

**Notice of Annual General and Special Meeting
&
Management Information Circular**

Annual General and Special Meeting of Shareholders
to be held on Friday, November 9th, 2018 at 10:00 AM (Vancouver Time)
at Suite 1015, 789 West Pender Street, Vancouver, B.C., V6C 1H2

Dated as of October 5, 2018

EMGOLD MINING CORPORATION
NOTICE OF ANNUAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual General Meeting (the “**Meeting**”) of shareholders of Emgold Mining Corporation (the “**Company**”) will be held at their offices at Suite 1015, 789 West Pender Street, Vancouver, B.C. V6C 1H2, on Friday, November 9th, 2018, at the hour of 10:00 a.m. (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal years ended December 31, 2016 and December 31, 2017, and the accompanying reports of the auditors;
2. to set the number of directors of the Company at four (4);
3. to elect the directors of the Company;
4. to ratify the appointment and remuneration of MNP LLP, Chartered Accountants, as the auditors of the Company for the fiscal years ending December 31, 2016 and December 31, 2017;
5. to appoint MNP LLP, Chartered Professional Accountants, as the auditors of the Company for the fiscal year ending December 31, 2018 and to authorize the directors of the Company to fix the remuneration to be paid to the auditors for the fiscal year ending December 31, 2018;
6. to consider and, if thought fit, to pass an ordinary resolution to approve the Company's Stock Option Plan as further described in the accompanying information circular; and
7. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying information circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this Notice of Meeting.

The Company's Board of Directors has fixed October 5th, 2018 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof (the “**Record Date**”). Each registered shareholder at the close of business on the Record Date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying information circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please complete, date and sign the accompanying form of proxy and deposit it with the Company's transfer agent, Computershare Investor Services Inc., in accordance with the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf (an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

DATED at Vancouver, British Columbia, this 5th day of October 2018.

By Order of the Board of Directors of
EMGOLD MINING CORPORATION

“David Watkinson”
Director and Chief Executive Officer

EMGOLD MINING CORPORATION

(the "**Company**")

789 West Pender Street, Suite 10150,
Vancouver, British Columbia V6C 1H2
Telephone: 1-866-497-0284

INFORMATION CIRCULAR

(as of October 5th, 2018, except as indicated)

The Company is providing this information circular (the "**Information Circular**") and a form of proxy in connection with management's solicitation of proxies for use at the annual general (the "**Meeting**") of the Company to be held on Friday, November 9th, 2018 at the hour of 10:00 a.m. (Vancouver Time) and at any adjournments. Unless the context otherwise requires, when we refer in this Information Circular to the Company, its subsidiaries are also included. The Company will conduct its solicitation by mail and officers and employees of the Company may, without receiving special compensation, also telephone or make other personal contact. The Company will pay the cost of solicitation. All financial information is in \$US unless otherwise noted.

APPOINTMENT OF PROXYHOLDER

The purpose of a proxy is to designate persons who will vote the proxy on a shareholder's behalf in accordance with the instructions given by the shareholder in the proxy. The persons whose names are printed in the enclosed form of proxy are officers or directors of the Company (the "**Management Proxyholders**").

A shareholder has the right to appoint a person other than a Management Proxyholder, to represent the shareholder at the Meeting by striking out the names of the Management Proxyholders and by inserting the desired person's name in the blank space provided or by executing a proxy in a form similar to the enclosed form. A proxyholder need not be a shareholder.

VOTING BY PROXY

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Shares represented by a properly executed proxy will be voted or be withheld from voting on each matter referred to in the Notice of Meeting in accordance with the instructions of 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 shares will be voted accordingly.

If a shareholder does not specify a choice and the shareholder has appointed one of the Management Proxyholders as proxyholder, the Management Proxyholder will vote in favour of the matters specified in the Notice of Meeting and in favour of all other matters proposed by management at the Meeting.

The enclosed form of proxy also gives discretionary authority to the person named therein as proxyholder with respect to amendments or variations to matters identified in the Notice of the Meeting and with respect to other matters which may properly come before the Meeting. At the date of this Information Circular, management of the Company knows of no such amendments, variations or other matters to come before the Meeting.

COMPLETION AND RETURN OF PROXY

Completed forms of proxy must be deposited at the office of the Company's registrar and transfer agent, **Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1** not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting, unless the chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

NON-REGISTERED HOLDERS

Only shareholders whose names appear on the records of the Company as the registered holders of shares or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are "non-registered" shareholders because the shares they own are not registered in their names but instead registered in the name of a nominee such as: a brokerage firm through which they purchased the shares; a bank, trust company, trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or a clearing agency such as CDS & Co. (the registration name for The Canadian Depository of Securities Limited, which acts as nominee for many Canadian brokerage firms) (a "**Nominee**"). If you purchased your Shares through a broker, you are likely a non-registered holder.

In accordance with securities regulatory policy, the Company has distributed copies of the Meeting materials, being the Notice of Meeting, this Information Circular and the form of proxy, to the Nominees for distribution to non-registered holders.

Nominees are required to forward the Meeting materials to non-registered holders to seek their voting instructions in advance of the Meeting. Shares held by Nominees can only be voted in accordance with the instructions of the non-registered holder. The Nominees often have their own form of proxy, mailing procedures and provide their own return instructions. If you wish to vote by proxy, you should carefully follow the instructions from the Nominee in order that your shares are voted at the Meeting.

If you are a non-registered holder and wish to vote at the Meeting in person, you should appoint yourself as proxyholder by writing your name in the space provided on the request for voting instructions or proxy form provided by the Nominee and return the form to the Nominee in the envelope provided. Do not complete the voting section of the form as your vote will be taken at the Meeting.

In addition, Canadian securities legislation now permits the Company to forward meeting materials directly to "non-objecting beneficial owners". These security-holder materials are being sent to both registered and non-registered holders. If you are a non-registered holder, and the Company or its agent has sent these materials directly to you (instead of through a Nominee), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Nominee holding on your behalf. By choosing to send these materials to you directly, the Company (and not the Nominee holding on your behalf) has assumed responsibility for (i) delivering these materials to you and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

REVOCABILITY OF PROXY

Any registered shareholder who has returned a proxy may revoke it at any time before it has been exercised. In addition to revocation in any other manner permitted by law, a registered shareholder, his attorney authorized in writing or, if the registered shareholder is a corporation, a corporation under its corporate seal or by an officer or attorney thereof duly authorized, may revoke a proxy by instrument in writing, including a proxy bearing a later date. The instrument revoking the proxy must be deposited at the registered office of the Company, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof, or with the chairman of the Meeting on the day of the Meeting. **Only registered shareholders have the right to revoke a proxy. Non-registered holders who wish to change their vote must, at least 7 days before the Meeting, arrange for their Nominees to revoke the proxy on their behalf.**

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of common shares ("**Shares**"). As of close of business on October 5th, 2018, there were 21,968,805 Shares issued and outstanding.

The holders of Shares are entitled to one vote for each Share held.

To the knowledge of the directors and executive officers of the Company, no person beneficially owns, controls or directs, directly or indirectly, Shares carrying 10% or more of the voting rights attached to all Shares issued and outstanding in the share capital of the Company,

ELECTION OF DIRECTORS

The directors of the Company are elected at each annual general meeting and hold office until the next annual general meeting, their resignation or until their successors are elected or appointed. In the absence of instructions to the contrary, the enclosed proxy will be voted by the Management Proxyholders for the nominees of management herein listed.

Shareholder approval will be sought to fix the number of directors of the Company at four (4).

The Company is required to have an Audit Committee. The Company also has a Corporate Governance and Compensation Committee (the "CGCC"); Committee members are as set out below.

Management of the Company proposes to nominate each of the following persons for election as a director. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position	Principal Occupation or employment and, if not a previously elected Director, occupation during the past 5 years	Previous Service as a Director	Number of Common Shares Beneficially Owned, Controlled or Directed, Directly or Indirectly ⁽¹⁾
David Watkinson California, USA President, Chief Executive Officer & Director	President, Chief Executive Officer and Director of the Company	Since October 16, 2007	885,000
Andrew MacRitchie ^(2,3) Vancouver, B.C. Director	Chief Financial Officer, Skeena Resources	Since May 22, 2012	312,000
Robert Rosner ^(2,3) California, USA CFO & Director	Chief Financial Officer, Lucky Minerals Inc. Chief Financial Officer, Chimata Gold Corporation	Since July 10, 2018	250,000
Vincent Garibaldi ^(2,3) Montreal, Quebec Director	Lawyer, Dunton Rainville LLP Lawyer, Brière & Lebeuf Inc.	Since August 2, 2018	Nil

Notes:

- (1) Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at October 5th, 2018, based upon information publicly available or furnished to the Company by individual directors. Unless otherwise indicated, such Shares are held directly.
- (2) Member of the Audit Committee.
- (3) Member of the CGCC.

About the Directors:

David Watkinson brings over 30 years of professional engineering experience in underground and open pit mine development, including mine permitting, engineering, feasibility, construction, and operations to Emgold. In addition, he has extensive experience in project management, having taken projects from grass roots start-up to successful operating status. Mr. Watkinson has been responsible for management of large capital projects and operations in Canada, the United States and the Philippines. He has held progressively senior positions with Placer Dome Inc., Kinross Gold Corporation, Thyssen Mining Construction and Vulcan Materials Company. Mr. Watkinson holds a B.Sc. in Applied Science, Mining Engineering, from Queen's University in Kingston, Ontario (1985) and is a Registered Professional Engineer in the Province of Ontario.

Robert Rosner is a mining industry entrepreneur and executive for over 30 years. He currently serves as Director and Chief Financial Officer of Lucky Minerals Inc. (TSXV: LKY), Director and CFO of Chimata Gold Corp. (CSE: CAT), Director and Executive Chairman of Tomagold Corporation (TSXV: LOT), as well as holds Director and Executive positions on several Canadian and USA based public companies. Mr. Rosner has over 30 years of experience in the mining industry and acted as an officer and director of both Canadian and U.S. listed companies, providing senior management of reporting compliance, oversight and fiduciary capacities, and directing corporate activities. He also has significant experience in Initial Public Offerings, Mergers & Acquisitions, and reverse takeovers.

Andrew MacRitchie has over 16 years of experience in various mineral exploration finance and accounting roles. He is a Chartered Professional Accountant and holds a B.Sc. Honours degree from the University of British Columbia. He is Chief Financial Officer of Skeena Resources Limited, Eros Resources Corp., and other junior exploration-stage resource companies. Andrew has assisted in raising over \$100 million in funding for a number of TSX Venture Exchange listed companies.

Vincent Garibaldi has been a lawyer with the law firm Dunton Rainville since 2017 and is located in Montreal, QC. He has been practicing law since 2015 and has a Master Degree in Business Law, *Université d'Aix-Marseille*, LL.B., Civil Law and a Master Degree in Economic Law, *Institut de Droit des Affaires d'Aix-en-Provence*, France. Mr. Garibaldi is a member of the Paris Bar since 2015 and of the Quebec Bar since 2017. He specialized in capital markets, corporate finance and reorganizations, mergers and acquisitions, private and public financing, and commercial contracts.

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

To the knowledge of the Company, no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, chief executive officer ("CEO") or chief financial officer ("CFO") of any company (including the Company) that:
 - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO of such company but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) 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

- (c) 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, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) 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
- (e) 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.

The following directors of the Company hold directorships in other reporting issuers as set out below:

Name of Director	Name of Reporting Issuer
David Watkinson	None
Andrew MacRitchie	None
Robert Rosner	Chimata Gold Corp. (CSE: CAT) Lucky Minerals Inc. (TSXV: LKY) Tomagold Corporation (TSXV: LOT) JG Wealth Inc. (CSE: JGW)
Vincent Garibaldi	None

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

The CGCC of the board of directors (the “**Board**”) is responsible for adopting appropriate procedures for executive compensation and making recommendations to the Board with respect to the compensation of the Company’s executive officers. The CGCC aims to ensure that total compensation paid to all NEOs is fair and reasonable and is consistent with the Company’s compensation philosophy.

The CGCC is also responsible for recommending compensation for the directors and granting stock options to the directors, officers and employees of, and consultants to, the Company pursuant to the Company’s stock option plan (the “**Plan**”).

Two of three members of the CGCC are independent. The Board is satisfied that the composition of the CGCC ensures an objective process for determining compensation.

The skills and experience of the CGCC that are relevant to their responsibilities in executive compensation include the following:

- Andrew MacRitchie is a Chartered Professional Accountant and holds a B.Sc. Honours degree from the University of British Columbia. He is Chief Financial Officer of Skeena Resources Limited, Eros Resources Corp., and other exploration-stage resource companies. Andrew articulated with PricewaterhouseCoopers. He has over 16 years of experience in the mining industry.
- Robert Rosner is a mining professional and is Chief Financial Officer for Chimata Gold Corporation, Lucky Minerals Inc., and other exploration-stage resource companies. Mr. Rosner has over 30

years of experience in the mining industry and has acted as an officer and director of both Canadian and U.S. companies.

- Vincent Garibaldi has been a lawyer with the law firm Dunton Rainville since 2017. He has been practicing law since 2015 and has a Master Degree in Business Law, Université d'Aix-Marseille, LL.B., Civil Law and a Master Degree in Economic Law, Institut de Droit des Affaires d'Aix-en-Provence, France. Mr. Garibaldi is a member of the Paris Bar since 2015 and of the Quebec Bar since 2017.

Philosophy

The philosophy of the Company in determining compensation is that the compensation should: (i) reflect the Company's current state of development; (ii) reflect the Company's performance; (iii) reflect individual performance; (iv) align the interests of executives with those of the shareholders; (v) assist the Company in retaining key individuals; and (vi) reflect the Company's overall financial status.

Compensation Components

The compensation of the NEOs comprises primarily: (i) base salary; and (ii) long-term incentive in the form of stock options granted in accordance with the Plan.

In establishing levels of compensation and granting stock options, the comparable levels of remuneration paid to NEOs of other companies of comparable size and development within the mining exploration and development industry are considered. In establishing NEO remuneration and the granting of stock options, the Company identified three companies which would comprise the benchmark group, consisting of companies about which the Company was knowledgeable, so as to more accurately assess the components of the benchmark in relation to such companies. The components of the benchmark are: market capitalization; number of properties owned or optioned; property activity levels; number of jurisdictions in which the Company is operating; number of employees; condition of balance sheets; compensation and option plans; and planned activities for calendar year. The companies in the benchmark group are at similar stages of development as the Company, and with exploration plans of a similar magnitude in the calendar year as those of the Company. The companies in the benchmark group are Apex Resources Inc., California Gold Corporation, and Nevada Sunrise Gold Corp.

The CGCC also relies on the experience of its members as officers and directors of other companies in similar lines of business as the Company in assessing compensation levels. Certain of these other companies are noted above. The purpose of this process is to:

- understand the competitiveness of current pay levels for each executive position relative to companies with similar business characteristics;
- identify and understand any gaps that may exist between actual compensation levels and market compensation levels; and
- establish a basis for developing salary adjustments and short-term and long-term incentive awards for approval of the CGCC.

To date, no specific formulas have been developed to assign a specific weighting to each of these components. Instead, the independent directors consider the Company's performance and determine compensation based on this assessment and the recommendations of the CGCC.

Base Salary

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

Stock Option Plan

The Board implemented the Plan effective June 8, 2005, amended by Directors Resolution dated December 22, 2011, and accepted by the TSX Venture Exchange (the "**Exchange**") on February 22, 2018 and ratified by shareholders most recently at the Company's 2016 Annual General Meeting. The number of Shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding Shares at the time of the grant. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Shares on a yearly basis or 2% if the Optionee (as defined in the Plan) is engaged in investor relations activities or is a consultant to the Company. Under Exchange policies, all such rolling stock option plans which set the number of Shares issuable under the Plan at a maximum of 10% of the issued and outstanding Shares must be approved and ratified by shareholders on an annual basis.

Options are exercisable over periods of up to five (5) years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's Shares on the Exchange prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board to specify a vesting schedule in its sole discretion. The Plan provides that if a change of control, as defined therein, occurs, all Shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

All options granted to NEOs are recommended by the CGCC and approved by the Board. In monitoring option grants, the CGCC takes into account the level of options granted by comparable companies for similar levels of responsibility and considers each NEO or employee based on reports received from management, its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value. The CGCC also takes in to account previous grants of options-based awards when considering new grants.

In addition to determining the number of options to be granted pursuant to the methodology outlined above, the CGCC also makes the following determinations subject to, and in accordance with, the provision of the Plan:

- the exercise price for each option granted;
- the date on which each option is granted;
- the vesting terms for each option; and
- the other material terms and conditions of each option grant.

Option-based awards

The Plan has been and will be used to provide stock options which are granted in consideration of the level of responsibility of the executive as well as his or her impact or contribution to the longer-term operating performance of the Company. In determining the number of options to be granted to the executive officers, the Board takes into account the number of options, if any, previously granted to each executive officer, and the exercise price of any outstanding options to ensure that such grants are in accordance with the policies of the Exchange, and closely align the interests of the executive officers with the interests of shareholders.

The CGCC has the responsibility to administer the compensation policies related to the executive management of the Company, including option-based awards.

Compensation Risk Management

The Board considers the implications of the risks associated with the Company's compensation policies and practices when determining rewards for its officers and Directors. The Board intends to review at least once annually the risks, if any, associated with the Company's compensation policies and practices at such time.

Executive compensation is comprised of both short-term compensation in the form of a base salary/fee and long-term ownership through the grant of stock options. This structure ensures that a significant portion of

executive compensation (stock options) is both long-term and "at risk" and, accordingly, is directly linked to the achievement of business results and the creation of long term shareholder value.

The Board also has the ability to set out vesting periods in each stock option agreement. As the benefits of such compensation, if any, are not realized by officers and Directors until a significant period of time has passed, the ability of officers to take inappropriate or excessive risks that are beneficial to their compensation at the expense of the Company and the shareholders is extremely limited. Furthermore, all elements of executive compensation are discretionary. As a result, it is unlikely an officer would take inappropriate or excessive risks at the expense of the Company or the shareholders that would be beneficial to their short-term compensation when their long-term compensation might be put at risk from their actions.

Due to the relatively small size of the Company and its current management group, the Board is able to closely monitor and consider any risks which may be associated with the Company's compensation policies and practices. Risks, if any, may be identified and mitigated through regular Board meetings during which financial and other information of the Company is reviewed. No risks have been identified arising from the Company's compensation policies and practices that are reasonably likely to have a material adverse effect on the Company.

The Company has not adopted a formal policy forbidding directors or officers from purchasing financial instruments that are designed to hedge or offset a decrease in market value of equity securities granted as compensation or held, directly or indirectly, by directors or officers.

Summary Compensation Table

The following table (presented in accordance with Form 51-102F6, Statement of Executive Compensation, which came into force on December 31, 2008 ("**Form 51-102F6**")) sets forth all direct and indirect compensation for or in connection with services in all capacities to the Company and any of its subsidiaries for the three most recently completed financial years of the Company (to the extent required by Form 51-102F6) in respect of each of the individuals comprised of each Chief Executive Officer and the Chief Financial Officer who acted in such capacity for all or any portion of the most recently completed financial year, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity (other than the Chief Executive Officer and the Chief Financial Officer), as at December 31, 2017 whose total compensation was, individually, more than \$150,000 for the financial year and any individual who would have satisfied these criteria but for the fact that individual was neither an executive officer of the Company, nor acting in a similar capacity, at the end of the most recently completed financial year (collectively, the "**Named Executive Officers**" or "**NEOs**").

Name and Principal Position Held	Year	Salary ⁽¹⁾ (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)	Non-Equity Incentive Plan Compensation ⁽³⁾ (\$)			All Other Compensation ⁽²⁾ (\$)	Total Compensation ⁽³⁾ (\$)
					Annual Incentive Plans	Long-Term Incentive Plans	Pension Value (\$)		
David. Watkinson ⁽⁴⁾ President & CEO	2017	92,500	NIL	NIL	NIL	NIL	NIL	1,799	94,299
	2016	92,500	NIL	NIL	NIL	NIL	NIL	NIL	92,500
	2015	92,500	NIL	NIL	NIL	NIL	NIL	NIL	92,500
Clearline CPA Corp. ⁽⁵⁾ CFO	2017	NIL	NIL	NIL	NIL	NIL	NIL	34,120	34,210
	2016	NIL	NIL	NIL	NIL	NIL	NIL	35,666	35,666
	2015	NIL	NIL	NIL	NIL	NIL	NIL	35,000	35,000

Notes:

- (1) Includes the dollar value of cash and non-cash base salary paid or accrued during a financial year covered.
- (2) Includes interest paid to the CEO for loans made to the Company.
- (3) These amounts include all amounts set out in the table for each NEO.
- (4) Of the total salary, shown for David Watkinson for services as President and CEO for the years ended December 31, 2015, 2016 and 2017. In the period ending 31 March 2017, the CEO forgave the outstanding salary payable for the years 2015 and 2016. The salary for 2017 remains unpaid and accrued as at December 31, 2017.
- (5) Fees were paid directly to Clearline CPA Corp., a company of which Grant T. Smith is a director, for services as CFO. Total fees incurred in 2017 were \$34,120 including \$27,760 for CFO services and \$6,360 for

bookkeeping service. In 2016, \$31,627 of the fees payable to Clearline were forgiven. A portion of these fees remain unpaid and accrued as at December 31, 2017.

Incentive Plan Awards

The Company does not have any incentive plans pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded, earned, paid or payable to the NEOs, nor any share-based award plan under which equity-based instruments that do not have option-like features can be issued.

The Company has the Plan, pursuant to which stock options may be granted to officers, directors, employees and service providers of the Company. See "Stock Option Plan" above.

Outstanding Option-Based Awards

The following table sets forth option-based awards made to each of the Named Executive Officers and outstanding at the end of the most recently completed financial year, including awards granted before the most recently completed financial year:

Name	Option-based Awards				Share-based Awards ⁽³⁾	
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price ⁽¹⁾ (\$Cdn)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)
David Watkinson	70,000	1.00	11-Oct-2018	NIL	N/A	N/A
Grant T. Smith	35,000	1.00	11-Oct-2018	NIL	N/A	N/A

Notes:

- (1) Numbers include a 10:1 consolidation completed by the Company on September 1, 2017.
- (2) The closing market price of the Company's shares on the TSX Venture Exchange was Cdn\$0.17 per share on December 31, 2017.
- (3) The Company does not have Incentive Plan Awards other than option-based awards.

Value Vested or Earned During the Year

The fair value of vested or earned option-based awards during the year totaled \$Nil under the Plan during the financial year ended December 31, 2017, for all NEOs.

Pension Plan Benefits

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

Termination and Change of Control Benefits

The Company does not have in place with its directors and officers agreements that provide for payment of severance in lieu of notice in the event of termination or deemed termination or failure to renew their respective employment contracts except as described below.

The employment agreement of David G. Watkinson, by the Idaho-Maryland Mining Corporation, provides for payment to Mr. Watkinson of a minimum severance allowance equivalent to twelve (12) month's salary in the event of termination by the Company with or without cause. Additionally, the employment contract provides for payment to Mr. Watkinson of a severance allowance equivalent to a minimum of twenty-four

(24) month's salary in the event of an acquisition or takeover by another company or other similar form of transaction.

Note that Mr. Watkinson's employment agreement dated December 13, 2007 was based on an annual salary of \$185,000. Mr. Watkinson voluntarily reduced his salary to \$92,500 on a temporary basis in 2014, due to the financial condition of the Company. Mr. Watkinson also voluntarily reduced, on a temporary basis, the salary related to his termination and change of control benefits to reflect this reduced salary. If Mr. Watkinson's employment had been terminated or if the Company had been acquired on December 31, 2017, he would have been entitled to receive \$92,500 or \$185,000 respectively.

Director Compensation

Directors are entitled to reimbursement for reasonable travel and other out-of-pocket expenses incurred in connection with attendance at meetings of the Board. The Board may award special remuneration to any director undertaking any special services on behalf of the Company other than services ordinarily required of a director. This is subject to recommendation by the CGCC. As indicated herein, the Chief Executive Officer and Chief Financial Officer who also serve as directors of the Company received compensation for their services as officers.

In the years ending December 31, 2017, 2016 and 2015, no Directors' fees were paid.

No amounts of compensation were provided to the directors who are not NEOs for the Company's most recently completed financial year, other than options pursuant to the Plan.

Incentive Plan Awards - Outstanding Option-Based Awards

The Company does not have an incentive plan pursuant to which compensation that depends on achieving certain performance goals or similar conditions within a specified period is awarded to directors.

The Company's Plan provides for the granting of incentive stock options to the officers, employees and directors. The purpose of granting such options is to assist the Company in compensating, attracting, retaining and motivating the directors of the Company and to closely align the personal interests of such persons to that of the shareholders. See "Stock Option Plan" above.

The following table sets out all option-based awards outstanding to directors who are not also Named Executive Officers as at the end of the last financial year.

Name	Option-based Awards				Share-based Awards	
	Number of securities underlying unexercised options ⁽¹⁾ (#)	Option exercise price ⁽¹⁾ (\$Cdn)	Option expiration date	Value of unexercised in-the-money options ⁽²⁾ (\$)	Number of shares or units of shares that have not vested ⁽³⁾ (#)	Market or payout value of share-based awards that have not vested ⁽³⁾ (\$)
William J. Witte	35,000	1.00	11-Oct-2018	NIL	N/A	N/A
Andrew MacRitchie	35,000	1.00	11-Oct-2018	NIL	N/A	N/A
Allen Leschert	35,000	1.00	11-Oct-2018	NIL	N/A	N/A

Notes:

- (1) Numbers include a 10:1 consolidation completed by the Company on September 1, 2017.
- (2) The closing market price of the Company's shares on the TSX Venture Exchange was \$0.17Cdn per share on December 31, 2017.
- (3) The Company does not have Incentive Plan Awards in place other than option-based awards.

Securities Authorized for Issuance Under Equity Compensation Plans

Equity Compensation Plan Information

	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 column (a))
Plan Category ⁽¹⁾	Stock Option Plan	Stock Option Plan	Stock Option Plan
Equity compensation plans approved by security holders ⁽²⁾	265,000	\$1.00	532,120
Equity compensation plans not approved by security holders	NIL	NIL	NIL
Total	265,000	\$1.00	532,120

Notes:

- (1) The only “equity compensation plan” in place is the Company’s Plan. See “Option Based Awards” above.
- (2) As at December 31, 2017, total number of securities issued by the Company was 7,971,206. The total number of securities available for issue under the 10% rolling Stock Option Plan was 797,120. 265,000 options had been awarded to Directors, Officers, employees, and consultants of the Company.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As at October 5, 2018, there was no indebtedness outstanding of any current or former director, executive officer or employee of the Company or its subsidiaries which is owing to the Company or its subsidiaries, or which indebtedness is owing to another entity and is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries, whether entered into in connection with a purchase of securities or otherwise.

No individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Company, no proposed nominee for election as a director of the Company and no associate of such persons:

- (i) is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any of its subsidiaries; or
- (ii) is indebted to another entity, which indebtedness is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Company or its subsidiaries,

whether in relation to a securities purchase program or other program.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Company at any time since the beginning of the Company's last financial year, no proposed nominee of management of the Company for election as a director of the Company, and no associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership or otherwise, in matters to be acted upon at the Meeting other than the election of directors, the appointment of auditors and the re-approval of the Stock Option Plan.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person or proposed director of the Company, and no associate or affiliate of such persons, has or has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction which in either such case has materially affected or would materially affect the Company or any of its subsidiaries.

APPOINTMENT OF AUDITORS

MNP LLP, Chartered Accountants, of Suite 1300, 1055 Dunsmuir Street, Box 49148, Vancouver, B.C. V7X 1J1, are the auditors of the Company. Unless otherwise instructed, the proxies given pursuant to this solicitation will be voted for the appointment MNP LLP, Chartered Accountants, as the auditors of the Company to hold office for the ensuing year at remuneration to be fixed by the directors.

AUDIT COMMITTEE

The Audit Committee Charter may be found in Schedule "B".

Composition of the Audit Committee

The following are the members of the Audit Committee:

Andrew MacRitchie	Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Robert Rosner	Not Independent ⁽¹⁾	Financially Literate ⁽¹⁾
Vincent Garibaldi	Independent ⁽¹⁾	Financially Literate ⁽¹⁾

⁽¹⁾ As defined by National Instrument 52-110 ("NI 52-110").

Relevant Education and Experience

The education and experience of each member of the Audit Committee relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

1. an understanding of the accounting principles used by the Company to prepare its financial statements;
2. the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
3. experience preparing, auditing, analyzing or 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 reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities; and
4. an understanding of internal controls and procedures for financial reporting.

The members of the Audit Committee are as follows:

- Andrew MacRitchie is a Chartered Professional Accountant and holds a B.Sc. Honours degree from the University of British Columbia. He is Chief Financial Officer of Skeena Resources Limited, Eros Resources Corp., and other exploration-stage resource companies. Andrew articulated with PricewaterhouseCoopers. He has over 16 years of experience in the mining industry.
- Robert Rosner is a mining professional and is Chief Financial Officer for Chimata Gold Corporation, Lucky Minerals Corporation, and other exploration-stage resource companies. Mr. Rosner has over 30 years of experience in the mining industry and has acted as an officer and director of both Canadian and U.S. companies.
- Vincent Garibaldi is a lawyer with the law firm Dunton Rainville since 2017. He has been practicing law since 2015 and has Master Degree in Business Law, Université d'Aix-Marseille, LL.B., Civil Law and a Master Degree in Economic Law, Institut de Droit des Affaires d'Aix-en-Provence. Mr. Garibaldi is a member of the Paris Bar since 2015 and of the Quebec Bar since 2017.

Audit Committee Oversight

At no time since the commencement of the Company'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 Company's most recently completed financial year has the Company 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 of NI 52-110.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as described above under the heading "External Auditors".

External Auditors Service Fees (By Category)

The following table discloses the aggregate fees billed for each of the last two fiscal years for professional services rendered by the Company's audit firm for various services:

Services:	Years ended December 31,	
	2017 (Cdn\$)	2016 (Cdn\$)
Audit Fees	\$24,000	\$22,000
Audit-Related Fee ⁽¹⁾	1,680	\$1,540
Tax Fees	-	-
All Other Fees ⁽²⁾	-	-
Total Fees	\$25,680	\$23,540

(1) "Audit-Related Fee" includes services that are traditionally performed by the auditor.

(2) Primarily Canadian Public Accounting Board fees.

Exemption in Section 6.1 of NI 52-110

The Company is relying on the exemption in Section 6.1 of NI 52-110 from the requirement of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations).

CORPORATE GOVERNANCE DISCLOSURE

A summary of the responsibilities and activities and the membership of each committee of the Board is set out below.

National Policy 58-201 *respecting Corporate Governance Guidelines* establishes corporate governance guidelines which apply to all public companies. The Company has reviewed its own corporate governance practices in light of these guidelines. In certain cases, the Company's practices comply with the guidelines, however, the Board considers that some of the guidelines are not suitable for the Company at its current stage of development and therefore these guidelines have not been adopted. National Instrument 58-101 *respecting Disclosure of Corporate Governance Practices* mandates disclosure of corporate governance practices which disclosure is set out below.

Independence of Members of Board

The Company's Board consists of four (4) directors, two (2) of whom are independent based upon the tests for independence set forth in National Instrument 52-110 *respecting Audit Committees* ("**NI 52-110**"). Andrew MacRitchie and Vincent Garibaldi are considered independent. David Watkinson and Robert Rosner are not independent as both have been an officer of the Company within the last three (3) years.

Management Supervision by Board

The CEO and CFO report upon the operations of the Company to the Board at Board meetings held on a quarterly basis. At this time, quarterly financial and management discussion and analysis documents are reviewed and approved by the Board. This allows the independent directors to review the operations of the Company on a regular basis.

In addition, the CEO schedules Board meetings by conference call with Board members as required to inform them of activities by the Company and to obtain approval for decisions requiring Board approval. The CEO also schedules additional conference calls with the Board members to keep them informed and updated on of the Companies activities. Board resolutions are prepared by the CEO and distributed to the Board to obtain approval for certain decisions in lieu of obtaining Board approval by means of a meeting. The Board also meets as part of the Annual General Meeting of the Company.

Participation of Directors in Other Reporting Issuers

The participation of the directors in other reporting issuers is described in the table provided under "Election of Directors" in this Information Circular.

Board Mandate

The Board has adopted a Board of Directors Mandate, the text of which is attached as Schedule "A" to this Information Circular.

Position Descriptions

The Board has adopted position descriptions for the Chair of the Board the CEO and for the chairs of each of its committees.

Orientation and Continuing Education

When new directors are appointed, they receive an 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. The Company has not taken any additional measures to provide continuing education for directors.

Ethical Business Conduct

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 directors' 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.

Nomination of Directors

The members of the CGCC are Andrew MacRitchie, Robert Rosner, and Vincent Garibaldi. The CGCC has responsibility for identifying potential Board candidates. The CGCC assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the mineral exploration industry are consulted for possible candidates.

Compensation of Directors and the CEO

The CGCC has responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the CGCC reviews compensation paid for directors and CEOs of companies of similar size and stage of development in the mining industry and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the CGCC annually reviews the performance of the CEO in light of the Company's objectives and considers other factors that may have impacted the success of the Company in achieving its objectives.

Assessments

The Board annually, and at such other times as it deems appropriate, reviews the performance and effectiveness of the Board, the directors and its committees to determine whether changes in size, personnel or responsibilities are warranted. To assist in its review, the Board conducts informal surveys of its directors, receives input from the CGCC on its assessment of the functioning of the Board and input from

each of the CGCC and Audit Committee respecting its own effectiveness. As part of the assessments, the Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable corporate policies.

Corporate Governance and Compensation Committee

The CGCC was formed for making recommendations to the Board with respect to developments in the area of corporate governance, the practices of the Board, and appropriate candidates for nomination to the Board and for evaluating the performance of the Board.

Expectations of Management

The Board expects management to operate the business of the Company in a manner that enhances shareholder value and is consistent with the highest level of integrity. Management is expected to execute the Company's business plan and to meet performance goals and objectives.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

(a) Approval and Ratification of 10% Rolling Stock Option Plan

The Board implemented the Plan effective April 29, 2005, which was accepted by the Exchange and has been ratified yearly by shareholders at the Company's annual general meetings. The number of Shares which may be issued pursuant to options previously granted and those granted under the Plan is a maximum of 10% of the issued and outstanding Shares at the time of the grant. In addition, the number of Shares which may be reserved for issuance to any one individual may not exceed 5% of the issued Shares on a yearly basis or 2% if the Optionee is engaged in investor relations activities or is a consultant. Under Exchange policy, all such rolling stock option plans which set the number of common shares issuable under the plan at a maximum of 10% of the issued and outstanding Shares must be approved and ratified by shareholders on an annual basis.

Therefore, at the Meeting, shareholders will be asked to pass a resolution in the following form:

"BE IT RESOLVED that the Company approve and ratify the Plan pursuant to which the directors may, from time to time, authorize the issuance of options to directors, officers, employees and consultants of the Company and its subsidiaries to a maximum of 10% of the issued and outstanding common shares at the time of the grant, with a maximum of 5% of the Company's issued and outstanding shares being reserved to any one person on a yearly basis, as more particularly described in the Company's management information circular."

The purpose of the Plan is to allow the Company to grant options to directors, officers, employees and consultants, as an incentive for performance, and as an opportunity to participate in the success of the Company. The granting of such options is intended to align the interests of such persons with that of the shareholders. Options will be exercisable over periods of up to five years as determined by the Board and are required to have an exercise price no less than the closing market price of the Company's Shares prevailing on the day that the option is granted less a discount of up to 25%, the amount of the discount varying with market price in accordance with the policies of the Exchange. Pursuant to the Plan, the Board may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The Plan contains no vesting requirements, but permits the Board to specify a vesting schedule in its discretion. The Plan provides that if a change of control, as defined therein, occurs, all shares subject to option shall immediately become vested and may thereupon be exercised in whole or in part by the option holder.

The full text of the Plan will be available for review at the Meeting and a copy may be obtained by request prior to the Meeting from the Corporate Secretary at (604) 839-7985.

The resolution requires the affirmative vote of a simple majority of votes cast on the resolution at the Meeting.

Unless such authority is withheld, the persons named in the enclosed Proxy intend to vote for the approval and ratification of the Plan.

ADDITIONAL INFORMATION

Additional information relating to the Company is on SEDAR at www.sedar.com and on Emgold's website at www.emgold.com. Shareholders may contact the Company at (604) 839-7985 to request copies of the Company's financial statements and related MD&A and they are also available at the websites above.

Financial information is provided in the Company's comparative financial statements and MD&A for its most recently completed financial year, as updated by the subsequent quarterly financial statements, all of which are filed on SEDAR and available at www.sedar.com.

OTHER MATTERS

Management of the Company is not aware of any other matter to come before the Meeting other than as 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 enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DATED this 5th, day of October, 2018.

APPROVED BY THE BOARD OF DIRECTORS

"David Watkinson"

DAVID WATKINSON

President, CEO and Director

Schedule "A"

BOARD OF DIRECTORS MANDATE

(1) Board's Purpose

The duties and responsibilities of directors follow from applicable corporate laws, as well as those duties and responsibilities generally agreed and approved by the Board. The intent is that the duties and responsibilities guide the Board in complying with all applicable Canadian and U.S. legal and regulatory requirements.

Directors are accountable to the shareholders of the Company.

(2) Board's Mandate

The Board of Directors shall set and assess the objectives of the Company by directing, supervising and otherwise reviewing and approving the stewardship of the Company.

All material transactions must be reviewed and approved by the Board prior to implementation. Any responsibility that is not delegated to senior management or a Board committee remains with the full Board. One of the Board's responsibilities is to review and, if thought fit, to approve opportunities as presented by management and to provide guidance to management. The Board relies on management for the preparation of periodic reports, and to provide the support and information necessary to enable the Board to fulfill its obligations effectively.

The Board has the responsibility to participate with management in developing and approving the mission of the business, its objectives and goals, the strategic plans arising therefrom, and monitoring subsequent performance against said plans. Strategic issues are reviewed with management and addressed by the full Board at regularly scheduled Board meetings and at meetings specifically called for this purpose. The Board's strategic planning process involves having regular Board meetings to review reports on the Company's operations, exploration and development programs, and permits meeting with management on a regular basis, and reviewing business opportunities as presented by management.

The Board also meets to: plan for the future growth of the Company; identify risks of the Company's business, thus ensuring the implementation of appropriate systems to manage these risks; monitor senior management; and ensure timely disclosure of material transactions through the issuance of news releases and financial statements. The Board reviews financial performance quarterly. Frequency of meetings, as well as the nature of agenda items, change depending upon the state of the Company's affairs and in light of opportunities or risks which the Company faces. When necessary and appropriate, issues may be approved and adopted by the Board by way of written resolutions.

(3) Composition

To the extent applicable, the Board of Directors shall be comprised with a majority of individuals who qualify as "unrelated" directors.

In deciding whether a particular director is a "related director" or an "unrelated director", the Board of Directors shall examine the factual circumstances of each director and consider them in the context of factors considered to be relevant.

Under the Exchange Guidelines, an "unrelated director" means a director who is independent of management and is free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act with a view to the best interests of the Company, other than interests and relationships arising from shareholding.

Under the Exchange Guidelines, a "significant shareholder" means a shareholder with the ability to exercise a majority of the votes for the election of the Board of Directors. The Board considers that it is constituted with an appropriate number of directors who are not related to either the Company or a significant shareholder.

(4) Independence from Management

All committees of the Board shall be made up of a majority of non-management directors.

The Company's CGCC and Audit Committees are authorized to approve, in circumstances that they consider appropriate, the engagement of outside advisers at the Company's expense.

(5) Specific Responsibilities and Duties

The Board's mandate includes the following duties and responsibilities:

- (a) Reviewing and approving any proposed changes to the Company's memorandum or articles.
- (b) Be responsible for, and take appropriate action with respect to, any take-over bid, proposed merger, amalgamation, arrangement, acquisition of all or substantially all of the assets or any similar form of business combination, including the approval of any agreements, circulars or other documents in connection therewith.
- (c) Approving payment of distributions to shareholders.
- (d) Approving any offerings, issuances or repurchases of share capital or other securities.
- (e) Approving the establishment of credit facilities and any other long-term commitments.
- (f) Selecting and appointing, evaluation of and (if necessary) termination of the CEO and CFO, and approving the hiring of any other senior executive or officer.
- (g) Succession planning and other human resource issues. The appointment of all corporate officers requires Board authorization.
- (h) Approving the compensation of the senior executive officers, including performance bonus plans and stock options.
- (i) Adopting a strategic planning process, approving strategic plans, and monitoring performance against plans.
- (j) Reviewing and approving annual operational budgets, capital expenditures and corporate objectives, and monitoring performance on each of the above.
- (k) Reviewing policies and procedures to identify business risks, and ensure that systems and actions are in place to monitor them.
- (l) Reviewing policies and processes to ensure that the Company's internal control and management information systems are operating properly.
- (m) Approving the financial statements and MD&A, and making a recommendation to shareholders for the appointment of auditors.
- (n) Approving the Company's code of business ethics, which includes a communications policy for the Company, and monitoring its application.
- (o) Assessing the contribution of the Board, committees and all directors annually, and planning for succession of the Board.
- (p) Arranging formal orientation programs for new directors, where appropriate.

(6) Directors' Remuneration and Expenses

The directors' remuneration is fixed by the Board upon the recommendation of the CGCC. The directors are also entitled to be reimbursed for reasonable traveling and other expenses properly incurred by them in attending meetings of the Board or any committee thereof or in connection with their services as directors.

(7) Board Meetings Process

The powers of the Board may be exercised at a meeting for which notice has been given and at which a quorum is present or, in appropriate circumstances, by resolution in writing signed by all the directors.

(a) Responsibility for Convening

Regular meetings of the directors may be called and held at such time and at such place as the Board may by resolution from time to time determine. Any director may call a meeting of the Board at any time.

(b) Notice of Meeting

Reasonable notice of the time and place of each meeting shall be given by mail or by telephone or any other method of transmitting legibly recorded messages. A notice of meeting of directors need not specify the purpose of or the business to be transacted at the meeting except where applicable legislation requires such purpose or business to be specified.

(c) Quorum

The quorum for the transaction of business at any meeting of the Board shall be a majority of directors or such other number of directors as the Board may from time to time determine according to the articles of the Company.

(d) Chairman

The Chairman of the Board and the Lead Director, if any, shall be elected annually at the first meeting of the directors following the shareholders meeting.

(e) Voting

At all meetings of the Board every resolution shall be decided by a majority of the votes cast on the resolution and in case of any equality of votes, the Chairman has a second or casting vote.

(f) Order of Business

The Board shall endeavour to conduct its business effectively and efficiently. Accordingly, it shall be normal procedure to provide directors with the agenda and materials at least five business days ahead of time in order that they may arrive at the meeting fully prepared.

(g) Board meetings shall normally proceed as follows:

- Review and approval of the minutes of the preceding meeting;
- Business arising from the previous minutes;
- Reports of committees;
- President's report, financial and operational reports;
- Other business;
- Setting the date and time of the next meeting; and
- Adjournment

(h) Minutes of the meetings

A secretary should be named for each Board and committee meeting and minutes should be circulated at the latest one month after such meeting. Minutes of the committees meetings will be given to each Board member.

(8) Lead Director

The Board may designate an outside, unrelated director to serve as "Lead Director" with the responsibility to ensure that the Board executes its mandate effectively, efficiently and independently of management. Currently the Board does not have a Lead Director.

This Board of Directors Mandate was adopted by the Board of Directors of Emgold Mining Corporation effective September 1, 2005.

MANDATE OF THE LEAD DIRECTOR

- (1) The Board may designate an outside, unrelated director to serve as "Lead Director" with the responsibility to ensure that the Board executes its mandate effectively, efficiently and independently of management.
- (2) Specific Role and Responsibility:
 - (a) Ensure that the Board works as a cohesive team under his/her leadership and that Board meetings are conducted in such a manner that facilitates the exchange of constructive and objective points of view, and encourages all directors to participate in such a way that is conducive to good decision-making.
 - (b) Ensure that the Board has adequate resources, especially by way of full, timely and relevant information to support its decision-making requirements.
 - (c) Reviews the Board meeting agendas to ensure that matters are brought up in a timely fashion, and that they are documented in a manner that allows the making of well informed decisions and provide input to the Chairman on the preparation of agendas for Board and committee meetings.
 - (d) Ensure that a process is in place to monitor legislation and best practices which relate to the responsibilities of the Board, to assess the effectiveness of the overall Board, its committees, and individual directors on a regular basis. Consult with the Chairman and the Board on the effectiveness of Board Committees.
 - (e) Ensure delegated committee functions are carried out and reported to the Board.
 - (f) Ensure that independent directors have adequate opportunities to meet to discuss issues without Management present.
 - (g) Chair Board meetings when appropriate or when the Chairman is not in attendance.
 - (h) Communicate to management, as appropriate, the results of private discussions among outside directors and ensure that the expectations of the Board towards management and those of management towards the Board are clearly expressed in a respectful and constructive manner.
 - (i) Oversee the evaluation of the performance of the President and CEO, the CFO and other senior executives or officers, and assume the responsibility of executing a potential decision of the Board to dismiss the President and CEO.
 - (j) Oversee the Board's obligation to discharge all its fiduciary obligations and that the Company implements its code of ethics.

This Mandate of the Lead Director was ratified and approved by the Board of Directors of Emgold Mining Corporation effective September 1, 2005.

Schedule "B"

AUDIT COMMITTEE CHARTER

Mandate

The primary function of the Company's audit committee (the "**Audit Committee**") is to assist the Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Company to regulatory authorities and shareholders, the Company's systems of internal controls regarding finance and accounting and the Company's auditing, accounting and financial reporting processes. Consistent with this function, the Audit Committee will encourage continuous improvement of, and should foster adherence to, the Company's policies, procedures and practices at all levels. The Audit Committee's primary duties and responsibilities are to:

- Serve as an independent and objective party to monitor the Company's financial reporting and internal control system and review the Company's financial statements.
- Review and appraise the performance of the Company's external auditors.
- Provide an open avenue of communication among the Company's auditors, financial and senior management and the Board.

Composition

The Audit Committee shall be comprised of three directors as determined by the Board, the majority of whom shall be free from any relationship that, in the opinion of the Board, would interfere with the exercise of his or her independent judgment as a member of the Audit Committee.

At least one member of the Audit Committee shall have accounting or related financial management expertise. All members of the Audit Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices. For the purposes of the Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company's financial statements.

The members of the Audit Committee shall be elected by the Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full Board, the members of the Audit Committee may designate a Chair by a majority vote of the full Audit Committee membership.

Meetings

The Audit Committee shall meet at least twice annually, or more frequently as circumstances dictate. As part of its job to foster open communication, the Audit Committee will meet at least annually with the CFO and the external auditors in separate sessions.

Responsibilities and Duties

To fulfill its responsibilities and duties, the Audit Committee shall:

Documents/Reports Review

- (a) Review and update this Charter annually.
- (b) Review the Company's financial statements, MD&A and any annual and interim earnings, press releases before the Company publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditors.

External Auditors

- (a) Review annually, the performance of the external auditors who shall be ultimately accountable to the Board and the Audit Committee as representatives of the shareholders of the Company.
- (b) Obtain annually, a formal written statement of external auditors setting forth all relationships between the external auditors and the Company, consistent with Independence Standards Board Standard 1.
- (c) Review and discuss with the external auditors any disclosed relationships or services that may impact the objectivity and independence of the external auditors.
- (d) Take, or recommend that the full Board take, appropriate action to oversee the independence of the external auditors.
- (e) Recommend to the Board the selection and, where applicable, the replacement of the external auditors nominated annually for shareholder approval.
- (f) At each meeting, consult with the external auditors, without the presence of management, about the quality of the Company's accounting principles, internal controls and the completeness and accuracy of the Company's financial statements.
- (g) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Company.
- (h) Review with management and the external auditors the audit plan for the year-end financial statements and intended template for such statements.
- (i) Review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Company's external auditors. The pre-approval requirement is waived with respect to the provision of non-audit services if:
 - i. the aggregate amount of all such non-audit services provided to the Company constitutes not more than five percent of the total amount of revenues paid by the Company to its external auditors during the fiscal year in which the non-audit services are provided;
 - ii. such services were not recognized by the Company at the time of the engagement to be non-audit services; and
 - iii. such services are promptly brought to the attention of the Audit Committee by the Company and approved prior to the completion of the audit by the Audit Committee or by one or more members of the Audit Committee who are members of the Board to whom authority to grant such approvals has been delegated by the Audit Committee.

Provided the pre-approval of the non-audit services is presented to the Audit Committee's first scheduled meeting following such approval such authority may be delegated by the Audit Committee to one or more independent members of the Audit Committee.

Financial Reporting Processes

- (a) In consultation with the external auditors, review with management the integrity of the Company's financial reporting process, both internal and external.
- (b) Consider the external auditors' judgments about the quality and appropriateness of the Company's accounting principles as applied in its financial reporting.
- (c) Consider and approve, if appropriate, changes to the Company's auditing and accounting principles and practices as suggested by the external auditors and management.
- (d) Review significant judgments made by management in the preparation of the financial statements and the view of the external auditors as to appropriateness of such judgments.

- (e) Following completion of the annual audit, review separately with management and the external auditors any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information.
- (f) Review any significant disagreement among management and the external auditors in connection with the preparation of the financial statements.
- (g) Review with the external auditors and management the extent to which changes and improvements in financial or accounting practices have been implemented.
- (h) Review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters.
- (i) Review certification process.
- (j) Establish a procedure for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

Other

- (a) Review any related-party transactions.