dr. Curtis is currently a director of Eastmain Resources Inc. and Stonegate Agricom Inc., and was a director of Intrepid Mines until May 13, 2014.

Peter Nixon

Independent Director, Chair of Compensation and Corporate Governance Committee

Mr. Nixon has more than 30 years of experience in the investment services industry in Canada and the United States, with a specialty in the natural resource sector and working primarily in research and institutional sales. He was also a founder of the investment firm Goepel Shields & Partners and was subsequently the President of the firm's subsidiary in the United States. Mr. Nixon later joined Dundee Securities Corporation, with the mandate to expand the company's activities in the United States. He is also a member of the Institute of Corporate Directors.

Carolina Vargas

Independent Director, Chair of Audit Committee

Carolina is the Managing Partner of Global Symmetry Group, a Toronto-based financial consultancy company.

She graduated with an MBA from the Rotman School of Management at the University of Toronto and with a B.Sc in Engineering from the University of Los Andes in Colombia. Carolina has more than 16 years of experience in the financial services sector with a focus on financial analysis with a number of Canadian investment banking firms. From 2009-2011, she was ranked as one of the top research analyst for the Clean Energy sector by Brendan Wood International.

Nick Tintor, B.Sc

Non-independent Director, President and CEO

Mr. Tintor is a graduate of the University of Toronto (B.Sc., Geology). Nick has more than 25 years of experience in the mining industry and has been involved with all aspects of junior mining company management, financing and project management.

Nick is currently the CEO and Co-Founder of RG Mining Investments Inc., and is President and CEO of Toachi Mining Inc.

Nick is a director of the following TSXV listing companies: Caracara Silver Inc., and Rosita Mining Corporation.

Corporate Cease Trade Orders

Except as otherwise disclosed herein, no proposed director of the Corporation is, as of the date of this Information Circular, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied the company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days, issued either while that person was acting in that capacity or after that person ceased to act in that capacity if it resulted from an event that occurred while that person was acting in that capacity.

Bankruptcies

- (a) Except as otherwise disclosed herein, no proposed director of the Corporation is, as of the date of this Information Circular, or has been within 10 years before the date hereof, a director or executive officer of any company that, while such 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.
- (b) Except as otherwise disclosed herein, no proposed director of the Corporation has, within 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, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.
- (c) Jonathan Goodman, Chair of the Corporation, who was a director of Tahera Diamond Corporation (“Tahera”) from August 2003 to September 29, 2008, who was also director, Chairman and CEO of Tahera, from October 2003 to December 2008, a company that filed for protection under the Companies’ Creditors Arrangement Act (Canada) (“CCAA”) with the Ontario Superior Court of Justice on January 16, 2008. As a consequence of its financial difficulties, Tahera failed to file financial statements for the year ended December 31, 2007 and subsequent financial periods. As a result, Tahera was delisted from the TSX in November 2009 and Orders were issued in 2010 by the securities regulatory authorities of Ontario, Quebec, Alberta and British Columbia, which orders have not been revoked. Tahera subsequently sold its tax assets to Ag Growth International and certain properties,

including the Jericho diamond mine, to Shear Minerals Ltd., and the monitoring process under CCAA concluded by order of the Supreme Court of Justice in September 2010.

Penalties or Sanctions

No proposed director of the Corporation 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 a proposed director.

Following approval of these appointments by the Shareholders as the case may be, the Board of Directors will be composed of four (4) independent Directors, and one (1) non-independent Director who is the President and CEO of the Corporation, for a total of five (5) Directors.

The following table sets out the names and municipalities of residence of each member of the Board, their principal occupation or employment, and the number of Common Shares and any other securities of the Corporation beneficially owned by each, directly or indirectly or over which they exercise control or direction. Each elected nominee will hold office until the close of the next annual meeting of Shareholders or until a successor is elected or appointed, unless such nominee's office is earlier vacated.

Name and Position with Corporation	Province and Country of Residence	Principal Occupation	Director Since	Toachi Mining Inc. Shares Beneficially Owned or Controlled or Directed (#)
Laurence Curtis ^{(1),(2)}	Oakville, Ontario, Canada	Chairman, Eastmain Resources Inc.	February 24, 2011	261,215 ⁽³⁾
Jonathan Goodman ^{(1),(2)}	Toronto, Ontario, Canada	President and CEO, Metaform Investments Inc.	January 29, 2016	9,718,000
Peter Nixon ^{(1),(2)}	Niagara-on-the Lake, Ontario, Canada	Corporate Director.	August 24, 2016	Nil ⁽⁵⁾

Name and Position with Corporation	Province and Country of Residence	Principal Occupation	Director Since	Toachi Mining Inc. Shares Beneficially Owned or Controlled or Directed (#)
Nick Tintor, President & CEO	Mississauga, Ontario, Canada	President & CEO of the Corporation, and Managing Director of RG Mining Investments Inc., a management company to mineral exploration companies.	February 24, 2011	1,518,300 ⁽⁶⁾
Carolina Vargas ⁽²⁾	Toronto, Ontario, Canada	Managing Partner of Global Symmetry Group	August 24, 2016	154,300 ⁽⁴⁾

⁽¹⁾ Member of the Compensation and Corporate Governance Committees of the Corporation.

⁽²⁾ Member of the Audit Committee of the Corporation.

⁽³⁾ The reported amount does not include 393,000 options to purchase Toachi common shares as at December 5, 2016. Mr. Curtis has control of 1,306,075 common shares or 2.6% of the common shares outstanding.

⁽⁴⁾ The reported amount does not include 250,000 options to purchase Toachi common as at December 5, 2016. Ms. Vargas has control over 200,000 common shares or 0.50% of the commons shares outstanding.

⁽⁵⁾ The reported amount does not include 250,000 options to purchase Toachi shares as at December 5, 2016.

⁽⁶⁾ The reported amount does not include 203,502 common shares owned by RG Mining Investments Inc. (the Corporation's manager) that is controlled by Mr. Tintor and the Corporation's CFO, nor 313,000 options to purchase Toachi shares as at December 5, 2016.

Management, and the Directors do not contemplate that any of the 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 Management Proxy reserve the right to vote FOR another nominee in their discretion.

If you complete and return the Management Proxy, the persons designated in the Management Proxy intend to vote at the Meeting, or any adjournment thereof, FOR the election of Laurence Curtis, Jonathan Goodman, Peter Nixon, Nick Tintor and Carolina Vargas as Directors, unless you specifically direct that your vote be withheld.

RE-APPOINTMENT AND REMUNERATION OF AUDITORS

Management of the Corporation will recommend at the Meeting that Toachi Shareholders appoint Collins Barrow LLP Chartered Accountants as auditors of the Corporation, to hold office until the next annual meeting of shareholders of the Corporation, and to authorize the directors to fix their remuneration.

If you complete and return the Management Proxy, the persons designated in the Management Proxy intend to vote at the Meeting, or any adjournment thereof, FOR the appointment of Collins Barrow LLP as auditors of the Corporation and to authorize the Board to fix the auditor's remuneration, unless you specifically direct that your vote be withheld.

CONFIRMATION OF THE STOCK OPTION PLAN

On March 30, 2011, the Toachi Directors adopted the Stock Option Plan, in substantially its current form, which was subsequently approved by the Shareholders. The purpose of the Stock Option Plan is to attract, retain and motivate Directors, Officers, employees and consultants (collectively, the "**Participants**") by providing them with the opportunity, through the granting of Options, to acquire a proprietary interest in the Corporation and benefit from its growth. In Management's view, the ability to grant Options as a means of compensating Participants contributes to the Corporation's overall financial performance. As such, Management considers that the Stock Option Plan is beneficial to the Corporation as it provides the Corporation with greater flexibility to compensate eligible Participants with grants of Options and encourage Participant ownership of the Corporation.

The Stock Option Plan is a "rolling" plan. The policies of the TSX Venture Exchange ("**TSXV**") require that a "rolling" stock option plan (where a specific maximum number of shares issuable under the plan is not fixed), such as that of the Corporation, be ratified by the Shareholders at each annual and special meeting.

The Stock Option Plan provides that eligible persons there under include any Director, employee, (full-time or part-time), Officer or consultant of the Corporation or any subsidiary thereof, may be granted Options by the Corporation. A consultant means an individual (including an individual whose services are contracted through a personal holding company) with whom the Corporation or a subsidiary has a contract for substantial services.

Summary of Stock Option Plan

The full Stock Option Plan is available from the Corporation upon request. The material terms of the Stock Option Plan are as follows:

1. The number of Common Shares which may be reserved for issuance to eligible persons (as defined in the Stock Option Plan) is a maximum of 10% of the issued and outstanding Common Shares.
2. No one person shall be issued Options representing more than 5% of the issued and outstanding Common Shares in any 12 month period.
3. All Options will be non-assignable and non-transferable and may be granted for a term not exceeding five years, unless the Corporation is listed on Tier 1 of the TSX-V in which case the Options may be granted for a term not exceeding ten years.
4. The exercise price of Options issued may be issued at the market price of the Common Shares as listed on the TSX-V, subject to any discounts permitted by applicable legislative and regulatory requirements.
5. No financial assistance can be provided by the Corporation to Option holders to facilitate the purchase of Common Shares under the Stock Option Plan.

6. The Stock Option Plan also contains anti-dilution provisions usual to plans of this type.
7. If an option holder ceases to be a Director, Officer, or employee or consultant of the Corporation (other than by reason of death), then the Options will expire no later than 90 days following that date.
8. Investor relations persons may not be granted Options exceeding 2% of outstanding Common Shares and such Options must vest over one year with no more than 25% of the Options vesting in each quarter.

The Shareholders will be requested at the Meeting to pass the following resolution, without variation:

“IT IS HEREBY RESOLVED, THAT:

1. The Stock Option Plan, the material terms of which are summarized in this Information Circular is hereby ratified and the Board is hereby authorized, without further approval of the Shareholders, to make any further amendments to the Stock Option Plan as may be required by the TSXV.
2. Any director or officer of the Corporation is hereby authorized for, on behalf of, and in the name of the Corporation to do and perform or cause to be done or performed all such things, to take or cause to be taken all such actions, to execute and deliver or cause to be executed and delivered all such agreements, documents and instruments, contemplated by, necessary or desirable in connection with the Stock Option Plan and the foregoing resolutions, as may be required from time to time and contemplated and required in connection therewith, or as such director or officer in his or her discretion may consider necessary, advisable or appropriate in order to give effect to the intent and purposes of the foregoing resolutions, and the doing of such things, the taking of such actions and the execution of such agreements, documents and instruments shall be conclusive evidence that the same have been authorized and approved hereby.”

MANAGEMENT RECOMMENDS THAT SHAREHOLDERS VOTE IN FAVOUR OF THE STOCK OPTION PLAN RESOLUTION. IN ORDER TO BE PASSED, A MAJORITY OF THE VOTES CAST AT THE MEETING IN PERSON OR BY PROXY MUST BE VOTED IN FAVOUR OF THE STOCK OPTION PLAN RESOLUTION.

If you complete and return the Management Proxy, the persons designated in the Management Proxy intend to vote at the Meeting, or any adjournment thereof, FOR the Stock Option Plan Resolution, unless you specifically direct that your vote be voted against the Stock Option Plan Resolution.

OTHER MATTERS

The Corporation knows of no other matters to be brought before the Meeting. If any amendment, variation or other business is properly brought before the Meeting, the enclosed form of Management Proxy and voting instruction confers discretion on the persons named on the form of Management Proxy to vote on such matters in accordance with their best judgment.

EXECUTIVE COMPENSATION

For purposes of this Information Circular, a “**Named Executive Officer**” of the Corporation means an individual who, at any time during the year, was:

- (a) the Corporation’s chief executive officer (“**CEO**”);
- (b) the Corporation’s chief financial officer (“**CFO**”);
- (c) each of the Corporation’s three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year and whose total compensation was, individually, more than \$150,000 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 neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the most recently completed financial year.

Based on the foregoing definition, during the last completed financial year of the Corporation, there were two (2) Named Executive Officers.

COMPENSATION DISCUSSION AND ANALYSIS

The following discussion and analysis focuses on the design of the compensation program for the Corporation's Named Executive Officers as provided for in National Instrument 51-102. For the 2015-2016 financial year, the Named Executive Officers are:

Named Executive Officer	Position
Nick Tintor	President and Chief Executive Officer ⁽¹⁾
Stephen Gledhill	Chief Financial Officer ⁽²⁾

Notes:

⁽¹⁾ Mr. Tintor was appointed the President and CEO of the Corporation on October 14, 2010.

⁽²⁾ Mr. Gledhill was appointed the CFO of the Corporation on March 30, 2011.

Objectives of Compensation Program

The Corporation's principal goal is to create value for its Shareholders. The Corporation believes that the compensation policies and practices of the Corporation should reflect the interests of its Shareholders in achieving this goal and is sufficiently attractive to recruit, retain and motivate high performing individuals to assist the Corporation in achieving its goals.

Elements of Executive Compensation

The Corporation's current executive compensation program has three principal components: base salary, short term incentive bonus plan, and Options. Base salaries for all employees of the Corporation are established for each position based on industry standards and performance based on expectations and goals. Both individual and corporate performances are also taken into account. Base salaries form an essential component of the Corporation's compensation mix as they are the first base measure to compare and remain competitive relative to peer groups. Base salaries are fixed and therefore not subject to uncertainty and are used as the base to determine other elements of compensation and benefits. To ensure the Corporation attracts and retains qualified and experienced executives, adjustments are made to the base salaries of executive officers.

Options are granted to provide an incentive to the Participants to achieve the longer-term objectives of the Corporation; to give suitable recognition to the ability and industry of such persons who contribute materially to the success of the Corporation; and to attract and retain persons of experience and ability, by providing them with the opportunity to acquire an increased proprietary interest in the Corporation. The Corporation awards Options to the Participants based upon the discretion of the Board which discretion is based upon the review of a proposal from the Chair of the Corporate Governance and Compensation Committee. Previous grants of Options are taken into account when considering new grants.

There are no perquisites, or deferred payments payable to Named Executive Officers, and the Corporation has no other awards, bonuses, or other compensation other than the base salaries, short term incentive bonus plan, and participation in the Stock Option Plan.

Compensation Philosophy

The Corporation's compensation philosophy is based upon the following principles and objectives:

1. attracting, motivating and retaining individuals with exceptional executive, technical, financial, and other relevant skills;
2. aligning the interests of the executive officers of the Corporation with the interests of the Corporation and its Shareholders; and
3. linking executive compensation to the performance of the Corporation and each particular officer of the Corporation.

Performance Criteria

The Corporation's compensation program is primarily designed to reward performance, and accordingly, the performance of both the Corporation, as well as the individual performance of executive officers during the year in question, is examined by the Compensation Committee of the Board in conjunction with setting executive compensation packages. The Compensation Committee sets specific performance objectives to assess the Chief Executive Officer.

Elements of the Executive Compensation Program

Base Salary

The base salary component is intended to provide a fixed level of competitive pay that is established at the time when an officer joins the Corporation. The Compensation Committee reviews compensation levels to determine if adjustments are necessary.

Short Term Incentive Bonus Compensation

In addition to base salaries, the Corporation has a discretionary bonus plan pursuant to which the Board may award annual cash bonuses to executive officers. The annual cash bonus element of the executive compensation program is designed to reward both corporate and individual performance during the Corporation's last calendar year. Toachi Mining did not pay any cash bonuses to its NEOs during the last calendar year.

Long Term Incentive Compensation – Stock Options

The Corporation's officers, directors, employees, contractors and other service providers are eligible to participate in the Corporation's stock option plan. The stock option plan has been approved by the Corporation's shareholders and promotes an ownership perspective among executives, encourages retention of key executives and provides an incentive to enhance shareholder value by furthering the Corporation's growth. As with most companies in the Corporation's peer group, stock options form an integral component of the total compensation package provided to the Corporation's executive officers. Participation in the stock option plan rewards overall corporate performance, as measured through the price of the Corporation's common shares.

Consideration of Risks of Compensation Policies and Practices

In light of the Corporation's size and the balance between long-term objectives and short-term financial goals with respect to the Corporation's compensation program, the Board does not deem it necessary to consider at this time the implications of the risks associated with its compensation policies and practices.

Purchase of Financial Instruments

The Corporation does not currently have a policy that restricts Named Executive Officers or Directors from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by the Named Executive Officer or Director. However, to the knowledge of the Corporation as of the date of hereof, no Named Executive Officer or Director has participated in the purchase of such financial instruments.

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year Ended July 31	Salary (\$)	Share-based awards	Option-based awards (\$) ⁽³⁾	Non-equity incentive plan compensation		Pension value	All other compensation (\$)	Total compensation (\$)
					Annual Incentive Plans	Long-term incentive plans			
Nick Tintor ⁽¹⁾ President and Chief Executive Officer	2016	58,176	Nil	92,500	N/A	N/A	N/A	Nil	150,676
	2015	44,000	Nil	Nil	N/A	N/A	N/A	Nil	44,000
	2014	40,500	Nil	Nil	N/A	N/A	N/A	Nil	40,500
Stephen Gledhill ⁽²⁾ Chief Financial Officer	2016	46,540	Nil	55,500	N/A	N/A	N/A	Nil	102,040
	2015	35,200	Nil	Nil	N/A	N/A	N/A	Nil	35,200
	2014	32,400	Nil	Nil	N/A	N/A	N/A	Nil	32,400

Notes:

- ⁽¹⁾ Mr. Tintor has served as President & CEO since October 14, 2010. Mr. Tintor does not receive compensation directly from Toachi, except for grants of options. Mr. Tintor is a managing director of RG Mining Investments Inc. ("RGMI"), a company which provides management services to the Corporation. RGMI invoices the Corporation on a monthly basis for fees for management services provided by Mr. Tintor. The amounts shown as salary are an allocation of the total charges by RGMI of \$81,000, \$88,000 and \$116,351 for each of 2016, 2015 and 2014, respectively. Mr. Tintor currently serves as a director of the Corporation but he does not receive any additional compensation for his services as a director.
- ⁽²⁾ Mr. Gledhill has served as CFO since March 30, 2011. Mr. Gledhill does not receive compensation directly from Toachi, except for grants of options. Mr. Gledhill is a managing director of RGMI. RGMI invoices the Corporation on a monthly basis for fees for management services provided by Mr. Gledhill. As noted for Mr. Tintor, the amounts shown as salary are an allocation of the total charges by RGMI of \$81,000, \$88,000 and \$116,351 for each of 2016, 2015, and 2014, respectively.
- ⁽³⁾ The value of the option-based awards reflects the fair value of options granted on the date of grant, which was October 27, 2014 (fiscal year ended July 31, 2015) and June 28, 2016 (fiscal year ended July 31, 2016). The fair value was computed using the Black Scholes option pricing model.

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

Set forth in the table below is a summary of all share-based and option-based awards held by each of the Named Executive Officers outstanding as of December 5, 2016

Name	Option-Based Awards				Share-Based Awards	
	Number of securities underlying unexercised options (#)	Option exercise price (CDN\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Nick Tintor	63,000	0.25	Oct. 27, 2019	7,560	Nil	N/A
	250,000	0.38	June 28, 2021	Nil	Nil	N/A
Stephen Gledhill	36,000	0.25	Oct. 27, 2019	4,320	Nil	N/A
	150,000	0.38	June 28, 2021	Nil	Nil	N/A

⁽¹⁾The market value of the Corporation's common shares was \$0.37, based on the closing market price of the common shares on the TSXV on December 2, 2016.

INCENTIVE PLAN AWARDS – VALUE VESTED DURING THE YEAR

Set forth below is a summary of the value vested during the financial years of the Corporation ended July 31, 2016, 2015 and 2014, in respect of all option-based and share-based awards and non-equity incentive plan compensation granted to the Named Executive Officers.

Name	Option-based awards – value vested during the year ended July 31 (\$)	Share-based awards – value vested during the year (\$)	Non-equity incentive plan compensation – value earned during the year (\$)
Nick Tintor	2016 – 92,500	2016 – N/A	2016 – N/A
	2015 – Nil	2015 – N/A	2015 – N/A
	2014 – 4,718	2014 – N/A	2014 – N/A
Stephen Gledhill	2016 – 55,500	2016 – N/A	2016 – N/A
	2015 – Nil	2015 – N/A	2015 – N/A
	2014 – 2,696	2014 – N/A	2014 – N/A

For further details concerning the incentive plans of the Corporation, please see “*Summary of Stock Option Plan*” below.

MANAGEMENT AGREEMENTS

The Corporation has an agreement with RGMI of Suite 2400, 120 Adelaide St. W., Toronto, ON M5H 1T1, to provide management services and facilities to the Corporation. RGMI is a private company. The Corporation’s President and CEO and its CFO (Nick Tintor and Stephen Gledhill, respectively) are the founding directors of RGMI. RGMI provides the Corporation with administrative, accounting, and management services. Over the 3 fiscal years ending July 31, 2016, the Corporation and RGMI renegotiated the management agreement and the fees due thereunder. As of February 1, 2016, the management fee payable by the Corporation to RGMI was set at \$25,000 per month. During the financial years ended July 31, 2016, 2015 and 2014, the Corporation incurred management fees of \$81,000, \$88,000 and \$116,351 to RGMI.

TERMINATION AND CHANGE OF CONTROL BENEFITS

RGMI’s Agreement

The agreement with RGMI, through which Mr. Tintor provides President & CEO services, and Mr. Gledhill provides CFO services to the Corporation, does not provide for termination and change of control benefits upon termination without cause or in the event of a change of control.

Estimated Incremental Payment on Termination

There have been no incremental payments from the Corporation to Messrs. Tintor or Gledhill upon termination without cause in accordance with the above provisions, or upon termination without cause, assuming a triggering event occurs on July 31, 2016.

Estimated Incremental Payment on Change of Control

There have been no incremental payments from the Corporation to Messrs. Tintor or Gledhill upon termination in connection with a change of control in accordance with the above provisions, or upon termination without cause, assuming a triggering event occurs on July 31, 2016.

PENSION PLAN BENEFITS

No benefits were paid, and no benefits are proposed to be paid to any of the Named Executive Officers under any pension or retirement plan.

No deferred compensation plans were paid, and no benefits are proposed to be paid to any of the Named Executive Officers under a deferred compensation plan.

COMPENSATION OF DIRECTORS

Directors are reimbursed for all reasonable travel and other expenses incurred by them in the performance of their duties and receive an annual retainer. Directors are entitled to participate in the Stock Option Plan. There were no long-term incentive awards or pension plan benefits paid to the Directors during the fiscal year ended July 31, 2016.

Director Compensation

The following table provides a summary of all annual and long-term compensation for services rendered in all capacities to the Corporation for the fiscal year ended July 31, 2016, 2015 and 2014, in respect of the individuals who were, during the fiscal year ended July 31, 2016, Directors other than the Named Executive Officers.

Name	Year Ended July 31	Fees Earned (\$)	Share-based awards (\$)	Option-based awards ⁽¹⁾ (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Laurence Curtis	2016	3,000	N/A	92,500	N/A	N/A	Nil	95,500
	2015	Nil	N/A	4,718	N/A	N/A	Nil	4,718
	2014	10,000	N/A	8,000	N/A	N/A	Nil	18,000
Jonathan Goodman ⁽²⁾	2016	3,000	N/A	92,500	N/A	N/A	Nil	95,500
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Peter Nixon ⁽³⁾	2016	Nil	N/A	Nil	N/A	N/A	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Carolina Vargas ⁽³⁾	2016	Nil	N/A	Nil	N/A	N/A	Nil	Nil
	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ The value ascribed to option grants represents non-cash consideration and has been estimated using the Black-Scholes model as at the date of grant.

⁽²⁾ Mr. Goodman joined the board of directors of the Corporation on January 29, 2016.

⁽³⁾ Mr. Nixon and Ms. Vargas joined the board of directors of the Corporation on August 24, 2016 and did not receive any independent board of directors' fees or share-based compensation during the financial year ended July 31, 2016.

Outstanding Share-Based Awards and Option-Based Awards

Set forth in the table below is a summary of all share-based and option-based awards held by each of the Directors other than the Named Executive Officers as of July 31, 2016.

Option-Based Awards					Share-Based Awards	
Name	Number of securities underlying unexercised options (#)	Option exercise price (CDN\$)	Option expiration date	Value of unexercised in-the-money options ⁽¹⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
Laurence Curtis	80,000	0.50	January 6, 2019	Nil	Nil	Nil
	63,000	0.25	Oct. 27, 2019	7,560	Nil	Nil
	250,000	0.38	June 28, 2021	Nil	Nil	Nil
Jonathan Goodman	250,000	0.38	June 28, 2021	Nil	Nil	Nil
Peter Nixon ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A
Carolina Vargas ⁽²⁾	N/A	N/A	N/A	N/A	N/A	N/A

⁽¹⁾ The market value of the Corporation's common shares was \$0.37, based on the closing market price of the common shares on the TSXV on December 2, 2016.

⁽²⁾ Mr. Nixon and Ms. Vargas joined the board of directors of the Corporation on August 24, 2016 and did not receive any share-based compensation during the financial year ended July 31, 2016.

Directors' Meeting Attendance

The following table discloses each board member's attendance at the Corporation's board of director meetings and committee meetings from the date of the last Information Circular until the end of the current financial year, being July 31, 2016.

	Jonathan Goodman ⁽¹⁾⁽²⁾⁽³⁾	Laurence Curtis ⁽¹⁾⁽²⁾⁽³⁾	Peter Nixon ⁽¹⁾⁽³⁾⁽⁴⁾	Carolina Vargas ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾	Nick Tintor
Board of Director Meeting					
June 22, 2015	N/A	x	N/A	N/A	x
September 14, 2015	N/A	x	N/A	N/A	x
November 24, 2015	N/A	x	N/A	N/A	x
December 16 th , 2015	N/A	x	N/A	N/A	x
March 29 th , 2016	x	x	N/A	N/A	x
June 21 st , 2016	x	x	N/A	N/A	x
June 24, 2016	X	X	N/A	N/A	x
Audit Committee Meeting					

November 24, 2015	No	x	N/A	N/A	x
December 16, 2015	N/A	x	N/A	N/A	x
June 24, 2016	x	x	N/A	N/A	x

(1) Independent director.

(2) Member of the Corporation's Audit Committee.

(3) Member of the Corporation's Corporate Governance and Compensation Committee.

(4) Ms. Vargas and Mr. Nixon joined the Corporation's board of directors on August 24, 2016.

Incentive Plan Awards – Value Vested During the Year

Set forth below is a summary of the value vested during the financial years of the Corporation ended July 31, 2016, 2015 and 2014, in respect of all option-based and share-based awards and non-equity incentive plan compensation granted to the Directors other than the Named Executive Officers.

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 (\$)
Laurence Curtis	2016 – 92,500 2015 – 4,718 2014 – 8,000	N/A N/A N/A	N/A N/A N/A
Jonathan Goodman	2016 – 92,500 2015 – N/A 2014 – N/A	N/A N/A N/A	N/A N/A N/A
Peter Nixon ⁽¹⁾	2016 – N/A 2015 – N/A 2014 – N/A	N/A N/A N/A	N/A N/A N/A
Carolina Vargas ⁽¹⁾	2016 – N/A 2015 – N/A 2014 – N/A	N/A N/A N/A	N/A N/A N/A
Alejandra Kempf ⁽²⁾	2016 – Nil 2015 – Nil 2014 – 8,000	N/A N/A N/A	N/A N/A N/A
Barry Lavin ⁽³⁾	2016 – Nil 2015 – 6,740 2014 - Nil	N/A N/A N/A	N/A N/A N/A
Alistair Maxwell ⁽⁴⁾	2016 – N/A 2015 – 6,740 2014 – 8,000	N/A N/A N/A	N/A N/A N/A
Adam Yu ⁽⁵⁾	2016 – N/A 2015 – Nil 2014 – 8,000	N/A N/A N/A	N/A N/A N/A

⁽¹⁾ Mr. Nixon and Ms. Vargas joined the board of directors on August 17, 2016.

⁽²⁾ Ms. Kempf resigned from the board of directors on July 11, 2016.

⁽³⁾ Mr. Lavin resigned from the board of directors on October 27, 2015.

⁽⁴⁾ Mr. Maxwell resigned from the board of directors on December 28, 2014.

⁽⁵⁾ Mr. Yu resigned from the board of directors on June 1, 2015.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Set forth below is a summary of securities issued and issuable under all equity compensation plans of the Corporation as at July 31, 2016. As at July 31, 2016, the Stock Option Plan was the only equity compensation plan of the Corporation. See “Matters to Be Acted Upon - *Summary of Stock Option Plan*”.

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options (\$)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Equity compensation plans approved by security holders	1,442,000	0.374	2,392,994 ⁽¹⁾
Total	1,442,000	0.374	2,392,994 ⁽¹⁾

⁽¹⁾ Calculated based upon 10% of the number of issued and outstanding common shares as at July 31, 2016 (38,349,935 common shares), less the number of Options outstanding at such date. As at the date of this Management Information Circular, the Corporation has 2,855,494 options available for issuance.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the Directors or Officers were indebted to the Corporation as of July 31, 2016, or at any time during fiscal 2016, 2015 and 2014.

CORPORATE GOVERNANCE PRACTICES

Corporate governance refers to the way the business and affairs of a reporting issuer are managed and relates to the activities of the Board, the members of whom are elected by and are accountable to the Shareholders. Corporate governance takes into account the role of the individual members of Management who are appointed by the Board and who are charged with the day-to-day management of the Corporation. The Board is committed to sound corporate governance practices which are both in the interest of its Shareholders and contribute to effective and efficient decision-making.

Pursuant to National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“**NI 58-101**”), the Corporation has established its corporate governance practices. The Corporation’s “Statement of Corporate Governance Practices”, approved by the Directors, is attached to this Information Circular as Appendix “A”.

Board of Directors

The Board currently consists of five members, as noted herein, four of whom are independent pursuant to National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”). Pursuant to NI 52-110, a director is independent if the director has no direct or indirect relationship with the issuer which could, in the view of the issuer’s Board, be reasonably expected to interfere with the exercise of a member’s independent judgment. In assessing whether a Director is independent for these purposes, the circumstances of each Director have been examined in relation to a number of factors.

Three of the Directors serve as a director of another reporting issuer or issuers. Currently, the following Directors serve on the board of directors of other public companies as listed below.

Name of Director	Name of Other Reporting Issuers
Laurence Curtis	Stonegate Agricom Ltd. Eastmain Resources Inc.
Nick Tintor	Aura Silver Inc. Caracara Silver Inc. Rosita Mining Corporation
Jonathan Goodman	Dundee Precious Metals Inc. Sabina Gold & Silver Corp.
Peter Nixon	Dundee Precious Metals Inc. Midas Gold Corp. Reunion Gold Corp. Stornoway Diamonds Corp.

Audit Committee

As a TSXV-listed Corporation, the Corporation is required to have an Audit Committee for the purpose of monitoring and enhancing the quality of the financial information disclosed by the Corporation. The Audit Committee’s charter (the “**Charter**”) is attached as Appendix “C” hereto.

Composition of Audit Committee

As at July 31, 2016, the Audit Committee was composed of 2 independent Directors who meet the independence requirement set out in National Instrument 52-110 - *Audit Committees* (“**NI 52-110**”). The Audit Committee members were Laurence Curtis and Jonathan Goodman. On August 17, 2016, Ms. Carolina Vargas joined the Board and was appointed to the Corporation’s Audit Committee. Each of the members of the Audit Committee are “financially literate” within the meaning given to such term in the Charter and NI 52-110, and have the ability to understand and evaluate financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation’s financial statements.

The Audit Committee is currently composed of Laurence Curtis, Carolina Vargas and Jonathan Goodman.

Relevant Education and Experience

Each member of the Audit Committee has acted as a director and/or audit committee member of a number of public issuers in the past and, as such, obtained experience in performing his responsibilities as a member of the Audit Committee. Given the scope and nature of the Corporation’s business, its financial statements and the accounting issues arising there from are relatively uncomplicated.

The Corporation’s CFO, Mr. Gledhill, is a Chartered Professional Accountant with over 30 years of business experience in a financial capacity. Mr. Gledhill is currently the Chief Financial Officer of the

Corporation and has been, or is currently, the chief financial officer of a number of publicly-traded companies and assists the Audit Committee in governing the financial affairs of the Corporation.

Based on the foregoing, it is the Board of Directors' conclusion that each of the members of the Audit Committee has an understanding of the accounting principles used by the Corporation to prepare its financial statements, the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves and experience in evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can be reasonably expected to be raised by the Corporation's financial statements.

Audit Committee Oversight

At no time since the commencement of the Corporation's most 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

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of NI 52-110 (*De Minimis Non-audit Services*) or an exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemptions*) of NI 52-110.

External Auditor Service Fees (by category)

The aggregate fees billed by the Corporation's external auditors in each of the last three fiscal years for audit fees are as follows:

Financial Year Ending July 31,	Audit Fees (\$)	Audit Related Fees (\$)	Tax Fees ⁽¹⁾ (\$)	All Other Fees (\$)
2016	17,500	Nil	2,500 ⁽²⁾	Nil
2015	16,000	Nil	2,575	Nil
2014	17,000	Nil	Nil	Nil

⁽¹⁾ Fees billed for professional services rendered by the Corporation's external auditor for tax compliance, tax advice and/or tax planning.

⁽²⁾ Accrued but not yet paid as of the date of this Information Circular.

Exemption

As at July 31, 2016, the Corporation is relying on section 6.1 of NI 52-110, which exempts the Corporation from the requirements of Part 3 (*Composition of the Audit Committee*) and Part 5 (*Reporting Obligations*)

Assessments

The Corporate Governance and Compensation Committee, together with the Board is responsible for ensuring that a process is in place for assessing the effectiveness of the Board and each of its committees, along with assessing the contribution of each individual Director at least on an annual basis.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Corporation, proposed Director, or any associate or affiliate of an informed person or proposed Director, has or had any material interest, direct or indirect, in any transaction since the commencement of the financial year ended July 31, 2016, or any proposed transaction which has materially affected or will materially affect the Corporation or any of its subsidiaries.

ADDITIONAL INFORMATION

Financial information regarding the Corporation is provided in the Corporation's audited annual consolidated financial statements for the financial year ended July 31, 2016 and the accompanying management's discussion and analysis. Copies of the foregoing of the Corporation for the financial year ended July 31, 2016, may be obtained on written request addressed to the Corporate Secretary. Written requests for a copy of the above documents should be directed to Daniella Tintor, Corporate Secretary, at 120 Adelaide Street West, Suite 2400, Toronto, Ontario M5H 1T1.

Additional information concerning the Corporation is also available online at www.sedar.com.

DIRECTORS' APPROVAL OF CIRCULAR

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

DATED at Toronto, Ontario this 5th day of December, 2016.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) "*Jonathan Goodman*"

Jonathan Goodman
Chairman

APPENDIX “A”

TOACHI MINING INC.

GOVERNANCE AND COMPENSATION COMMITTEE MANDATE

Toachi Mining Inc., including all its subsidiary and associated companies (referred to herein jointly as “Toachi” or the “Company”), have established and will maintain a Governance and Compensation Committee (the “Committee”) of the Company to carrying out the Board’s oversight responsibility for ensuring that the strategic direction of the Company is reviewed annually and that the Board of each of its committee carry out their respective functions in accordance with an appropriate process. The Committee is responsible for assessing the effectiveness of the Board as a whole, each committee of the Board, and the contribution of each individual Director. The Committee is responsible for governance issued and for carrying out the Board’s oversight and responsibilities in regard to fairly rewarding the Company’s directors and executives through compensation and appropriate performance incentives.

- (a) The board of directors (the “Board”) shall elect annually from among its members at the first meeting of the Board following the annual meeting of the shareholders, a committee to be known as the governance and compensation committee (“Governance and Compensation Committee”) to be composed of three Independent directors as defined by the TSX Venture Exchange, the Ontario Securities Commission or any other regulator to which the Company reports or may report in the future, or such other number not less than three as the Board may from time to time determine, a majority to be Independent. A majority of the Independent members of Governance and Compensation Committee will constitute a quorum.
- (b) The Committee shall convene a minimum of once each year, with authority to convene additional meetings, as circumstances require. At least one meeting the Committee annually shall be with the Company’s CEO; however the Committee shall also regularly meet without management present.
- (c) Any member of the Governance and Compensation Committee may be removed or replaced at any time by the Board. Any member of the Governance and Compensation Committee ceasing to be a director shall cease to be a member of the Governance and Compensation Committee. Subject to the foregoing, each member of the Governance and Compensation Committee shall hold office as such until the next annual appointment of members after his election. Any vacancy occurring in the Governance and Compensation Committee shall be filled at the next meeting of the Board.

The responsibilities of the Governance and Compensation Committee will include reviewing and making recommendations to the Board with respect to the overall compensation strategy and policies for Directors, Officers and employees of the Company. More specifically, these will include:

1. Annually assess and make a recommendation to the Board with regard to the competitiveness and appropriateness of the compensation package of Chief Executive Officer and executives. *Timing: annually and as required.*
2. Annually review the performance goals and criteria for the CEO and evaluate the performance of the CEO against such goals and criteria and recommend to the Board the amount of regular and incentive compensation to be paid to the CEO. *Timing: annually and as required.*
3. Annually review and make a recommendation to the Board regarding the CEO’s performance evaluation of executive officers and his recommendations with respect to the amount of regular and incentive compensation to be paid to such executive officers. *Timing: annually and as required.*

4. Review and make a recommendation to the Board regarding any employment contracts or arrangements with any of the executive officers, including any retiring allowance arrangements or any similar arrangements to take effect in the event of a termination of employment. *Timing: as required.*
5. Periodically review the compensation philosophy statement of the Company and make recommendations for changes to the Board as considered appropriate. *Timing: on-going.*
6. Annually review and make recommendations to the Board regarding incentive stock options plans or any other short term incentive plans and long term incentive plans and, to the extent delegated by the Board, approve awards to eligible participants. *Timing: as required.*
7. As required, fulfill the obligations assigned to the Committee pursuant to any other employee benefit plans approved by the Board. *Timing: as required.*
8. Annually prepare or review the report on executive compensation required to be disclosed in the Company's information circular or any other compensation matter required to be publicly disclosed by the Company. *Timing: as required.*
9. Periodically, but at least every third year, review and make a recommendation to the Board regarding compensation to the Board. *Timing: at least every 3 years.*
10. As required, retain independent advice in respect of compensation matters and, if deemed appropriate by the Committee, meet separately with such advisors: *Timing: as required.*
11. Assess on an annual basis, the adequacy of this Charter.

In addition to the foregoing, the Committee shall undertake on behalf of the Board such other initiatives as may be necessary or desirable to assist the Board in discharging its responsibility to ensure that appropriate performance evaluation and compensation programs are in place and operating effectively.

APPENDIX “B”

TOACHI MINING INC.

CODE OF CONDUCT

Introduction Policy

Toachi Mining Inc. (the “**Corporation**”) is committed to fair dealing and integrity in the conduct of its business. This commitment is based on a fundamental belief that business should be conducted honestly, fairly and in compliance with both the spirit and the letter of applicable laws. The Corporation expects all its Advisors, members of its Board of Directors, and all its Employees to share its commitment to high standards.

This Policy outlines the Corporation’s Code of Business conduct (the “**Code**”) which applies to all Employees, Advisors, and members of the Board of Directors. For purposes of this Code, “Employee” means any person holding a full-time, part-time or contracted salaried or paid position with the Corporation or a person who is receiving other forms of compensation for time and or services.

The Code is in place to ensure that everyone at the Corporation is working with the sole purpose of doing what is best for our shareholders with no real or perceived conflict of interest. In the exploration and development business, there are no higher ethical values than truth, honesty and professionalism.

This Code also covers all matters related to any potential conflict that could result from knowledge of insider information and the confidentiality that is implicit within the release of insider information other than through recognized public vehicles for disseminating information to the public. The Code also implies a “blackout” period with respect to the buying and selling of shares where insider information is a factor. The Code also covers the obligation that each employee, advisor or member of the board has to report any business practice or behaviour that is unbecoming of Toachi Mining Inc.

Our reputation is our most important asset and it has taken many years to build that. As such, we cannot allow our reputation and hence the livelihood of everyone working at the Corporation to be put at risk by actions of any one individual. The Code is designed to inform you about the Corporation’s principles and values and what the Corporation considers appropriate business practice and behaviour.

Compliance with this Code by Advisors, members of the Board of Directors, Officers and all Employees of the Corporation is mandatory and is one of the conditions of employment, association and membership to the Corporation’s Board of Directors.

Understanding the Code

Please study the Code carefully so that you understand the expectations and obligations inherent in the Corporation’s commitment to conducting business ethically.

Each person should apply the Code using common sense and with the intention of complying fully with both the written words and the spirit underlying those word.

If a person is in doubt about the application of the Code, the person should discuss the matter with the Chief Executive Officer or with the Chief Financial Officer in a timely manner.

Monitoring Procedures

If a person becomes aware of, or suspects, a contravention of the Code, the person must promptly and confidentially advise the Corporation. The matter will be investigated and dealt with.

Each year, every Employee and members of the Board of Directors will be asked to review the Code and will be reminded of their responsibility to advise the Corporation if they are not in compliance with the Code or if they are aware of any contravention of the Code.

SOCIAL RESPONSIBILITY AND ENVIRONMENTAL POLICY

The Corporation is a junior iron ore explorer and its exploration objective is the discovery and development of mineral resources that can be mined profitably. The Corporation works to minimize the social and environmental impact in all its exploration activities and puts the health and safety of its employees first and foremost.

The Corporation interacts well and effectively with the host and local communities to ensure that its work does not compromise local community values. The Corporation is committed to its policy on Environment, Health and Safety (“**EHS**”) issues and it undertakes to:

Comply with EHS regulatory requirements in Canada and in the countries in which the Corporation operates;

Provide information on EHS to locally hired personnel;

Develop and use EHS practices that are efficient and apply these in all its exploration activities;

Require contractors to comply with applicable legislation and local regulatory requirements

Reclaim exploration and mining sites in compliance with applicable regulations and site specific requirements in the countries in which the Corporation is operating

Such EHS practices will be reviewed from time to time to take into account technical and economic developments.

APPENDIX “C”

TOACHI MINING INC.

AUDIT COMMITTEE CHARTER

Purpose

To assist the board of directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the Corporation’s process for monitoring compliance with laws and regulations and the code of conduct.

Authority

The audit committee has authority to conduct or authorize investigations into any matters within its scope of responsibility. It is empowered to:

- Appoint, compensate, and oversee the work of any registered public accounting firm employed by the organization.
- Resolve any disagreements between management and the auditor regarding financial reporting.
- Pre-approve all auditing and non-audit services.
- Retain independent counsel, accountants, or others to advise the committee or assist in the conduct of an investigation.
- Seek any information it requires from employees - all of whom are directed to cooperate with the committee’s requests or external parties.
- Meet with the Corporation’s officers, external auditors, or outside counsel, as necessary.

Composition

The audit committee will consist of at least three and no more than six members of the board of directors. The board or its nominating committee will appoint committee members and the committee chair.

Each committee member will be both independent and financially literate. At least one member shall be designated as the “financial expert,” as defined by applicable legislation and regulation.

Meetings

The committee will meet at least four times a year, with authority to convene additional meetings, as circumstances require. All committee members are expected to attend each meeting, in person or via tele- or video-conference. The committee will invite members of management, auditors or others to attend meetings and provide pertinent information, as necessary. It will hold private meetings with auditors (see below) and executive sessions. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. Minutes will be prepared.

Responsibilities

The committee will carry out the following responsibilities:

Financial Statements

- Review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements.
- Review with management and the external auditors the results of the audit, including any difficulties encountered.

- Review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles.
- Review other sections of the annual report and related regulatory filings before release and consider the accuracy and completeness of the information.
- Review with management and the external auditors all matters required to be communicated to the committee under generally accepted auditing standards.
- Understand how management develops interim financial information, and the nature and extent of internal and external auditor involvement.
- Review interim financial reports with management and the external auditors before filing with regulators, and consider whether they are complete and consistent with the information known to committee members.

Internal Control

- Consider the effectiveness of the Corporation's internal control system, including information technology security and control.
- Understand the scope of internal and external auditors' review of internal control over financial reporting, and obtain reports on significant findings and recommendations, together with management's responses.

Internal Audit

- Review with management and the chief audit executive the charter, plans, activities, staffing, and organizational structure of the internal audit function.
- Ensure there are no unjustified restrictions or limitations, and review and concur in the appointment, replacement, or dismissal of the chief audit executive.
- Review the effectiveness of the internal audit function, including compliance with The Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing*.
- On a regular basis, meet separately with the chief audit executive to discuss any matters that the committee or internal audit believes should be discussed privately.

External Audit

- Review the external auditors' proposed audit scope and approach, including coordination of audit effort with internal audit.
- Review the performance of the external auditors, and exercise final approval on the appointment or discharge of the auditors.
- Review and confirm the independence of the external auditors by obtaining statements from the auditors on relationships between the auditors and the Corporation, including non-audit services, and discussing the relationships with the auditors.
- On a regular basis, meet separately with the external auditors to discuss any matters that the committee or auditors believe should be discussed privately.

Compliance

- Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- Review the findings of any examinations by regulatory agencies, and any auditor observations.
- Review the process for communicating the Code of Conduct to Corporation personnel, and for monitoring compliance therewith.
- Obtain regular updates from management and corporate legal counsel regarding compliance matters.
- Reporting Responsibilities
- Regularly report to the board of directors about committee activities, issues, and related recommendations.
- Provide an open avenue of communication between internal audit, the external auditors, and the board of directors.
- Report annually to the shareholders, describing the committee's composition, responsibilities and how they were discharged, and any other information required by rule, including approval of non-audit services.
- Review any other reports the corporate issues that relate to committee responsibilities.

Other Responsibilities

- Perform other activities related to this charter as requested by the board of directors.
- Institute and oversee special investigations as needed.
- Review and assess the adequacy of the committee charter annually, requesting board approval for proposed changes, and ensure appropriate disclosure as may be required by law or regulation.
- Confirm annually that all responsibilities outlined in this charter have been carried out.
- Evaluate the committee's and individual members' performance on a regular basis.

