

**ANNUAL INFORMATION FORM**

**EASTMAIN RESOURCES INC.**

**FOR THE YEAR ENDING OCTOBER 31, 2016**

**January 24, 2017**

## GLOSSARY

The following is a glossary of terms used in this annual information form (the “AIF” or the “Annual Information Form”).

<b>TERM</b>	<b>DESCRIPTION</b>
“Ag”	Chemical symbol for the element silver.
“alteration”	Any change in the mineral composition of a rock that is brought about by physical or chemical means.
“amphibolite facies”	Metamorphic rocks formed under moderate to high pressure and temperatures of 450 to 700 degrees C.
“anomaly”	Geochemical and geophysical data, which deviates from neighbouring background results either in value or distribution.
“Archean”	Oldest rocks of the Precambrian Era, older than about 2,500 million (2.5 billion) years. Also, archaean.
“arsenic”	Metallic element with the chemical symbol As, can occur as a native mineral or commonly as a sulphide mineral.
“arsenopyrite”	Iron-arsenic sulphide, FeAsS.
“As”	Chemical symbol for the element arsenic.
“assay”	Analytical procedure to determine the presence, abundance or quantity of one or more chemical components.
“Au”	Chemical symbol for the element gold.
“auriferous”	Containing gold.
“base metal”	Metal, such as copper, lead, nickel, zinc or cobalt, of comparatively low unit value often used in large volumes in construction and manufacture. Chemically inferior in certain properties (such as resistance to corrosion) compared to ‘noble metals’ such as gold, silver or platinum.
“basic rock”	Igneous rock having relatively low silica content.
“biotite”	Generally dark coloured iron, magnesium and potassium rich mica.
“breccia”	Rock derived from grinding or fluidization processes in which angular fragments are surrounded by a mass of finer-grained material.
“Cambrian”	The oldest system of rocks in which fossils can be used for age-dating and correlation; the first period in the Palaeozoic Era (about 600 million years ago).
“carbonate”	Mineral or rock composed principally of calcium carbonate (CaCO <sub>3</sub> ) with or without additional elements such as iron or magnesium.
“channel sample”	A sample cut extracted from a small trench or channel, usually a few centimetres wide and two to five centimetres deep used for surface sampling of veining or altered rock in surface exposures.
“chlorite”	A green iron-magnesium rich metamorphic mineral.

“Co”	Chemical symbol for the metallic element cobalt.
“conductor”	Geophysical characteristic by which an electric current can be generated by an electrical charge or an imposed electromagnetic field.
“conglomerate”	A sedimentary rock composed of rounded to subrounded, transported fragments greater than 2 millimetres (pebbles, cobbles, boulders) cemented into a solid mass.
“Cu”	Chemical symbol for the metallic element copper.
“diamond drill”	A rotary type of rock drill with a diamond set or diamond impregnated bit used to obtain a cylindrical core of rock.
“dyke”	Tabular body of igneous rock crosscutting the host strata at a high angle.
“EM”	Abbreviation: Electromagnetic.
“facies”	A group of rocks, rock body or part of a rock body having similar characteristics which differentiate it from other groups in appearance, composition, petrogenesis, etc.
“Fe”	Chemical symbol for the metallic element iron.
“feldspar”	A group of common aluminosilicate minerals with variable amounts of calcium, potassium and sodium.
“felsic”	Igneous rock composed principally of feldspar and quartz.
“fold”	Bend in strata or any planar structure.
“foliation”	Parallel orientation of platy minerals or mineral banding in rocks.
“formation”	A single or multiple units of rock identified by lithological characteristics and stratigraphic position.
“g”	gramme / gram
“g/t or gpt”	Grams per tonne.
“geochemical survey”	Method of gathering samples of like material (rock, soil, vegetation, water) in order to determine the abundance of certain chemical elements in those substances.
“geophysics”	Study of variations in the values of the physical parameters of the earth by quantitative methods. Commonly the study of gravitational, magnetic, electrical and radioactive properties.
“gneiss”	A term applied to banded rocks formed during high-grade regional metamorphism; often characterized by alternating bands of light and dark minerals.
“greenstone”	Field term for volcanic rocks predominated by mafic composition
“greenstone belt”	Area underlain by volcanic and sedimentary rocks, usually in a continental shield.
“group”	A number of contiguous or associated formations having significant lithologic features in common.
“hectare”, “ha”	Area of land equal to 100 metres by 100 metres (10,000 m <sup>2</sup> ).
“horizon”	A defined layer within a stratigraphic sequence, which has unique

	characteristics distinguishing it from the rest of the sequence, also 'marker horizon'.
"igneous"	Rock or material, which solidified from molten material.
"intrusive"	Igneous rock that typically forms at depth, that invades older rocks.
"IP" or "induced polarization"	Method of ground geophysical surveying employing an electrical current to determine indications of mineralization through the measurement of rock resistivity and chargeability.
"JV"	Joint venture.
"kg"	kilogram
"km"	kilometre
"LIDAR"	(Light Detection And Ranging) is an optical remote sensing technology that can measure the distance to, or other properties of, targets by illuminating the target with laser light and analyzing the backscattered light. LIDAR technology has applications in geomatics, archaeology, geography, geology, geomorphology, seismology, forestry, remote sensing and contour mapping.
"line cutting"	Technique consisting of making corridors of equal spacing on the ground to have precise reference locations over a specific area; making of a grid pattern on the ground as a basis for control of geologic or geotechnical surveys.
"lithochemical survey"	Geochemical survey that involves the sampling of rocks to determine their chemical characteristics.
"m"	metre
"M"	million
"mafic"	Igneous rocks composed predominantly of dark, magnesium- and iron-rich minerals.
"magnetic survey"	Geophysical survey technique which measures variations in the earth's magnetic field caused by variations in rock type or geologic structures.
"metamorphic rocks"	Rocks that have undergone a change in texture or composition as the result of heat and/or pressure.
"Mineral Resource"	<i>Ref., CIM Standing Committee on Reserve Definitions, May 10, 2014</i> A Mineral Resource is a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.
"mineralization"	In exploration, a reference to a notable concentration of metals and their associated mineral compounds, or a specific mineral, within a body of rock.
"NI 43-101"	<i>Ref., National Instrument 43-101 Standards of Disclosure for Mineral Projects (and Form).</i> This instrument governs disclosure, including oral statements, written documents and websites. The disclosure must

be based on information provided by a "qualified person" (as defined in NI 43-101)

“Ni”	Chemical symbol for the metallic element nickel.
“NSR”	Net Smelter Royalty – Royalty based on the actual metal sale price received less the cost of refining at an off-site refinery.
“ore”	Rock containing mineral(s) or metal(s) that can be economically extracted. “Ore body” A natural concentration or mass of material that can be extracted and sold at a profit.
“ounce(s)” “oz”	Troy ounce unless stated otherwise
“outcrop”	An exposure of bedrock at the surface.
“plagioclase”	Any of a series of triclinic minerals of the feldspar family, ranging in composition from sodium (albite) to calcium (anorthite) and found in many rock types.
“ppb”	Parts per billion.
“P.Eng.”	Professional Engineer
“P.Geo., Géo.”	Professional Geoscientist
“pyrite”	Iron sulphide (FeS <sub>2</sub> ).
“pyroclastic”	Volcanic materials that have been explosively ejected from a volcanic vent.
“pyrrhotite”	A magnetic iron sulphide material (Fe <sub>7</sub> S <sub>8</sub> ).
“SEDAR”	System for Electronic Document Analysis and Retrieval - Official site for access to most public securities documents and information filed by issuers registered with provincial and territorial securities regulatory authorities ("Canadian Securities Administrators" or "CSA") <a href="http://www.sedar.com">www.sedar.com</a>
“siliceous”	A rock rich in silica.
“stringer”	A very small vein or irregular filament of mineral(s) traversing a rock mass; occurs independently or as a branch of a larger vein;
“sulphide”	A mineral in which one or more element is found in combination with sulphur.
"Te"	Tellurium, a chemical element forming tellurides often with gold and silver, often appear as a silver-white metalloid which looks similar to tin; Applications in solar panels and as a semiconductor material
“tonalite”	A felsic intrusive rock composed mainly of quartz and feldspar.
“tonne”, “t”	Metric equivalent to 1.102 tons.
"troy ounce"	a troy ounce (oz/t) is a unit of imperial measure., used to gauge the mass of precious metals. One troy ounce is defined as exactly 0.0311034768 kg or 31.1034768 g.
“trenching”	The act of blasting or digging through overburden and outcrop to expose fresh outcrop for mapping and sampling.
“tuff”	A rock composed of fine volcanic fragments and ash, generally less than 4 millimetres in diameter.

“ultramafic”	Igneous rock consisting of ferro-magnesium minerals (olivine and pyroxene) and containing virtually no quartz or feldspar.
“volcanic”	Originating from volcanic activity.
“volcanogenic”	Formed by processes directly connected with volcanism.
“volcano-sedimentary”	A mix of rocks formed by volcanic and sedimentary processes.

## TABLE OF CONTENTS

GLOSSARY .....	2
TABLE OF CONTENTS.....	7
STATEMENT REGARDING FORWARD LOOKING STATEMENTS .....	9
CORPORATE STRUCTURE .....	10
1.1 Name and Incorporation .....	10
1.2 Intercorporate Relationships .....	10
1.3 Employees.....	10
2.0 GENERAL DEVELOPMENT OF THE BUSINESS .....	10
2.1 Developments .....	10
2.2 Three-Year History .....	10
2.2.1 Fiscal Year 2016 .....	10
2.2.2 Fiscal Year Ended October 2015 .....	12
2.2.3 Fiscal Year Ended October 2014 .....	13
3.0 MINERAL PROJECTS .....	13
3.1 CLEARWATER PROJECT .....	14
3.1.1 Property Description and Location .....	14
3.1.2 Accessibility, Climate, Local Resources, Infrastructure and Physiography .....	14
3.1.3 History .....	15
3.1.4 Geological Setting.....	16
3.1.5 Metallurgical Study.....	16
3.1.6 2015 Mineral Resource Estimate .....	17
3.1.7 Geological Model .....	17
3.1.9 Resource Database .....	18
3.1.10 Statistical Analysis and Compositing .....	18
3.1.11 Block Model .....	19
3.1.12 Grade Estimation and Validation.....	19
3.1.13 Mineral Resource Classification .....	19
3.1.14 Mineral Resource Statement.....	19
3.1.15 2015 Clearwater Exploration .....	21
3.1.16 2016 Clearwater Exploration .....	22
3.1.17 Project Development Progress and Review .....	28
3.2 EASTMAIN MINE PROJECT .....	29
3.2.1 Description and Location of the Project .....	29
3.2.2 Accessibility, Climate, Infrastructure, and Physical Geography .....	29
3.2.3 History .....	29
3.2.4 Geological Setting.....	30
3.2.5 Exploration Work, Mineralization and Drilling.....	31
3.2.6 2016 Exploration Highlights.....	31
3.2.7 2017 Exploration.....	37
3.3 ÉLÉONORE SOUTH PROPERTY .....	37
Summary of gold mineralization .....	39
3.4 RUBY HILL EAST .....	40
4.0 SECURITY OF SAMPLES .....	41
4.1 Sampling and Analytical Procedure and Quality Control and Assurance .....	41
4.2 Scientific & Technical Disclosure .....	42
5.0 DIVIDENDS .....	43
6.0 CAPITAL STRUCTURE .....	43
7.0 MARKET FOR THE TRADING OF SHARES .....	43
Trading Price and Volume .....	43
8.0 RISK FACTORS .....	44

8.1	Exploration and Development .....	44
8.2	Regulatory Matters .....	45
8.3	Reliability of Resource Estimates .....	45
8.4	No History of Mineral Production .....	45
8.5	Permits, Licenses and Approvals .....	46
8.6	Title to Property .....	46
8.7	Competition .....	49
8.8	Additional Funding .....	49
8.9	Dependence on Management .....	49
8.10	Conflicts of Interest .....	49
8.11	Commercialization .....	50
8.12	Uninsured Hazards .....	50
8.13	Land Claims .....	50
9.0	DIRECTORS AND OFFICERS .....	50
9.1.1	Conflicts of Interest .....	53
9.2	Audit Committee .....	53
9.2.1	The Audit Committee Charter .....	53
9.2.2	Composition of the Audit Committee .....	53
9.2.3	Relevant Education Experience and Pre-Approval Policies / Procedures .....	53
9.2.4	Audit Fees .....	54
10.0	LEGAL PROCEEDINGS .....	54
11.0	INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS .....	55
11.1	Registrar and Transfer Agent .....	55
11.2	Material Contracts .....	55
12.0	EXPERTS .....	55
12.1.1	Names of Experts .....	55
12.1.2	Interests of Experts .....	55
	<b>ADDITIONAL INFORMATION</b> .....	55
	“SCHEDULE A” .....	56
	Charter of the Audit Committee of the Board of Directors .....	56
	SCHEDULE “B” .....	62
	Position Description for the Chairman of the Audit Committee .....	62
	SCHEDULE “C” .....	64
	National Instrument 52-110 <i>Audit Committees</i> (“NI 52-110”) .....	64
	SCHEDULE “D” .....	67
	Procedures for Receipt of Complaints and Submissions .....	67
	SCHEDULE “E” .....	68
	Procedures for Approval of Non-Audit Services .....	68



## STATEMENT REGARDING FORWARD LOOKING STATEMENTS

Certain statements contained in this Annual Information Form about anticipated future events or results are forward-looking statements. These statements may include, but are not limited to: statements with respect to the future financial or operating performance of the Corporation and its projects; the future price of gold or other metal prices; the estimation of Mineral Resources; the realization of Mineral Resource estimates; the timing and amount of estimated future production; costs of production; capital; operating and exploration expenditures; costs and timing of the development of new deposits; costs and timing of future exploration; requirements for additional capital; proposed exploration activities, the proposed Preliminary Economic Assessment in respect of the Clearwater project, government regulation of mining operations; environmental risks; reclamation expenses; title disputes or claims; limitations of insurance coverage and the timing and possible outcome of regulatory matters. Forward-looking statements often, but not always, are identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “estimate”, “expect”, “targeting” and “intend” and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. The forward-looking statements that are contained in this Annual Information Form involve a number of risks and uncertainties. As a consequence, actual results might differ materially from results forecast or suggested in these forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others: general business, economic, competitive, political and social uncertainties; reliability of resource estimates; the actual results of current exploration activities; actual results of reclamation activities; conclusions of economic evaluations; fluctuations in the value of Canadian and United States dollars relative to each other; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; future prices of gold and other metal prices; possible variations of mineral grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry, including but not limited to environmental hazards, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavourable operating conditions and losses; political instability, insurrection or war; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; and the factors discussed in the section entitled “Risk Factors” in this Annual Information Form.

Additional information regarding these factors and other important factors that could cause results to differ materially may be referred to as part of particular forward-looking statements. The forward-looking statements are qualified in their entirety by reference to the important factors discussed under the heading “Risk Factors” and to those that may be discussed as part of particular forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements of the Corporation to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements contained herein are made as of the date of this Annual Information Form and the Corporation disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

This Annual Information Form uses the terms “indicated” and “inferred” Mineral Resources. “Inferred mineral resources” have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Estimates of inferred Mineral Resources may not form the basis of feasibility or other economic studies except a Preliminary Economic Assessment. Readers are cautioned not to assume that all or any part of an inferred Mineral Resource exists, or is economically or legally mineable. Readers are also cautioned not to assume that all or any part of indicated Mineral Resources will ever be converted into reserves.

## **CORPORATE STRUCTURE**

### **1.1 Name and Incorporation**

Eastmain Resources Inc. ("Eastmain" or the "Corporation") was incorporated under the *Business Corporations Act* (Ontario) by articles of incorporation dated April 28, 1982 as 512332 Ontario Limited. By articles of amendment dated March 19, 1985, the Corporation changed its name to "Eastmain Resources Inc." and by articles of amendment dated August 19, 1985, the Corporation changed its authorized capital to consist of an unlimited number of common shares (the "Common Shares"). By further articles of amendment dated April 15, 1986, the Corporation removed the private company restriction provisions in its articles.

The registered office of the Corporation is located at 82 Richmond Street East, Toronto, Ontario M5C 1P1. The principal office of the Corporation is located at 120 Adelaide Street West, Suite 2400, Toronto, Ontario, M5H 1T1.

### **1.2 Intercorporate Relationships**

The Corporation owns 100% interest in Eastmain Mines Inc., which exists under the federal laws of Canada.

### **1.3 Employees**

As at October 31, 2016, the Corporation had 40 employees.

## **2.0 GENERAL DEVELOPMENT OF THE BUSINESS**

The Corporation's activities consist mainly of acquisition, exploration and discovery of mineral resources, with the intent of selling or joint venturing mineral resources to a production corporation while retaining a royalty interest. The Corporation is not currently operating any mines. The Corporation's strategy is to pursue exploration activities on its key properties, which are primarily located in under-explored regions that are geologically comparable to the major mining camps in Canada, and to make joint venture or option agreements on its non-key assets.

The Corporation maintains a focus on gold exploration within the James Bay Region of Northern Québec, where it holds 100% interest in the Eau Claire and Eastmain gold deposits as well as interests in 11 other properties covering approximately 137,800 ha in total of this promising mineral district. Management believes these properties have excellent development potential.

### **2.1 Developments**

The Corporation continues to execute its 2016/2017 exploration programs across its three key projects. Highlights from the 2016 program are described below. The Corporation is currently preparing its 2017 exploration programs which include the completion of 2016 work as well as the testing of additional targets which have been identified during previous work.

### **2.2 Three-Year History**

#### **2.2.1 Fiscal Year 2016**

On December 15, 2015, the Corporation completed a private placement consisting of 880,000 flow-through Common Shares at a price of \$0.50 per share for aggregate gross proceeds of \$440,000. No

warrants were issued as part of the placement. All the Common Shares issued were subject to a hold period of four months ending April 16, 2016. No finder's fees were paid in conjunction with the offering.

In November 2015, the Corporation announced the appointment of Claude Lemasson, P.Eng, MBA, as independent non-executive director.

In March 2016, Michael Hoffman was appointed to the Board of Directors as an independent, non-executive director succeeding Dr. John Hansuld.

In March 2016, the Corporation received a Notice of Nomination for new directors from representatives of Columbus Gold Corp. ("Columbus"). The nomination sought to replace the Board of Directors with nominees of Columbus (the "Proxy Contest") at the Corporation's annual and special meeting of shareholders scheduled for April 29, 2016 (the "AGM"). Eastmain commissioned financial and legal advisors as well as a special independent committee (the "Special Committee") to oversee the process.

In connection with the Proxy Contest, the Special Committee considered a number of strategic alternatives. Among the alternatives considered was a proposal by Integra Gold Corporation ("Integra") which included a \$6 million private placement into Eastmain (the "Integra Private Placement") that was ultimately recommended by the Special Committee and completed by the Corporation, and Columbus withdrew its Notice of Nomination.

Pursuant to the Integra Private Placement on May 10, 2016, Eastmain issued 3,100,000 flow-through Common Shares at \$0.50 per share and 12,800,000 units ("Units") at \$0.35 per Unit to raise aggregate gross proceeds of \$6,030,000. Each Unit consists of one Common Share of Eastmain and one-half of one transferable Common Share purchase warrant (each whole share purchase warrant, a "Warrant"). Each full Warrant is exercisable to acquire one additional Common Share of Eastmain at an exercise price of \$0.50 until November 2018. In addition, Integra agreed to provide technical expertise and assistance to Eastmain. Integra's placement represented a 9.9% ownership interest in Eastmain at closing.

Upon the closing of the Integra Private Placement, Eastmain entered into an Investor Rights Agreement providing Integra the right to nominate one director for election to the Board of Directors of Eastmain. Given the strategic relationship and investment, Eastmain supported the nomination of an additional director from Integra. In addition, Integra has the right to maintain its pro rata ownership in Eastmain in any subsequent financings or at its option, increase its ownership in such offerings to 15% of the outstanding common shares, subject to the right of Eastmain to limit Integra's participation in any one financing to 50% of the offering. Integra's rights under the Investor Rights Agreement will terminate upon Integra ceasing to maintain at least a 5% interest in the outstanding common shares of Eastmain.

Eastmain completed a private placement on April 11, 2016 (the "April 2016 Private Placement"), to other investors pursuant to which it issued 9,500,000 flow-through Common Shares at \$0.50 per share and 999,999 Units at \$0.35 per Unit to raise additional aggregate gross proceeds of approximately \$5,100,000.

In conjunction with the evolution of the Corporation, management changes occurred including the resignation of Chief Executive Officer ("CEO") Don Robinson, Chief Financial Officer ("CFO") James Bezeau and Exploration Manager Cathy Butella, all effective April 28, 2016. Existing director, Claude Lemasson, was appointed President & CEO.

In addition to recent appointees to its Board, Chairman Laurie Curtis, President & CEO Claude Lemasson and director Michael Hoffman, Eastmain also nominated Blair Schultz and Timo Jauristo to the Board at the AGM. George Salamis and Stephen De Jong were also nominated on behalf of Integra for election at the AGM. All of the foregoing nominees were elected by shareholders at the AGM on April 29, 2016.

On May 31, 2016, the Corporation announced the appointment of Joseph Fazzini, CPA, CA, CFA as CFO and Vice President, Corporate Development.

Eastmain also completed a private placement on July 20, 2016 (the “July 2016 Private Placement”) to other investors pursuant to which it issued 9,803,000 flow-through Common Shares at \$0.918 per share and 4,197,000 Common Shares at \$0.51 per share for aggregate gross proceeds of \$11,139,624.

In July 2016, the Corporation announced the appointment of Vice President, Exploration, William McGuinty, P.Geo.; Project Engineer, Manuel Ng Lai, P.Eng.; and Manager, Investor Relations, Alison Dwoskin, CPIR. In August, 2016, Eastmain appointed Carl Corriveau, P.Geo, SEG, as Exploration Manager, Michel Leblanc (Géo) as Clearwater Project Senior Geoscientist and David Rivard P.Geo. as Eastmain Mine Project Senior Geologist.

On August 11, 2016, Eastmain announced staking of the 600 claim (31,600 ha) Lac Clarkie Project (“Clarkie”) located immediately east of the Corporation’s Clearwater Property. The Clearwater and Clarkie claims cover a combined total of 51,614 ha of prospective greenstone belt in the Eastmain/Opinaca district of James Bay, Quebec. Eastmain intends to explore the Clarkie claims, beginning with airborne geophysical and LIDAR surveys, followed by prospecting.

In September 2016, Eastmain commenced extensive exploration programs across its three key properties. These include the Clearwater Project, the past-producing Eastmain Mine Project and the Éléonore South JV. Based on funds raised and targets identified, management elected to undertake a 63,300 m drill program at Clearwater. This included over 55,700 m targeting the Eau Claire deposit along with another 7,600 m testing prospective targets outside the Eau Claire footprint. Drilling to date has predominantly focused on in-fill testing with some exploration drilling on Snake Lake. Please refer to the “2016 Clearwater Exploration” section for more details.

At Eastmain Mine, the Corporation budgeted a 7,500 m program to test targets located to the northwest located, along the mine trend. These targets lie outside of the footprint of the historical resource area and were identified through the combination of geophysics, surface sampling and trenching. Please refer to the “2016 Exploration Highlights” in the Eastmain Mine Projects section for more details.

At the Éléonore South JV, Eastmain (36.7% owner) and its JV partners, Les Mines Opinaca, a wholly-owned subsidiary of Goldcorp Inc. (36.7%) and Azimut Exploration (26.6%) agreed to a 5,000 m, two stage exploration program. The new program is focused on testing unexplored ground to the east of the previously identified JT zone and to the south of Sirios Resources’, Cheechoo discovery. The first stage of the exploration program, including prospecting sampling and 2,500 m of drilling was completed and reported in calendar 2016. Data collected is being analyzed and assessed ahead of the second stage of the program (2,500 m of drilling) which is expected to begin in February 2017.

### **2.2.2 Fiscal Year Ended October 2015**

During fiscal 2015 the Corporation completed 18 regional drill holes for a total of 5,079 m (ER14-535 to ER14-552, which finished December 16, 2014) and 19 definition drill holes totalling 7,822 metres within the Eau Claire gold deposit (ER15-553 to ER 15-571). This definition drilling was part of a 29-hole drill campaign that concluded by December of 2015.

In April 2015, SRK Consulting (Canada) Inc. (“SRK”) completed a block model Mineral Resource Estimate for the Eau Claire deposit, which resulted in an increase in Measured and Indicated Mineral Resources to 951,000 ounces of gold contained within 7.2 Mt at an average grade of 4.09 g/t Au. Also during the period, surface trenching and channel sampling has confirmed a potential resource target two km east of the Eau Claire gold deposit.

Eleven diamond drill holes were completed on the Lac Lessard project totalling 1,995 m with option partner Darnley Bay Resources Limited. Drill hole LL15-02 collared within the Crete-du-Coq ultramafic intrusion intersected disseminated sulphides over a 12.5 m interval assaying 0.38% Ni and 0.13% Cu. Semi-massive sulphides intersected at the bottom of this interval contained 1.08% Ni and 0.31% Cu over a width of 2.5 m.

### 2.2.3 Fiscal Year Ended October 2014

During fiscal 2014 the Corporation completed drill holes ER14-508 through ER14-534 totaling 12,483 m of drilling at Clearwater. Based on 2014 trenching and drilling information, a revised interpretation of the Eau Claire gold deposit revealed three dominant orientations of continuous gold mineralization occur within the 450 West Zone. Surface exploration at Clearwater focused on searching for a second gold deposit at the Clovis Lake area located three km east of Eau Claire.

Exploration programs including prospecting and target definition work were completed on the Eastmain Mine, Ruby Hill and Lac Lessard properties. The Quebec government in conjunction with Stornoway Diamond Corp. completed construction of route 167 Nord from Temiscamie to the Renard diamond deposit, thereby providing permanent year-round road access from the Eastmain Mine project area to Chibougamau and other mining centres.

Exploration success at the wholly-owned Lac Lessard PGM property led to a new \$2.5M option agreement in favour of the Corporation with Darnley Bay Resources Limited.

On November 27, 2013, the Corporation completed a private placement consisting of: i) 2,837,500 non-flow-through units at a price of C\$0.30 per unit; and (ii) 10,700,000 flow-through units at a price of C\$0.40 per unit, for gross aggregate proceeds of \$5,131,250. Each unit consists of one Common Share of Eastmain and one-half of one share purchase warrant where each whole warrant entitled the holder to acquire one Common Share of Eastmain at C\$0.45 until May 27, 2015. The securities were subject to a hold period ending on March 28, 2014. 378,000 warrants were exercised in 2015; the remainder expired unexercised.

## 3.0 MINERAL PROJECTS

Eastmain Resources 100% interest in 11 mineral properties and a 36.7% in one mineral property as summarized below. During the 2016, the Company completed exploration activities on the Clearwater, Eastmain Mine, Éléonore South and Ruby Hill (East and West) properties.

All claims on all properties have been renewed or are otherwise in good standing into 2018 except; a portion of the Lac Hudson property which requires additional exploration work to qualify for renewal in 2017 and; the Road King property which claims will be allowed to lapse naturally through 2017.

Eastmain Resources Properties in good standing in 2016 and calendar 2017

<b>Property</b>	<b>Claim units</b>	<b>Hectares</b>
Clearwater (Eau Claire)	385	20,068
Eastmain Mine	152	8,014
Éléonore South JV	282	14,760
Lac Clarkie	597	31,473
Lac Elmer	198	10,433
Lac Hudson	187	9,682
Lac Lessard	47	2,476
Lidge	36	1,901
Radisson	207	10,698

<b>Property</b>	<b>Claim units</b>	<b>Hectares</b>
Reservoir	156	8,098
Road King	109	5,704
Ruby Hill (East and West)	268	14,485
<b>Total</b>	<b>2,624</b>	<b>137,792</b>

Following is a summary of the Clearwater Project and other principal properties of the Corporation.

### **3.1 CLEARWATER PROJECT**

Eastmain owns a 100% interest in the Clearwater Project, host to the Eau Claire gold deposit, one of five known gold deposits in the James Bay region of Québec. The largest of these, the Goldcorp Inc. owned Éléonore Mine, located only 45 km due north of Clearwater, has forecast 2017 production of 315,000 ounces of gold.

On April 27, 2015, Eastmain reported a resource estimate for the Eau Claire Deposit which includes an estimated measured and indicated (“M&I”) mineral resource of 7.2 Mt of mineralized material at an average grade of 4.09 g/t Au containing 951,000 ozs of gold, plus an additional 5.1 Mt at an average grade of 3.88 g/t Au classified as inferred mineral resources, containing 633,000 ozs of gold<sup>1</sup>. The resource estimate is more fully described herein (see “Mineral Resource Estimates and Exploration” below).

In 2016, Eastmain began an \$8.8 million (63,300 m) drilling program and additional technical studies at the Clearwater Project with a primary focus on and around the main Eau Claire deposit. This work is being developed around the Corporation’s consideration of the deposit as a combined shallow open pit underground mining operation.

#### **3.1.1 Property Description and Location**

The Clearwater Project is located immediately north of the Eastmain Reservoir, 10 km northeast of Hydro Quebec’s EM-1 hydroelectric power facility, 80 km north of the town of Nemaska and approximately 320 km northeast of the town of Matagami in the James Bay Region of Québec (UTM NAD 83, Zone 18: 444,000E; 5,785,000N). This property consists of map-designated claims, (CDC’s) totalling approximately 200 km<sup>2</sup>. These claims are held 100% by Eastmain. All claims are currently in good standing through to 2018, with the earliest expiry date being February, 2018. The project is not subject to any historic environmental liabilities. Permits are obtained annually for the Clearwater camp site and for all exploration, particularly trenching and drilling undertaken on the property.

#### **3.1.2 Accessibility, Climate, Local Resources, Infrastructure and Physiography**

The project is situated approximately 800 km north of Montréal, 80 km north of a commercial airport at Nemiscau and less than 10 km northeast of Hydro Québec’s EM-1 complex. The Eau Claire gold deposit is situated at the western end of the property 2.5 km from Hydro Québec’s nearest service road. The

<sup>1</sup> *Mineral resources are not mineral reserves and as such have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate. Mineral Resources are only a preliminary estimation, through exploration and sampling, of a concentration of material of intrinsic economic interest, which has been identified in such form, grade, quality and quantity that may have reasonable prospects for eventual economic extraction. Mineral Resources are the first step in the process to establishing potential economic viability. Both the quality and quantity of Mineral Resources may subsequently be re-defined and re-estimated, through additional consideration and the application of several de-risking modifying factors during preliminary economic assessment, to potentially minable mineral resources. Please refer to Scientific & Technical Disclosure for further detail.*

property is accessible by the all-weather Route du Nord from the town of Chibougamau to Hydro Québec's Eastmain One power generation complex (EM-1). Alternatively, the property may be accessed from the town of Amos via the Route de la Baie James and the Route du Nord or via from the Nemiscau Airport located 80 km due south of the Property along the Route du Nord which has 5 day per week service from Montreal.

Road access reaches the southern boundary of the property, five km east of Hydro Québec's principal EM-1 dam, located on the Eastmain River. The base camp is accessible by four-wheel drive truck, ATV or snowmobile.

The area is well known for its extensive hydroelectric complex and associated infrastructure. Hydro-Québec's EM-1 Power Project currently includes a 100-person camp with full amenities and medical support. The principal dam is situated near the junction of the Eastmain and Eau Claire Rivers. The Eastmain reservoir for the EM-1 hydroelectric power facility covers a large area immediately south of the Clearwater Project. Future development of the property will require access and infrastructure improvements near EM-1 requiring consultation with the energy provider. Power production from EM-1 is 6.3 TWh/annum (*Hydro Review*, June 2014).

The region includes many lakes and rivers. The topography is gently rolling to flat-lying with local relief ranging from 250 to 400 m above sea-level. Outcrop exposure is limited. Large, east-west trending outcrop ridges and coarse sand eskers, flanked by lower troughs provide moderate drainage over most of the area. Lower trough regions can become somewhat boggy after periods of heavy rainfall. There is an abundance of quaternary deposits and swamps. Numerous lakes and well-developed streams occur throughout the property. The area is drained by the Eau Claire River, which in turn drains into the Eastmain River and the Opinaca reservoir. Vegetation is typical of taiga and includes large areas covered by sparse forest (mainly spruce) and several smaller mostly swampy areas devoid of trees. Forest fires have burnt much of the region in the recent past.

The climate is typical of Northern Canada (temperate to sub-arctic climate) with average summer (June to September) temperatures varying from 10°C to 35°C during the day and 5°C to 15°C during the night. Winters can be cold, ranging from -40°C to -10°C. Precipitation varies during the year, reaching 2 metres annually, with snow cover expected from November to May. However, exploration and mining can generally be carried out year-round.

### **3.1.3 History**

The area covered by the current Clearwater Project was previously explored from 1984 to 1990 in a joint venture between Eastmain and Westmin Resources Ltd. ("Westmin"). Previous exploration included airborne and ground geophysical surveys, geochemical surveys, geological mapping, stripping and trenching, sampling and diamond drilling. The Eau Claire gold deposit was discovered in 1987.

In 1995, SOQUEM optioned the property from the joint venture and initiated a multi-disciplined exploration program, which continued until May 2002, when Eastmain took over management of the project. The Corporation acquired an option to earn SOQUEM's remaining ownership in the Clearwater Project during fiscal 2004, in exchange for cash and securities, thus giving the Corporation 100% ownership of the Clearwater Project. The property was subject to a 2% NSR in favour of SOQUEM which was purchased by the Corporation in March of 2011. The property became the central focus of the Corporation in 2012. For information regarding historic exploration at Clearwater, prior to 2014, the reader is referred to the Corporation's 2015 Annual information Form.

### 3.1.4 Geological Setting

The James Bay region is mainly comprised the La Grande (formerly Eastmain River Greenstone Belt) and Opinaca sub-provinces. The Clearwater Project is underlain by typical Archean greenstone assemblages of the La Grande Group, which are essentially composed of volcanic rocks of basaltic to rhyolitic composition and of related clastic and chemical sedimentary rocks. These rocks have been intruded by an assemblage of mafic to felsic sills, stocks and dykes. Metamorphism ranges from upper greenschist to amphibolite facies in the greenstone assemblages, while higher-grade facies, up to granulite level, typically characterize the Opinaca sub-province. Archean-aged deformation affects all rock on the property. Near the Eau Claire deposit, the volcano-sedimentary assemblage has been folded, forming a closed antiform plunging gently to the west. Regional rock foliation and lithology are generally east-west in strike with moderate to sub-vertical southerly dips in the vicinity of the gold deposit.

Based on interpretation from regional- and property-scale airborne magnetic data, a crustal scale, east-west trending, D2 structural break has been traced for more than 100 km across the district. The Eau Claire gold deposit is a structurally-controlled gold deposit, consisting of en-echelon sheeted quartz-tourmaline veins and altered rock coinciding with a mafic volcanic/felsic volcanoclastic contact, along the south limb of an F2 anticlinal fold. It is situated approximately one km north of this major structure along a set of splays extending from this structure. A structural interpretation of high-resolution airborne magnetic surveys flown over the Clearwater Project has also defined three major deformation events (D1, D2 and D3) on the property. Gold mineralization, including that forming the Eau Claire deposit, has been traced from rock and channel sampling, for a length of 7.5 km immediately north and parallel to this regional D2 structure. At Eau Claire, gold-bearing quartz-tourmaline veins and alteration zones occur sub-parallel to the F2 fold axis, which is related to a D2 structural event.

Over 90% of the gold-mineralization at Eau Claire occurs within Fe- and Mg-rich tholeiitic basalts. In the hanging wall to the deposit these basalts are intruded by a quartz-feldspar porphyry dyke swarm. A felsic volcanoclastic unit is located in the footwall. The Eau Claire deposit is comprised of two zones (450 West and 850 West) which form a crescent-shaped body extending for a length of 1.8 km. For exploration purposes the limits of the known deposit are defined by a 0.5 g/t Au grade envelope. Portions of the 450 West and 850 West zones outcrop on topographic highs.

### 3.1.5 Metallurgical Study

In 2008 and later in 2010, SGS Lakefield Research Limited completed preliminary metallurgical tests on gold-bearing, quartz-tourmaline vein material from the Eau Claire gold deposit. 2010 preliminary test work demonstrated gravity gold recoveries ranging from 37% from within the R Vein Composite to 74% from the S Vein Composite. SGS reported that there is clearly significant potential for gravity recovery of gold at an industrial-plant scale. Comminution test work of four vein composite samples for grindability resulted in Bond Work Index values ranging from 10.2 to 11.1. According to the SGS report, these samples are considered to be soft in terms of ball mill grindability. Acid/Base Accounting (ABA) results and net acid generation testwork indicated that the Vein Composite samples will not generate acid and indeed may have significant excess acid neutralisation capacity.

Adding gravity recovery to flotation recovery results indicated overall gold recovery values ranging from approximately 94 to 96% in the primary grind size range of 122  $\mu\text{m}$  – 65  $\mu\text{m}$  (P80).

Three cyanidation tests completed on the gravity tailings yield elevated gold extractions. The finest grind (P80 = 20  $\mu\text{m}$ ) gave a leach gold extraction of approximately 98%, which when included with gravity recovered gold, resulted in a combined overall recovery of 98.8%. The lowest test results, completed at P80 = 121  $\mu\text{m}$ , gave a cyanidation unit gold extraction of 93%. Adding the gold recovered by gravity separation to this extraction resulted in an overall gold recovery of 95.7% for this size fraction in the tailings.



This information is later noted in the 2015 technical report and resource estimate by SRK.

### 3.1.6 2015 Mineral Resource Estimate

In April 2015, SRK Consultants (Canada) Inc provided Eastmain with an updated Mineral Resource Estimate for the Eau Claire deposit. The effective date of the Mineral Resource Statement was April 27, 2015 and a technical report entitled “*Technical Report for the Eau Claire Gold Deposit, Clearwater Project, Quebec Prepared for Eastmain Resources Inc. by SRK Consulting (Canada) Inc. June 11, 2015* (report 3CE010.013)” was dated and filed on SEDAR June 11, 2015 (the “Technical Report”). The study utilized the Clearwater property-wide database, containing at that time some 690 surface drill holes (203,540 m) completed by various operators from 1976 to the end of 2013, and 451 surface channel samples (1,410 m) from within the Eau Claire deposit.

The reader is referred to the Corporation’s publication of this Technical Report on SEDAR dated June 11, 2015 for the complete details of the resource estimate.

The Mineral Resource estimate for the Eau Claire gold deposit was prepared in compliance with NI 43-101 and CIM standards. Mr. Dominic Chartier, P.Geol., Dr. Jean Francois Ravenelle, P.Geol. and Dr. Jean Francois Couture, P.Geol. of SRK Consultants (Canada) Inc. (“SRK”), were the authors of the Technical Report, and were, for the purposes of the report, qualified persons independent of Eastmain as defined in National Instrument 43-101. All are registered with the Ordre des Géologues du Québec (OGQ).

The following description of the resource estimate is based upon contains information from the Technical Report and included herein with the consent of Messrs Chartier, Ravenelle and Couture.

The evaluation of the Eau Claire mineral resources involved the following procedures:

- database verification;
- construction of geological and mineralization wireframes;
- data conditioning (compositing and capping) for geostatistical analysis and variography;
- selection of estimation strategy and estimation parameters;
- block modelling and grade interpolation;
- validation, classification and tabulation;
- assessment of "reasonable prospects for eventual economic extraction" and selection of reporting assumptions; and
- preparation of the Mineral Resource statement.

Geovia GEMSTM software was used to prepare assay data for geostatistical analysis, construct the block model, estimate metal grades and tabulate mineral resources. Geovia WhittleTM was used to assist with the preparation of the Mineral Resource statement. The geological and mineralization wireframes were constructed using Leapfrog Mining® software. The Geostatistical Software LibraryTM (GSLib) family of software and GEMS were used for geostatistical analysis and variography.

### 3.1.7 Geological Model

Geological modeling of the deposit has delineated three main orientations of high-grade vein gold domains within the 450 West Zone. Wireframe meshes were created using both logged vein intervals and gold assay values at a threshold of 1.0 g/t Au for the HGV<sup>2</sup> domains. A well-defined east-west vein

<sup>2</sup> The primary source of gold and tellurium mineralization at Eau Claire is quartz-tourmaline veins and associated actinolite-tourmaline-biotite-carbonate alteration (called vein domains or HGV)

system appears to crosscut a series of NW-SE trending schist zones, while a west-northwest-trending gold-bearing domain has been traced laterally across the 450 West Zone for approximately one km. Three or more gold-bearing schist zones, consisting of wide zones of altered gold-rich rock +/- quartz veins, aligned parallel to the host rock foliation, have also been identified and follow the contour of a felsic porphyry dyke swarm located on the southern or hanging wall side of the deposit. These high-grade schist zones have been subsequently crosscut by east-west trending, high-grade, gold-bearing quartz-tourmaline, laminated and piano-key breccia veins.

95 HGV gold domains were wire framed within the 450 West Zone for the purposes of creating a revised block model Mineral Resource estimate. HGV wire frame meshes were built where there is a high degree of geological confidence of both lateral and vertical continuity of gold mineralization. 53 vein swarm (VSM)<sup>3</sup> gold domains were also created where the distribution of gold mineralization is either less well defined or the orientation less certain. Vein swarms define corridors of gold mineralization, which may or may not be associated with high-grade vein domains and accompanying alteration zones. VSM domains also enclose broad envelopes of lower-grade gold mineralization. Vein swarm domains were modelled using logged vein/alteration intervals and gold assay values at a threshold of 0.1 g/t Au.

### 3.1.9 Resource Database

Eastmain provided SRK Consulting Inc. data to evaluate the mineral resources as a series of comma delimited spreadsheets containing drilling and channel sampling information (collars, surveys, assays and lithology) for 690 boreholes, including seven wedge holes (totalling 203,540 m) and for 451 channel samples (1,410 m). Of these, 183 boreholes (72,859 m) and 189 channel samples (940 m) were completed by Eastmain since the 2012 mineral resource statement provided by P&E. Borehole data included 109,160 assay records for gold and 89,388 assay records for tellurium. Channel sample data includes 2,381 assay records for gold and 1,669 assay records for tellurium. Exploration information is located using local UTM grid coordinates (NAD 83 datum, Zone 18); this coordinate system was also employed in the development of the resource model. The database also includes a LiDAR topographic survey covering the entire Clearwater Project area. SRK performed an in-depth review of quality control data and completed a validation check on borehole data, determining that Eastmain's database was suitable for resource estimation.

### 3.1.10 Statistical Analysis and Compositing

Assay data within the HGV, VSM and geological domains was extracted for geostatistical analysis. The majority of core assay samples were collected at either 0.5 m or 1.0 m intervals. Following review of the sample-length data for drill core in each zone, SRK composited the assay data to 1.0 m sample lengths for geostatistical analysis and variography. A capping value was determined for each domain by analyzing the cumulative frequency plots of gold. HGV domains from the 450 West Zone drilling were capped at 100 g/t Au, drilled VSM domains were capped at 30 g/t Au and geological domains generated from drill data were capped at 10 g/t Au. Domains generated by using drill data composites for the 850 West Zone utilized a capping value of 80 g/t Au for HGV and 15 g/t Au for VSM.

Specific gravity parameters were evaluated from 512 core samples derived by laboratory measurements using pycnometry. SRK assigned a specific gravity value of 2.92 for each of the HGV, VSM and geological domains in both the 450 West and 850 West zones.

<sup>3</sup> A secondary set of domains (named vein swarm domains or VSM) were defined as wider zones of intermittent quartz-tourmaline veining and actinolite-tourmaline-biotite-carbonate alteration, where drilling density is insufficient to model individual veins with confidence. Some 73 vein swarm domains (54 in the 450 West zone and 19 in the 850 West zone) were modelled using logged vein/alteration intervals and gold assay values at a threshold of 0.1 g/t gold.

### 3.1.11 Block Model

A block model was created in GEOVIA GEMS™ covering the area of gold mineralization identified at the Eau Claire deposit. The block model is oriented east-west/north-south, subparallel to the general strike of the 450 West Zone main trend. Block size was set at 5 m by 5 by 5 m, with rock codes assigned to each block on a percentage basis, using separate folders for HGV, VSM, geological domains and waste.

### 3.1.12 Grade Estimation and Validation

Block metal grades were estimated by ordinary kriging (3 or 4 successive passes for geological; HGV and VSM domains respectively), using capped one-metre composite values for each domain and considering the 450 and 850 West Zones separately. As a validation check of the ordinary kriging estimates, gold was also estimated using an inverse distance estimator. Results from the two estimators were compared visually and volumetrically, and both estimators deliver very similar results.

### 3.1.13 Mineral Resource Classification

Mineral resources were classified according to the CIM *Definition Standards for Mineral Resources and Mineral Reserves* (May 2014) by Dominic Chartier, P.Geo with the assistance of Dr. Jean-Francois Couture, P.Geo, both independent qualified persons as defined in National Instrument 43-101.

The block model was classified using a combination of tools including the confidence in the geological interpretation, variography results, and the average distance to the informing data. Measured and Indicated Mineral Resources were classified based on the number of boreholes and composites as defined in the table below. All other blocks for vein, vein swarms and geological domains were classified as Inferred Mineral Resources. Included in the classification process was manual smoothing, whereby isolated blocks were reclassified to the category of the surrounding blocks.

#### Classification Criteria for Measured and Indicated Blocks

Classification	Measured	Indicated
Domain	Veins	Veins and Vein Swarms
Maximum anisotropic distance (m)	25	50
Minimum number of boreholes	4	2
Minimum number of composites	6	5
Other	Manual smoothing	Manual smoothing

### 3.1.14 Mineral Resource Statement

SRK considered that portions of the Eau Claire gold deposit may be amenable for open pit extraction, while deeper parts of the deposit possibly extracted using an underground mining method. SRK used a pit optimizer and reasonable mining assumptions to evaluate portions of the block model that could be reasonably expected to be mined from an open pit. The block model quantities and grade estimates were also reviewed to determine the portions of the modelled mineralization that have "reasonable prospects for eventual economic extraction". SRK considers that it is appropriate to report as open pit mineral resources those blocks located within the conceptual pit shell and above a cut-off grade of 0.5 g/t Au and; as underground mineral resources, those blocks outside the conceptual pit shell above a cut-off grade of 2.5 g/t Au.

**Assumptions Considered for Mineral Resource Reporting:**

Parameter	Open Pit
Mining cost (US\$/tonne / C\$/tonne)	\$2.00/\$2.20
General and administration (US\$/tonne / C\$/tonne)	\$2.00/\$2.20
Process cost (US\$/tonne of ore / C\$/tonne of ore)	\$13.00/\$14.45
Gold recovery (%)	95
Mining loss / mining dilution (%)	5 / 5
Gold price (US\$/ounce / C\$/ounce)	\$1,300/\$1,450
Revenue factor	1.00
Pit slope angle	50

**Mineral Resource Statement (1), Eau Claire Gold Deposit Quebec,  
SRK Consulting (Canada) Inc., April 27, 2015 (Effective Date)**

Category	Tonnage ( <sup>'000</sup> t)	Grade		Contained Metal	
		Gold Au (g/t)	Tellurium Te (g/t)	Gold Au (oz)	Tellurium Te (kg)
<b>Open Pit <sup>(2)</sup> Mineral Resources</b>					
Measured	970	7.29	10.18	227,000	9,900
Indicated	5,827	3.51	4.58	658,000	26,700
<b>Measured &amp; Indicated</b>	<b>6,797</b>	<b>4.05</b>	<b>5.38</b>	<b>885,000</b>	<b>36,600</b>
Inferred	1,098	3.12	3.63	110,000	4,000
<b>Underground <sup>(2)</sup> Mineral Resources</b>					
Measured	-	-	-	-	-
Indicated	428	4.78	6.07	66,000	2,600
<b>Measured &amp; Indicated</b>	<b>428</b>	<b>4.78</b>	<b>6.07</b>	<b>66,000</b>	<b>2,600</b>
Inferred	3,974	4.09	3.12	523,000	12,400
<b>Combined Mineral Resources</b>					
Measured	970	7.29	10.18	227,000	9,900
Indicated	6,255	3.60	4.68	724,000	29,300
<b>Measured &amp; Indicated</b>	<b>7,225</b>	<b>4.09</b>	<b>5.42</b>	<b>951,000</b>	<b>39,200</b>
Inferred	5,072	3.88	3.23	633,000	16,400

*Notes:*

- Mineral resources are not mineral reserves and as such have not demonstrated economic viability. All figures are rounded to reflect the relative accuracy of the estimate. Composites have been capped where appropriate.*
- Open pit mineral resources are reported at a cut-off grade of 0.5 g/t gold within a conceptual pit shell and underground mineral resources are reported at a cut-off grade of 2.5 g/t gold outside the conceptual pit shell. Cut-off grades are based on a gold price of US\$1300 per ounce, a foreign exchange of US\$0.90 to C\$1.00 and a gold recovery of 95%. The value of tellurium has not been considered.*

Drilling completed at the Eau Claire deposit in 2015 and 2016 has not been included to the 2015 Technical Report noted above. The Corporation completed 29 drill holes totaling 12,837 m in 2015 and 70 holes totaling 22,600 m in 2016 at Eau Claire. Both drill programs focused on in-filling the known resource with a view to improving resource quality and deliver a more detailed understanding of the deposit. Such information is intended to cause confirmation or reinterpretation of vein and swarm domain limits. A Qualified Person has not reviewed the new drilling results and the 2015 Technical Report to re-assess mineral resources at Eau Claire. This information, along with drilling to be completed in the first quarter of 2017, will be incorporated into the resource model and an updated resource estimate is expected to be completed by mid-2017.

### 3.1.15 2015 Clearwater Exploration

The 2015 field program included definition drilling and infill core sampling within the Eau Claire deposit, and trench mapping and channel sampling in the Snake Lake target area, located two km to the east of Eau Claire. 29 drill holes for a total of 12,898 m were completed within Eau Claire, with the objective of increasing measured and indicated gold resources. 1,438 infill core samples were taken from historical drilling, concentrating on un-sampled near-surface intervals within potential open-pit areas.

Sampling of core at Eau Claire begins above the mineralized envelope of the deposit (hanging wall) and is generally carried out through the mineralized envelope to un-mineralized rock below (foot wall). Core samples obtained within the deposit in 2015 returned gold assays ranging from below detection (<5 ppb Au) over individual intervals of 1.0 m to as high as 98.8 g/t Au over 1.0 m.

#### Selected 2015 450 West Zone Drill Highlights:

Hole ID	From (m)	To (m)	Length (m)	Au (g/t)	Te (g/t)	DOMAIN
ER15-553	391.5	393.5	2.0	10.4	13.5	HG-39
incl.	392.5	393.0	0.5	28.3	35.4	
ER15-556	388.0	391.0	3.0	9.35	13.2	HG-39
	389.5	390.0	0.5	37.7	25.8	
ER15-557	191.0	193.0	2.0	15.8	38.8	G
incl.	192.0	192.5	0.5	49.4	115.5	
ER15-561	237.0	239.0	2.0	25.6	1.33	B
ER15-563	367.0	369.0	2.0	11.2	13.1	HG-37
	368.0	368.5	0.5	44.6	51.9	
ER15-566	158.8	163.3	4.5	5.98	7.39	HG-44
incl.	162.3	162.8	0.5	32.0	37.4	
ER15-568	314.0	316.0	2.0	24.8	50.2	HG-G4
incl.	314.0	314.5	0.5	98.8	200.0	
ER15-570	342.5	345.5	3.0	20.4	38.3	HG-38
incl.	342.5	343.0	0.5	22.0	38.8	
incl.	343.0	343.5	0.5	25.7	52.3	
incl.	343.5	344.0	0.5	34.0	65.0	
incl.	344.5	345.0	0.5	22.2	40.6	
ER15-572	439.5	445.0	5.5	6.20	8.37	JQ
incl.	439.5	440.0	0.5	19.6	27.0	
incl.	441.0	441.5	0.5	16.2	18.6	

Four drill holes intersected copper-gold-silver mineralization in the upper portion of the Eau Claire deposit over widths ranging from 2.0 to 11.5 m. These intervals range in grade from 0.14 g/t Au to 0.60 g/t Au, 7.08g/t Ag to 13.7 g/t Ag and 0.44 % Cu to 1.3% Cu. This copper-gold-silver sulphide zone, which was intersected with comparable grades in previous drilling, comprises a lens of mineralization, up to 9 m thick, which is distinct from Eau Claire veins and associated alteration zones.

#### Infill Core Sampling

Infill sampling confirmed a high-grade interval from hole 131, which assayed 6.65 g/t Au over 5.0 m, within the JQ Vein at a depth of 66.0 m. When combined with assay results from the adjacent P Vein, the intersection provides a shallow depth composite interval grading 6.75 g/t Au across 13.8 m, in the 450 West Zone.

## Trenching Program

Trenching and channel sampling within the Snake Lake target area identified a potential open-pit resource target 2 km east of Eau Claire. Samples collected in the program returned values ranging from trace gold to as high as 5.91 g/t Au. Anomalous gold values were detected in 124 of 228 channel along a newly exposed vein structure, range from 0.50 g/t Au to 5.91 g/t Au. Previous sampling of a possible extension of this vein structure to the east returned values of up to 20.1 g/t Au over a 2 m interval (including 67.9 g/t Au over a 0.5 m). The Snake Lake target covers an area approximately 850 m long by 220 m wide.

### 3.1.16 2016 Clearwater Exploration

In July, 2016, Eastmain announced an \$8.8 million (63,300 m) drilling program at the Clearwater Project. The proposed 63,300 m drilling plan is described below:

Drilling (metres)	Infill	Inferred Conversion	Step-out	Expl.'n	Total
<b>Eau Claire Deposit</b>					
<b>450 Zone</b>					
Shallow Depth / Open Pit Potential	7,200	12,340	4,050		<b>49,570</b>
Pit Transition / Underground Potential	25,980				
<b>850 Zone</b>					
Shallow Depth / Open Pit Potential		6,150			<b>6,150</b>
<b>Total Eau Claire Deposit</b>					<b>55,720</b>
<b>Clearwater Property Exploration</b>					
Snake Lake				4,700	<b>4,700</b>
Clovis Lake				1,275	<b>1,275</b>
Knight				500	<b>500</b>
Natel				500	<b>500</b>
Serendipity				325	<b>325</b>
Beluga				300	<b>300</b>
<b>Total Property Exploration</b>					<b>7,600</b>

The 49,600 m drill program in the 450 West Zone is aimed at improving resource confidence using the following:

- Infill drilling at shallow, pit accessible depths (surface to 150 m depth);
- Testing the extensions of high grade veins along strike and parallel to surface exposed system;
- Infill of deeper veins (150 m – 400 m depth);
- Identifying and improving vein continuity in widely drilled portions of inferred mineral resource and on the deposit's current limits.

At the 850 Zone, approximately 6,100 m are planned to expand the 850 Zone mineralization via step-out drilling and infilling of inferred domains.

The Snake Lake and Clovis Lake zones are located 1.8 km and 3 km east of the Eau Claire deposit and 4,700 m and 1,300 m of drilling respectively are planned for these targets. Further east of Eau Claire; the Natel (8 km), Knight (13 km) and Serendipity (16 km) showings, along with the northern Beluga showing (5 km) are targeted for an aggregate of 1,625 m of drilling.

Gold mineralization interested at the Eau Claire gold deposit to date in the 2016 - 2017 is generally located within structurally-controlled, high-grade en-echelon quartz-tourmaline veins and adjacent altered rocks. The vein system is predominantly hosted within a thick sequence of massive and pillowed mafic volcanic flows, interbedded with narrow intervals of volcanoclastic sedimentary rocks. Both flows and sediments have been intruded by multiple phases of felsic and porphyry dykes. Host rocks have been folded and deformed (sheared) through several deformation events. The gold bearing veins may occur as thin fracture fill with tourmaline and develop along an easterly strike and a southerly dip (450W zone) into thick quartz-tourmaline veins with zoned tourmaline+/-actinolite+/-biotite+/-carbonate alteration halos which can measure up to several metres in thickness.

Drilling completed at the 450W zone in 2015 and 2016 has not been included to the 2015 SRK technical report noted above. This information, along with drilling to be completed in the first half of 2017, will be incorporated into the resource model and an updated resource estimate is expected to be completed by mid-2017.

As of December 31<sup>st</sup>, 2016, Eastmain had completed 27,142 m of drilling at Clearwater including 4,500 m at Snake Lake and the balance at the Eau Claire deposit, collecting approximately 18,800 core samples ranging in length from 0.5 m to 1.5 m. Sampling of core at Eau Claire begins above the mineralized envelope of the deposit (hanging wall) and is generally carried out through the mineralized envelope to un-mineralized rock below (foot wall). Core samples obtained within the deposit in 2016 returned gold assays ranging from below detection (<5 ppb Au) over individual intervals of 1.5 m to as high as 96.8 g/t Au over 1.0 m. Mineralized veins and alteration identified in logging form the basis of deposit interpretation and weighted averages of gold assays within the mineralized intervals will be incorporated into the resource estimate.

All of the Eau Claire drilling in the year targeted the 450 West Zone, the largest resource sector of the deposit. The program will continue through early 2017 with a primary focus on completion of the 450 West Zone and 850 West Zone drilling, before continuing with property wide targets. 2016-2017 Eau Claire drilling continues to focus on infill drilling with a view to developing a potential open pit and shallow underground mining scenario. The current program is tightening the nominal drill spacing to approximately 25 m in preparation for the planned mineral resource estimate update. The update will provide a foundation for a Preliminary Economic Assessment scheduled to be undertaken in late 2017.

Selected results are of the drilling program to December 31<sup>st</sup> are presented below. More drill result details are available at the Corporation's profile on SEDAR in press releases dated October 24, 2016, December 1, 2016 and January 4, 2017, all available on SEDAR at [www.sedar.com](http://www.sedar.com).

#### Selected 2016 450 West Zone Drill Highlights:

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay
	m	m	m <sup>(1)</sup>	m <sup>(3)</sup>	g/t Au <sup>(2)</sup>
ER16-582	188.1	188.6	0.5	166	5.71
ER16-584	114.3	114.8	0.5	98	3.13
	278.1	280.1	2.0	238	2.40
	287.5	288.5	1.0	246	3.96
	291	304.5	13.5	254	11.5
	incl. 299.0	304	5.5		21.3
	incl. 299.5	301.5	2.0		31.9
	310.5	311	0.5	265	79.7
	317.5	318.6	1.1	271	4.57

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay
	m	m	m <sup>(1)</sup>	m <sup>(3)</sup>	g/t Au <sup>(2)</sup>
ER16-586	75.4	76.9	1.5	64.5	1.96
	incl. 76.4	76.9	0.5		3.77
	130.5	132	1.5	109.5	2.30
	incl. 130.5	131	0.5		5.92
	134.5	135.5	1.0	112.5	2.65
	152.5	153.5	1.0	127.5	8.85
	160	160.5	0.5	133.5	7.52
	173.2	176.7	3.5	145.5	1.68
	incl. 173.2	174.2	1.0		4.34
	228.3	231.3	3.0	191.5	1.23
ER16-587	130.8	133	2.2	109	1.41
	incl. 130.8	131.3	0.5		3.34
	174.8	176	1.2	144	2.45
	228.1	229.1	1.0	188	5.41
ER16-588	248.3	251.5	3.2	195	3.14
	incl. 248.3	251.5	1.5		6.18
	286.9	287.4	0.5	224	4.01
ER16-589	46	47	1.0	40	2.40
	106.5	107	0.5	92	3.30
	109.5	110	0.5	95	3.92
	155.5	156.5	1.0	135	2.70
	211	213	2.0	182	2.12
	incl. 211.0	212	1.0		3.89
ER16-591	227.7	229.2	1.5	193	1.14
	232	234.1	2.1	197	2.83
	incl. 233.1	234.1	1.0		4.97
ER16-593	242.1	246.5	4.4	200	2.03
	incl. 245.5	246.5	1.0		4.08
	269.5	270	0.5	220	15.2
	271.5	276	4.5	228	0.96
	incl. 275.0	275.5	0.5		3.78
	305	306	1.0	246	4.50
ER16-595	203	204.5	1.5	154	0.64
	208.5	209	0.5	158	13.6
	269.6	270.6	1.0	202	3.24
	303.5	304.2	0.7	225	3.06
ER16-597	197	197.7	0.7	171	7.47
	238.9	240	1.1	207	3.56
	262	267	5.0	229	5.06
	incl. 263.0	264.5	1.5		11.1
	272.3	276.5	4.2	237	2.73
	incl. 274.5	275	0.5		16.5
	300	300.6	0.6	259	21.8



Drill Hole	From	To	Interval	Vertical Depth	Gold Assay
	m	m	m <sup>(1)</sup>	m <sup>(3)</sup>	g/t Au <sup>(2)</sup>
ER16-598	13.6	14.1	0.5	9	4.15
	196.3	198	1.7	137	1.17
ER16-602	110.8	113.8	3.0	92	1.09
	221.5	222.2	0.7	182	35.3
	270	271.9	1.9	221	2.95
	incl. 270.0	270.5	0.5		7.22
ER16-605	209.5	210	0.5	159	2.14
ER16-606	156.6	158.6	2.0	135	2.90
	166.6	167.1	0.5	143	1.29
	219.6	221.9	2.3	188	43.1
	incl. 220.2	221.2	1.0		96.8
	224	225	1.0	192	3.56
ER16-608	190.6	193.6	3.0	164	6.36
	incl. 192.1	192.6	0.5		26.4
	197.1	197.6	0.5	169	2.04
	223.1	224.2	1.1	190	9.12
	231.2	236.5	5.3	199	6.17
	incl. 231.2	231.7	0.5		15.7
	incl. 233.0	233.5	0.5		20.9
	243.6	246.2	2.6	208	6.31
	incl. 245.6	246.2	0.6		15.9
	252.8	255.2	2.4	216	67.7
	incl. 252.8	254.7	1.9		85.1
	264.4	265.1	0.7	225	27.0
270.8	273.1	2.3	231	3.90	
ER16-610	51.3	51.8	0.5	48	7.11
	61.3	61.8	0.5	57	4.10
	142	144	2.0	132	1.05
	149	150	1.0	138	1.37
	187	187.5	0.5	172	4.65
ER16-612	92	94.4	2.4	80	7.58
	incl. 92.0	93	1.0		16.6
	197.8	198.3	0.5	170	5.40
	205.2	205.8	0.6	177	4.84
	209.5	210	0.5	180	15.7
	243.5	244.2	0.7	210	9.84
	249	249.5	0.5	215	7.62
	259	260	1.0	223	27.2
	265	265.5	0.5	226	14.7
ER16-613	203.5	205.1	1.6	183	2.03
	216	216.5	0.5	194	1.13
	240.4	245	4.6	218	4.02
	incl. 240.4	241.4	1.0		7.93

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay
	m	m	m <sup>(1)</sup>	m <sup>(3)</sup>	g/t Au <sup>(2)</sup>
ER16-617	112.9	117	4.1	97	1.12
	202.1	205.6	3.5	171	15.8
	incl. 204.8	205.6	0.8		66.6
	211.2	211.7	0.5	178	8.90
	223.2	224.2	1.0	189	8.50
	260.8	261.8	1.0	220	2.70
ER16-619	83.5	84	0.5	70	3.97
	183.7	184.2	0.5	153	16.3
	192.2	193.5	1.3	160	2.54
	263.5	264	0.5	219	28.5
ER16-620	127	128	1.0	103	2.40
	229.2	235.8	6.6	188	6.74
	incl. 229.2	230.2	1.0		31.3
	incl. 234.8	235.8	1.0		10.0
ER16-621	159	160	1.0		3.22
	244.9	245.4	0.5		11.2
	265.7	267.2	1.5		20.2
	279	281	2.0		9.24
ER16-624	87	87.5	0.5	78	3.34
	102.8	103.4	0.6	92	3.58
	114	116.5	2.5	103	1.91
	247	247.5	0.5	219	4.46
	257.2	257.9	0.7	229	25.0
	294.3	294.9	0.6	261	16.0
ER16-625	200	201	1.0	162	4.11
	260.9	262.9	2.0	211	4.43
	incl. 261.4	261.9	0.5		11.0
	291.7	305	13.3	239	2.17
	incl. 291.7	294.8	3.1		4.32
	304	305	1.0	244	7.07
ER16-639	285.9	286.4	0.5		12.6
	344.2	345.2	1.0		12.4
	348.2	348.7	0.5		2.4
	360	360.6	0.6		2.55
	369	369.5	0.5		1.66
	377.5	378.05	0.6		1.52
ER16-642	262.1	262.7	0.6		10.6
	283.2	283.7	0.5		13.4
	333.6	334.1	0.5		12.8
	337	340.4	3.4		3.12
	347.5	349.1	1.6		3.67
ER16-647	150.9	153.4	2.5		2.68
	150.9	151.4	0.5		8.92

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay
	m	m	m <sup>(1)</sup>	m <sup>(3)</sup>	g/t Au <sup>(2)</sup>
	199.3	199.9	0.6		11.4
	210.9	211.4	0.5		4.13

1) Intervals are presented in core length; true width will vary depending on the intersection angle of the hole with the targeted zone. Holes are generally planned to intersect vein structures as close perpendicular as possible and true widths are estimated to be approx. 80% of downhole widths.

2) For known mineralized zones, intervals are based on geological observations. Assays presented are not capped.

3) Vertical depth is measured from the surface to the mid-point of the reported interval.

Gold mineralization at the Snake Lake occurrence is similar to the Eau Claire deposit. Quartz tourmaline veins are hosted within a thick sequence of basalt flows, tuffs and interbedded metasedimentary rocks which have been intruded by felsic dykes. As at Eau Claire, the entire sequence has been heavily deformed and sheared resulting in development of a deformation zone with strong and extensive foliation and local shearing. Significant zones of sulphide mineralization of up to 15% (pyrite, pyrrhotite, +/- arsenopyrite +/- chalcopyrite) are also reporting gold mineralization within the deformation zone.

In 2016, drilling returned encouraging near-surface gold results, with similar quartz-tourmaline related gold mineralization as observed at the Snake Lake deposit. Additionally, gold mineralization in altered basalt flows and interlayered tuffs with high visible sulphide concentrations mineralization (pyrrhotite +/- pyrite +/- chalcopyrite +/- arsenopyrite) ranging from 5% to 15% (background content normally less than 1%) have been intersected in several holes. Drilling to date encountered anomalous gold mineralization between 1 g/t Au and 12.2 g/t Au in core sampled to a vertical depth of 170 m from surface), with the majority of intercepts being located in first 100 m.

As an early stage exploration target sampling of core at Snake Lake is predicated upon observation by the geologist of alteration or mineralization which is interpreted as favourable to host gold mineralization. Samples are taken from above the identified mineralized zone (hanging wall) and carried out through the mineralized envelope to un-mineralized rock below (foot wall). If several zones are located in a hole, sampling may be undertaken in a continuous manner including intervals that are not visibly mineralized. Core samples obtained at the Snake Lake Target in 2016 have returned gold assays ranging from below detection (<5 ppb Au) over individual intervals of 1.5 m to as high as 12.2 g/t Au over 1.5 m.

20 drill holes were completed in the period at the Snake Lake target. Drilling is outlining a shallow 700 m long and 200 m wide corridor of gold mineralization located 1.8 km east of the Eau Claire Deposit along the Clearwater Deformation Zone in which two mineralization types are beginning to emerge. The first type is dispersed through the corridor and is similar to the shear-hosted quartz-tourmaline-vein-related gold mineralization at the Eau Claire deposit. The second gold zone consists of altered basalt flows and interlayered tuffs with elevated sulphide mineralization.

A summary of significant intercepts is presented below. More drill result details are available on SEDAR in press releases dated October 24, 2016, December 1, 2016 and January 4, 2017

#### Selected 2016 Snake Lake Target Drill Highlights:

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay	Intercept
	m	m	m <sup>(1)</sup>	m(3)	g/t Au <sup>(2)</sup>	
R16-592	54.2	55.7	1.5	<b>39.0</b>	2.94	Quartz feldspar porphyry
	incl. 54.7	55.2	0.5		7.92	
	139.5	141	1.5	<b>96.0</b>	12.2	Volcaniclastic metasediment

Drill Hole	From	To	Interval	Vertical Depth	Gold Assay	Intercept
	m	m	m <sup>(1)</sup>	m(3)	g/t Au <sup>(2)</sup>	
	171	177.7	6.7	<b>118.0</b>	2.38	Tourmaline-Qtz-Biotite-schist
	incl. 175.6	177.7	2.1		4.89	
ER16-596	67	68	1.0	<b>46.0</b>	2.95	foliated, altered basalt tr. sulphide
	80.6	81.6	1.0	<b>55.0</b>	6.38	biotite, carbonate altered basalt 5% sulphide
ER16-599	8.8	9.8	1.0	<b>7.0</b>	1.33	altered basalt 1-10% sulphide
	29	33	4.0	<b>21.0</b>	1.45	quartz feldspar porphyry dyke in tuff 2-15% sulphide
	incl. 29.0	30	1.0		3.74	
	41.3	41.8	0.5	<b>29.0</b>	5.14	sulphide mineralized tuff
	66.9	67.9	1.0	<b>47.0</b>	4.02	mineralized basalt/tuff contact, 10% sulphide
	163.5	166	2.5	<b>113.0</b>	2.45	quartz/tourmaline vein 5% sulphide
	incl. 163.5	164.5	1.0		4.29	
ER16-600	42.4	44	1.6	<b>31.0</b>	1.62	shear zone, 10% py.
ER16-604	43.85	45	1.15	<b>32.0</b>	11.3	Altered Feldspar porphyry w/ quartz-tourmaline veining
ER16-615	28.4	29	0.6	<b>20.0</b>	8.16	biotite, tourmaline altered schist, 15% sulphide
ER16-618	297.1	299.3	2.2	<b>196.0</b>	1.91	Volcanic tuff w/ up to 15% sulphide
ER16-633	29.7	31.7	2.0	<b>22.0</b>	5.78	Mafic volcanic w/ 5-10% sulphide
	33.9	34.5	0.6	<b>25.0</b>	4.69	Mafic volcanic w/ tourmaline quartz veining+5% sulphide
ER16-637	47.8	48.3	0.5	<b>33.0</b>	6.01	Metasedimentary rock w/ tourmaline quartz veining+20% sulphide + V.G.
	53.2	55.2	2.0	<b>37.0</b>	3.26	Metasedimentary rock w/ tourmaline quartz veining+5% sulphide

<sup>1)</sup> Intervals are presented in core length; true width will vary depending on the intersection angle of the hole with the targeted zone. Holes are generally planned to intersect vein structures as close perpendicular as possible and true widths are estimated to be approx. 80% of downhole widths.

<sup>2)</sup> For known mineralized zones, intervals are based on geological observations. Assays presented are not capped.

<sup>3)</sup> Vertical depth is measured from the surface to the mid-point of the reported interval.

Snake Lake holes ER16-603, -611, -623 and -627 returned no significant assays.

Interpretation of recent results and re-compilation of all work at the Snake Lake target will be completed early in 2017 and subsequent exploration is planned based on the results of this evaluation.

### 3.1.17 Project Development Progress and Review

In the coming year, the Corporation proposes to continue with a full review of the Clearwater Project announced in July 2016. The review will include;

1. Completion of the 63,000 m drill program on the property, in particular the 55,700 m targeting the Eau Claire deposit
2. Re-interpretation of the geological and resource models
3. Additional metallurgical testing, which will include representative samples from deeper in the deposit that previous studies

4. Mineral resource update
5. Planning for initial environmental and engineering studies
6. Continued property-wide exploration.

## **3.2 EASTMAIN MINE PROJECT**

### **3.2.1 Description and Location of the Project**

The Eastmain Mine Project is centred at roughly 52° 18' N Latitude and 72° 05' W Longitude, within the Upper Eastmain River Greenstone Belt, approximately 320 km north-northeast of Chibougamau and about 800 km north of Montréal, Québec. The property consists of 152 mineral claims and one industrial lease permit. The property, which covers approximately 8,014 ha lying within NTS map sheets 33A/07 and 33A/08 is owned 100% by Eastmain. The property is subject to a net smelter royalty (“NSR”) of 2.3% acquired in 2011 by CBay Minerals Inc. through the bankruptcy of Campbell Resources/MSV Resources Inc.

### **3.2.2 Accessibility, Climate, Infrastructure, and Physical Geography**

The property is accessible via Route 167 which was extended in 2013 from Temiscamie through the Eastmain Mine Project to the Renard diamond mine. The road provides permanent all-weather road access to the property. Completion of this route has facilitated access to the property and significantly reduced transportation exploration costs for Eastmain. Road access also allows for evaluation of a wider range of evaluation and development options for the historic Eastmain Mine deposit.

The property can also be accessed from Chibougamau and Temiscamie by float plane (approximately 325 and 150 km southwest respectively), and by wheeled aircraft from Chibougamau to a gravel airstrip located on the property. The airstrip is currently in disrepair but can be refurbished for short-take-off aircraft.

The area around the Eastmain Mine Project is gently rolling to flat lying, with local relief varying from in a range of 200 m. The average elevation in the vicinity of the Eastmain Mine camp is about 500 m ASL (Above Sea Level). A dominant feature of the landscape is the Otish Mountains located approximately 15 km south of the property with steep ridge crests and mountains which reach 1000 m ASL in elevation. Numerous rivers and lakes trend in an overall north-easterly direction. The area immediately around the site consists of glacial outwash and moraine sands, gravels, and boulders with sparse outcrop. Vegetation consists of small black spruce, jack pine and larch with lesser birch and poplar. Alder, Labrador tea and blueberry bushes predominate in lower lying swampy area.

The climate is typical of Northern Canada (temperate to sub-arctic climate) with average summer (June to September) temperatures varying from 10°C to 35°C during the day and 5°C to 15°C during the night. Winters can be cold, ranging from -40°C to -10°C. Precipitation varies during the year, reaching 2 metres annually, with snow cover expected from November to May. However, exploration and mining can generally be carried out year-round.

### **3.2.3 History**

In 1969, Placer Development Limited discovered the Eastmain Gold Mine, now owned by Eastmain Mines Inc., a wholly-owned subsidiary of the Corporation. The gold-silver-copper bearing A Zone was intersected while drill-testing an airborne geophysical conductor. Drill testing of airborne conductors in the 1980's defined two additional gold-rich zones known as the B and C zones.

In the 1980's Placer Dome Ltd. ("Placer") completed definition drilling on the A, B and C zones of the Eastmain gold deposit. Placer reported that it intersected 17.7 g/t Au, 25.1 g/t Ag and 0.61% Cu across 4.8 m in the A Zone, 500 m down-dip from surface, or at a vertical depth of 280 m, in hole 83-4. The A Zone has been traced 580 m down-dip with an average thickness of 2.3 m. The B Zone consists of five separate lenses which have been traced for 480 m down-dip and averages 3.0 m in thickness. The deposit is open down-dip and there is significant surface exploration potential on the property.

In 2004, Campbell Resources Inc. ("Campbell") reported a measured and indicated mineral resource of 878,100 tonnes at 10 g/t Au for the Eastmain Mine deposit. The Eastmain gold deposit was reported to contain 255,750 oz of gold and 4.1 million pounds of copper, including measured resources of 91,500 tons grading 0.268 oz/t gold and indicated resources of 786,600 tons at 0.294 oz/t gold (Campbell, 2004 Annual Report, available on SEDAR at [www.sedar.ca](http://www.sedar.ca)). Several historical reports including a Feasibility Study prepared by MSV in 1990 and a report entitled Reserves/Resources Audit of Mining Property by Metchem in 2001 however, support Campbell's disclosed estimate.

A qualified person for Eastmain has not done sufficient work to classify this historic resource estimate as current mineral resources as defined by NI 43-101 space and has not been reviewed by a qualified person for Eastmain under the guidelines of such National Instrument. The above mineral quantities, grades and mineral resources are historical estimates and should not be relied upon. The resource is considered historic by the Corporation and to be relevant only as an indication of potential mineralization on the property.

In February 2007, Eastmain earned a 100% interest in the Eastmain Mine property by issuing \$2.5 million in cash, 1,000,000 Common Shares and 500,000 share-purchase warrants at an exercise price of \$1.00 per share, valid for 12 months, to Campbell. On July 18, 2007 Eastmain issued an additional 1,000,000 Common Shares and 500,000 share-purchase warrants at an exercise price of \$1.50 per share, valid for 12 months, to complete the transaction. Campbell retained a 2% NSR on the Eastmain Mine Project. Eastmain had the option to purchase one-half of the NSR for \$1 million for any production over and above 250,000 ounces of gold. Eastmain held a right of first refusal on the sale of the NSR by Campbell.

In September 2012, Eastmain exercised its right of first refusal to purchase the NSR on the Eastmain Mine property over and above an initial production of 250,000 ounces of gold (the "Initial Production Royalty") from CBay Minerals Inc. ("CBay"). Franco Nevada Corporation and Virginia Mines Inc. (now Osisko Gold Royalties) jointly acquired the 2.3% Initial Production Royalty from CBay.

### **3.2.4 Geological Setting**

The project is underlain by the Upper Eastmain River Greenstone Belt, which extends for 100 km in a north-northeast direction in vicinity of the property. The Upper Eastmain belt consists of one or more cycles of mafic to felsic metavolcanic and metasedimentary rocks surrounded by granite and granite gneiss. A key geological marker comprised of ultramafic volcanic rocks (komatiite flows) can be traced across the belt. Widespread rock geochemical anomalies in nickel-copper, nickel-chromium, copper-zinc and gold suggest that these rocks are highly prospective for both gold and nickel-copper-platinum deposits similar to those found elsewhere in Canada, and Western Australia. The three gold zones discovered at the Eastmain Mine are spatially associated within a major structural deformation corridor, coinciding with strongly altered ultramafic volcanic rocks (komatiitic flows) intercalated with narrow lenses of felsic volcanic rocks within a thicker sequence of mafic volcanic flows ("the Mine Trend". The gold mineralization is mainly contained in siliceous stratabound units containing 10 to 30% pyrrhotite, pyrite and minor amounts of chalcopyrite.

### 3.2.5 Exploration Work, Mineralization and Drilling

For information regarding historic exploration at Eastmain Mine prior to 2013, the reader is referred to the Corporation's 2015 Annual Information Form.

In 2013 the Corporation completed a program of geological mapping, prospecting and soil geochemical surveys, to define future drill targets in the key mine horizon northwest of the Eastmain Mine gold deposit. 2013 surface exploration successfully identified four additional high-grade gold targets, coinciding with the 10 km long regional "Mine Trend" extending northwest and southeast from the deposit.

During fiscal 2014, field exploration work confirmed four high-grade target zones northwest of the Eastmain Gold deposit. 249 rock samples were collected as part of the 2014 geological targeting program in search of additional resources along the Mine Trend. Two of the areas ("Hillhouse" and "Julien") coincided directly with the projected Eastmain Mine Trend and two targets ("Michel" and "Suzanna") are located along secondary parallel structures, which may be an immediate or folded repetition of the mine sequence.

#### Hillhouse Target

The Hillhouse target, which occurs 850 m northwest of the A and B Zones, consists of a 400 m long by 150 m wide area, containing anomalous rock samples with gold ranging from 0.5 to 39.5 g/t Au; silver ranging from 0.5 to 25.8 g/t Ag; and copper ranging from 0.1 to 2.4% Cu.

#### Julien Target

The Julien target is situated 1.7 km northwest of the A and B Zones. This target coincides with a magnetic high in Mine Trend rocks extending for a length of 500 m. The Julien target has been defined by anomalous rock samples containing from trace to 27.2 g/t Au; trace to 28.8 g/t Ag; and from trace to 2.3% Cu.

#### Suzanna Target

The Suzanna target is situated 600 m west of and parallel to the Julien anomaly. This target extends for a length of 375 m with anomalous rock assays ranging from 0.5 to 38.7 g/t Au, 0.5 to 26.6 g/t Ag and 0.1 to 3.06% Cu.

#### Michel Target

The Michel target is located 400 m north of the Suzanna anomaly and is defined by two clusters of anomalous rock samples ranging from 0.5 to 125.1 g/t Au; 0.5 to 12.5 g/t Ag; and 0.1 to 1.08% Cu.

In 2015, no field exploration was conducted at the Eastmain Mine Project.

### 3.2.6 2016 Exploration Highlights

In June 2016, Eastmain announced a \$1.3 million exploration program at the Eastmain Mine Project. The announced Eastmain mine program consisted of mapping, prospecting, and mechanical trenching, followed by 5,000 m of diamond drilling. The project was extended to the end of 2016 to include a total of 8,550 m of drilling. Additional detail regarding trenching and drilling results at Eastmain in 2016 are available in press releases dated November 14<sup>th</sup>, 2016 and January 19<sup>th</sup>, 2016.

Prospecting targets were identified by Diagnos Inc., who conducted a regional Computer Aided Resource Detection System ("CARDS") analysis. The system uses pattern recognition algorithms to analyse

compiled digital exploration data, and to identify areas with similar geological signatures to known areas of mineralization. The CARDS generated target were prospected by Diagnos personnel in coordination with, and supported by Eastmain staff.

Mechanical trenching was performed at previously defined high grade gold surface showings and VTEM electromagnetic conductors. Specifically, trenching targeted the outcropping Julien, Suzanna, Michel and Hillhouse targets. As previously described, these zones may represent strike extensions of, or parallel horizons to the Mine Trend, exhibiting similar Au-Ag-Cu mineralization to the Eastmain Mine A, B and C zones.

A total of 3,180 m<sup>2</sup> of planned trenching was successful in exposing bedrock at the Julien, Suzanna and Hillhouse zones during the 2016 program at Eastmain Mine. Each target reported mineralization and geology which supports continued exploration. The most prospective assay results were obtained from the Julien target. This target was exposed in several trenches extending north-easterly across approximately 400 m of stratigraphy beginning at the interpreted SE trending Mine Trend and cutting parallel stratigraphy.

Trench EM16-J1 tested a limited strike length electromagnetic anomaly. The source of the conductor corresponds to a mineralized contact between felsic and mafic volcanic rocks and returned 0.65 g/t Au over 1.0 m.

Trench EM16-J3 is located just east of Julien Lake, and adjacent to a mineralized outcrop with grab values of 30.9 g/t Au, 24.9 g/t Ag and 1.12% Cu (see Fiscal Year 2013 Management's Discussion and Analysis). The trench exposed the surface expression of the mineralized zone (subsequently intersected in hole EM16-76 that returned 219 g/t Au, 153 g/t Ag and 2.54% Cu over 2.0 m (including 752 g/t Au, 464 g/t Ag and 4.47% Cu over 0.5 m). The best values are from channel J3-6 returning 45.1 g/t Au, 26.5 g/t Ag and 0.61% Cu over 2.0 m including 85.5 g/t Au, 48.0 g/t Ag and 1.09% Cu over 1.0 m. The gold mineralization is closely associated with a mineralized quartz vein located within in a silicified, sulphide mineralized felsic volcanic rock.

Trench EM16-J4 exposed high grade mineralization 190 m west-southwest of trench EM16-J3, and 65 m west of Julien Lake. Trenching exposed the Julien Showing (surface samples values ranging to 27.3 g/t Au, 18.1 g/t Ag and 0.70% Cu) discovered by Placer Dome in 1982. The gold mineralization is hosted in a mineralized quartz vein, varying in thickness up to 1.2 m. The quartz vein is mineralized with pyrite, pyrrhotite and chalcopyrite and is injected into a sheared and strongly biotitized basalt unit. The host sheared basalt is also gold bearing, returning up to 1.09 g/t Au over 0.5 m. The best assay from trench EM16-J4 is from channel J4-3 returning 5.04 g/t Au, 8.34 g/t Ag and 0.59% Cu over 2.5 m including 10.7 g/t Au, 13.9 g/t Ag and 1.26% Cu over 0.5 m.

At the Suzanna Zone, Trench EM16-S2 targeted a moderate electromagnetic conductor. The exposed rock presents an intensely altered basalt composed of quartz, biotite and fuchsite. When the alteration is associated with disseminated sulphide mineralization (pyrrhotite, chalcopyrite), gold mineralization is also present. The best gold value is from channel S2-20 returning 3.96 g/t Au over 1.0 m including 7.13 g/t Au over 0.5 m.

Hillhouse Zone trenches EM16-H2 and EM16-H3 returned gold values which are spatially aligned along a minor shear and associated with a massive sulfide layer hosted in mineralized chert. Pyrrhotite and chalcopyrite are the main sulphides present. The assemblage is very similar the Eastmain Mine "Mine Trend" mineralization located in the historic mine. The sulphide-chert horizon in EM16-H2 an EM16-H3 is located at the contact between pillowed basalt and a volcanic breccia.



**Selected 2016 Channel Samples from Eastmain Mine Trenching Program**

Trench ID	Channel ID	Channel Samples				Including				Target
		Assay			Length	Assay			Length	
		g/t Au	g/t Ag	% Cu	m	g/t Au	g/t Ag	% Cu	m	
EM16-J1	J1-1	0.65	-	-	1.0	-	-	-	-	Julien
EM16-J3	J3-4	3.13	5.45	0.31	6.5	18.1	29.1	1.70	1.0	Julien
	J3-5	4.81	10.3	0.44	6.5	13.5	28.0	1.17	2.0	
	J3-6	45.1	26.5	0.61	2.0	85.5	48.0	1.09	1.0	
	J3-7	1.22	1.95	0.11	1.5	2.01	2.15	0.1	0.5	
	J3-8	1.05	0.78	0.06	0.5	-	-	-	-	
	J3-9	0.45	2.36	0.18	3.5	0.77	0.97	0.07	0.5	
	J3-10	4.55	3.40	0.18	2.5	10.1	5.51	0.26	1.0	
	J3-11	4.05	1.91	0.09	2.0	14.4	4.40	0.14	0.5	
	J3-12	0.75	1.78	0.11	2.5	1.83	2.72	0.17	0.5	
	J3-13	2.75	2.29	0.16	4.5	14.3	6.30	0.34	0.5	
EM16-J4	J4-2	1.80	3.57	0.25	2.5	3.63	8.18	0.90	0.5	Julien
	J4-3	5.04	8.34	0.59	2.5	10.7	13.9	1.26	0.5	
	J4-4	3.40	15.0	0.74	2.5	6.21	26.8	1.48	1.0	
	J4-7	1.25	3.10	0.06	3.0	5.87	7.52	0.10	0.5	
	J4-8	3.48	10.7	0.07	2.0	9.84	27.5	0.08	0.5	
	J4-9	8.29	29.9	1.29	1.0	9.51	22.7	1.13	0.5	
	J4-10	0.64	3.84	0.22	3.0	2.39	13.7	0.84	0.5	
	J4-11	0.59	4.59	0.05	1.5	1.09	8.64	0.34	0.5	
	J4-12	0.28	5.28	0.33	2.0	-	-	-	-	
	J4-13	1.06	2.91	0.24	2.0	1.72	5.71	0.49	0.5	
	J4-14	0.63	1.99	0.17	0.5	-	-	-	-	
	J4-15	0.40	1.44	0.20	1.0	0.55	0.92	0.11	0.5	
	J4-16	0.69	0.77	0.03	0.5	-	-	-	-	
	J4-17	0.30	1.01	0.12	0.5	-	-	-	-	
J4-18	0.25	1.33	0.08	0.5	-	-	-	-		
EM16-S1	S1-1	2.35	-	-	3.0	8.96	-	-	0.5	Suzanna
	S1-2	5.33	-	-	1.5	13.3	-	-	0.5	
	S1-5	1.19	-	-	1.0	1.96	-	-	0.5	
EM16-S2	S2-2	0.72	0.16	0.06	0.5	-	-	-	-	Suzanna
	S2-20	3.96	0.23	0.05	1.0	7.13	0.17	0.04	0.5	
EM16-H2	H2-5	4.63	-	-	1.0	5.78	-	-	0.5	Hillhouse
	H2-6	25.97	-	-	2.2	55.7	-	-	0.7	
	H2-7	2.14	-	-	1.5	3.11	-	-	0.5	
EM16-H3	H3-2	6.79	-	-	1.0	9.49	-	-	0.5	
	H3-3	6.55	-	-	1.0	9.78	-	1.14	0.8	
	H3-7	3.29	-	-	1.0	7.63	-	1.32	0.5	

Grab samples collected from the massive sulfide lens located in the Hillhouse EM13-H2 trench returned the following values;

## 2016 Hillhouse Showing Grab Sample Results - Trench EM13-H2

Sample #	Gold assay (g/t Au)	Silver Assay (g/t Ag)	Copper Assay (% Cu)
S894387	12.9	2.86	0.15
S894388	15.3	6.87	0.09
S894389	43.3	13.1	0.27
S894390	77.5	16.9	0.59
S894391	8.49	3.15	0.05
S894392	46.1	41.4	7.39

The 2016 Eastmain Mine Project drilling was designed to identify additional mineralized zones along the mine trend, from the historic high-grade Eastmain Mine deposit. Exploration work prior to 2014 identified satellite targets, which was followed by additional mapping, overburden stripping and channel sampling conducted in mid-2016.

6 exploration targets were tested during the 2016 drill campaign including; Hillhouse, Julien and Suzanna, NW Mine trend, SE Mine trend and the Eastmain Mine. Hillhouse, Julien and Suzanna are located 1.5 km, 2.75 km, and 3 km northwest, respectively, of the Eastmain Mine. The NW and SE Mine Trend targets are the interpreted strike extensions of the mineralized horizon which hosts the Eastmain mine. Hole EM16-91 tested the NW Mine Trend approximately 850 m northwest of the Eastmain Mine and Holes EM16-83 to -86 tested for Mine Trend stratigraphy 1.5 to 3.5 km to the southeast of mine area. Results from one hole, EM16-96 (519 m) are unavailable as at the date of this report.

### Julien Target

Hole EM16-76 intersected a significant assay of 42.4 g/t Au, 30.2 g/t Ag and 0.53% Cu over 10.5 m within an altered rhyolite unit hosting a mineralized quartz vein with visible gold, at 9.6 m vertical depth. The unit is 400 m east across dip of the mine trend, in a potential new parallel zone. EM16-76 also intercepted the extension of the mine trend mineralization at 285 m vertical depth.

The drill hole is collared 25 m northeast of a quartz-vein outcrop with values of 30.9 g/t Au, 24.9 g/t Ag and 1.12% Cu (see Fiscal Year 2013 Management's Discussion and Analysis).

Holes EM16-92 to EM16-95 are located in the Julien Target area. The four holes tested the continuity at depth of the mineralization intercepted in hole EM16-76 which returned 42.4 g/t Au, 30.2 g/t Ag and 0.53% Cu over 10.5 m, at 15 m vertical depth. (Press Release, November 14<sup>th</sup>, 2016).

EM16-92 (-50°) and EM16-93 (-70°) are collared at the same location, 27 m northeast of, and undercutting, EM16-76. Both holes intercepted the mineralized rhyolite hosting a quartz vein with visible gold at a vertical depth of 25 m and 35 m respectively. EM16-92 returned 21.1 g/t Au, 25.7 g/t Ag and 1.05% Cu over 9.3 m, including 43.1 g/t Au, 50.6 g/t Ag and 2.04% Cu over 4.3 m, while EM16-93 returned 10.6 g/t Au, 20.1 g/t Ag and 1.24% Cu over 15.9 m, including 20.4 g/t Au, 36.8 g/t Ag and 2.29% Cu over 7.6 m.

EM16-94 and EM16-95 are also collared from a single location, 67 m northeast of and undercutting holes EM16-76, -92, and -93. Both holes intercepted a mineralized quartz vein with visible gold. Two mineralized intervals were identified in EM16-94. The first one, located a vertical depth of 50 m, returned 7.8 g/t Au, 13.6 g/t Ag and 0.53% Cu over 10.0 m, including 32.7 g/t Au, 14.5 g/t Ag and 1.04% Cu over 1.0 m. The second one, located at a vertical depth of 63 m, returned 5.67 g/t Au and 1.33 g/t Ag over 8.5 m, including 41.8 g/t Au and 3.8 g/t Ag over 0.6 m. The first interval is mainly hosted in a mineralized quartz vein injected at the contact between mafic and felsic volcanics and the second one is located at a

felsic-mafic contact. EM16-95 intersected a gold bearing quartz vein, hosted in altered basalt that returned 1.7 g/t Au, 2.6 g/t Ag and 0.13% Cu over 13.0 m, including 18.0 g/t Au, 24.1 g/t Ag and 1.05% Cu over 1.0 m, at a vertical depth of 67 m.

### **Hillhouse Target**

Holes EM16-77 and EM16-78 both intercepted shallow mineralization. Visible gold was observed in EM16-78 and returned 6.85 g/t Au over 2.5 m, including 10.6 g/t Au over 1.5 m at a vertical depth of 11.8 m.

Hole EM16-78 tested continuity from the mineralized lens discovered in Trench EM16-H2, with values ranging from below detection limits to 26.0 g/t Au over 2.2 m including 55.7 g/t Au over 0.7 m (see press release dated October 5, 2016). The mineralization is associated with a massive sulfide layer hosted in mineralized chert and is similar to the Eastmain Mine deposit.

Holes EM16-79 and EM16-80 are located in the Hillhouse Hill target area. EM16-79 is collared 40 m east of trench EM16-H2, testing the mineralized lens that returned 26.0 g/t Au over 2.2 m (Press Release, October 5th, 2016). The massive sulphide lens and associated mineralized sequences were intersected between 28 m and 31 m down hole, returning 0.41 g/t Au, 1.81 g/t Ag and 0.10% Cu over 1 m. The best gold value is from a 40 cm thick mineralized shear zone that returned 2.81 g/t Au over 0.5 m.

EM16-80 is collared 27 m behind EM16-78 which returned 8.47 g/t over 2.0 m (Press Release, November 14<sup>th</sup>, 2016). Like in EM16-78 visible gold was observed in a mineralized quartz vein injected in a chert horizon associated with a 10 cm massive sulfide layer. Unlike EM16-78, the mineralized lens was crosscut by a late mafic porphyritic dyke, reducing its width. The best assay in the hole returned 1.51 g/t Au over 0.5 m.

### **Suzanna Target**

Holes EM16-81 is located 105 m north of trench Suzanna trench EM16-S1, which returned 5.33 g/t Au over 1.5 m, including 13.3 g/t Au over 0.5 m (Press release, October 5<sup>th</sup>, 2016). The drill hole intersected intensely altered felsic and mafic volcanic sequences returning anomalous mineralization which ranged from trace elements to 338 ppb Au over 11.45 m, including 3.70 g/t Au over 0.5 m.

### **Eastmain Mine**

Holes EM16-87 to EM16-90 were drilled in the vicinity of the Eastmain Mine deposit. EM16-87 did not reach its target depth, intercepting an underground mine working. EM16-88 tested a potential lateral repetition of the mine sequence which is interpreted from a previous magnetic survey to be a parallel ultramafic sequence, located 1 km southwest of the of the Mine Trend. No ultramafic sequences were intercepted, but two mineralized intervals returning 0.56 g/t Au, 5.2 g/t Ag and 0.43% Cu over 0.85 m and 0.52 g/t Au, 8.26 g/t Ag and 1.20% Cu over 0.5 m were intercepted at vertical depths of 303 m and 383 m respectively.

EM16-89 and EM16-90 tested the continuity of the historical deposit (B-Zone) at depth. EM16-89 returned 1.2 g/t Au, 1.9 g/t Ag and 0.11% Cu over 4.85 m, including 3.6 g/t Au, 4.0 g/t Ag and 0.34% Cu over 1.0 m at a vertical depth of 508 m, while EM16-90 returned 3.1 g/t Au, 6.5 g/t Ag and 0.26% Cu over 1.0 m at a vertical depth of 396 m. Both mineralized intervals were from a typical "Mine Trend" assemblage composed of altered felsic and mafic volcanics injected with quartz/silica mineralization located in contact with an ultramafic sequence.

### NW Mine Trend

EM16-91 is located 550 m south of the Hillhouse Hill target, half way between Hillhouse Hill and the Eastmain Mine deposit. The hole targeted a moderate geophysical electro-magnetic anomaly. The best values returned were 116 ppb Au and 0.15% Cu over 1.0 m.

### SE Mine Trend

Holes EM16-82 to EM16-86 tested the interpreted Southeast extension of the “Mine Package”. Of these, Hole EM16-83 returned the best gold intercept, hosted in a “Mine Trend” -type sequence, composed of altered felsic to mafic volcanics in contact with ultramafic rocks. EM16-83 returned 4.5 g/t Au, 1.0 g/t Ag over 0.5 m at a vertical depth of 118 m adjacent to wider anomalous gold zone that returned 0.26 g/t Au over 18.3 m. Highlights from the 2016 drilling campaign at the 6 Eastmain Mine Project exploration targets are summarized below;

#### Eastmain Mine: Summary of 2016 Drilling Results

Target	Drill Hole	From (m)	To (m)	Interval (m) <sup>(1)</sup>	Vertical Depth (m) <sup>(3)</sup>	Gold Assay g/t Au <sup>(2)</sup>	Silver Assay g/t Ag <sup>(2)</sup>	Copper Assay % Cu <sup>(2)</sup>
Hillhouse Hill	EM16-79	84.3	84.8	0.5	64.7	2.81	3.27	0.02
		93.0	94.5	1.5	71.8	0.51	1.84	0.22
Hillhouse Hill	EM16-80	29.9	30.4	0.5	21.2	1.51	1.49	0.21
Suzanna	EM16-81	63.5	68.0	4.5	50.4	0.60	1.39	0.02
		incl. 63.5	64.0	0.5		3.70	5.42	0.03
Suzanna	EM16-82					NSV		
SE Mine Trend	EM16-83	167.75	168.35	0.5	118.1	4.53	0.99	0.01
SE Mine Trend	EM16-84	150.0	151.0	1.0	130.3	0.61	-	-
SE Mine Trend	EM16-84					NSV		
SE Mine Trend	EM16-84					NSV		
Eastmain Mine	EM16-87	135.35	136.0	0.65	117.5	2.74	1.58	0.03
Eastmain Mine	EM16-88	361.1	361.95	0.85	303.2	0.56	5.2	0.43
		462.1	462.6	0.5	383.3	0.52	8.26	1.20
Eastmain Mine	EM16-89	516.95	521.8	4.85	508.0	1.19	1.93	0.11
Eastmain Mine	EM16-90	406.0	407.0	1.0	396.0	3.05	6.52	0.26
NE Mine Trend	EM16-91					NSV		
Julien	EM16-92	24.8	34.1	9.3	22.6	21.1	25.7	1.05
		Incl. 29.8	34.1	4.3		43.1	50.6	2.04
		Incl. 33.5	34.1	0.6		195	84.0	2.35
		399.0	399.5	0.5	305.8	1.33	-	-
		475.9	477.4	1.5	365.1	0.73	0.63	0.04
Julien	EM16-93	<b>24.6</b>	<b>40.5</b>	<b>15.9</b>	<b>30.6</b>	<b>10.6</b>	<b>20.1</b>	<b>1.24</b>
		<b>incl. 31.9</b>	<b>39.5</b>	<b>7.6</b>		<b>20.4</b>	<b>36.8</b>	<b>2.29</b>
		<b>incl. 34.05</b>	<b>34.6</b>	<b>0.55</b>		<b>62.1</b>	<b>156</b>	<b>1</b>
		53.6	62.3	8.7	54.5	0.72	1.36	0.09
		incl. 54.1	55.1	1.0		2.26	0.79	0.04
		504.5	513.0	8.5	478.1	0.28	0.89	0.02
		incl. 512.5	513.0	0.5		1.13	0.28	-
Julien	EM16-94	41.3	46.1	4.8	33.5	0.42	1.13	0.13
		incl. 43.8	44.3	0.5		1.50	1.17	0.11
		<b>60.0</b>	<b>70.0</b>	<b>10.0</b>	<b>49.8</b>	<b>7.96</b>	<b>13.6</b>	<b>0.53</b>

Target	Drill Hole	From	To	Interval	Vertical Depth	Gold Assay	Silver Assay	Copper Assay
		(m)	(m)	(m) <sup>(1)</sup>	(m) <sup>(3)</sup>	g/t Au <sup>(2)</sup>	g/t Ag <sup>(2)</sup>	% Cu <sup>(2)</sup>
		incl. 62.2	68.9	6.7		11.6	20.0	0.77
		incl. 62.2	63.2	1.0		32.7	14.5	1.04
		incl. 65.8	67.3	1.5		14.4	33.0	1.33
	EM16-94	80.0	88.5	8.5	64.3	5.67	1.33	0.09
		incl. 80.5	81.0	0.5		38.3	0.96	0.13
		incl. 82.9	83.5	0.6		41.8	3.87	0.03
		101.5	102.0	0.5	77.9	1.58	0.28	0.04
	EM16-95	60.5	73.5	13.0	63.0	1.69	2.62	0.13
		incl. 71.3	72.3	1.0		18.0	24.1	1.05
		94.7	95.2	0.5	89.2	2.34	1.48	0.12
Julien	EM16-96	Results Pending						

- 1) Intervals are presented in core length; true width will vary depending on the intersection angle of the hole with the targeted zone. Holes are generally planned to intersect vein structures as close perpendicular as possible and true widths are estimated to be approx. 80% of downhole widths.
- 2) For known mineralized zones, intervals are based on geological observations. Assays presented are not capped.
- 3) Vertical depth is measured from the surface to the mid-point of the reported interval.

### 3.2.7 2017 Exploration

In January 2017, a 48 line-km line cutting and OreVision induced polarization geophysical survey has been contracted by Eastmain Resources to better determine and define the mineralized zones discovered in the Julien and Suzanna areas. Core obtained from EM16-76 was submitted for geophysical bench study to Abitibi Géophysique Inc. in December 2016. This study reported characteristics suitable for detection with a larger ground survey. Wide mineralized zones, crosscut by a quartz-feldspar porphyry dyke were intercepted in both holes EM16-93 and EM16-94. This mineralized zone, intersected between 20 m and 70 m depth, represents a substantial gold mineralization footprint for the survey. The survey will also covers the Suzanna target and will assist in identifying drill targets later in 2017.

Based on recent drill results and new geophysical results to be received in February a follow-up drill program will be designed with planned start-up in March 2017.

### 3.3 ÉLÉONORE SOUTH PROPERTY

Éléonore South, an exploration-drilling-stage project, lies in the Opinaca geologic Sub-province of James Bay, Québec immediately south of and contiguous with Goldcorp Inc.'s ("Goldcorp") Éléonore property, which hosts the multi-million-ounce Roberto gold deposit. The Éléonore South property is also located immediately west of and is contiguous with the Sirios Resources Inc. ("Sirios") Cheechoo property.

The joint venture ("JV") is held by Eastmain (36.72%), Azimut Exploration Inc. ("Azimut") (26.57%), and Les Mines Opinaca Ltée, a wholly-owned subsidiary of Goldcorp Inc. (36.71%), the property consists of 282 mining claims covering 147 km<sup>2</sup> of prospective land, contiguous with and underlain by the same rock formations as those found on Goldcorp's Éléonore mine property. The Éléonore mine geology is interpreted to extend on to the Éléonore South property.

Eastmain's discovery of the JT Gold occurrence returned assays including 5.3 g/t Au across 8.0 m and 10.9 g/t Au over 3.0 m. Subsequent drilling conducted by the Corporation delineated a km long, stacked

horizon of metamorphosed sediments and intrusive rocks, similar to those found at Éléonore, containing anomalous gold, arsenic and antimony mineralization, the signature metal suite at Éléonore.

Recently, Sirios reported intersecting 4.18 g/t Au over a 20 m interval within a tonalitic intrusion near the contact with surrounding metasediments. The Sirios discovery occurs approximately 200 m of the Éléonore South JV property boundary. This tonalite body extends onto the Éléonore South property, outcropping east of the JT Zone.

In 2016, the JV partners agreed to undertake a \$2 million work program, including 5,000 m of diamond drilling at the Éléonore South property. The program is managed by Azimut. The 2016 program began in July with a mandate to test high-priority gold targets with detailed surface prospecting to increase the sampling density in seven target areas.

On August 29, 2016, Azimut reported a total of 404 rock samples, mostly from outcrops, were collected on the property during a 14-day program. Grab samples are selective by nature and unlikely to represent average grades. The results are summarized as follows:

- High-grade samples collected over a 30 m by 20 m outcrop at the Moni Prospect include 142.0 g/t Au, 102.5 g/t Au, 51.3 g/t Au, 39.3 g/t Au, 36.5 g/t Au, 34.2 g/t Au, 23.3 g/t Au, 21.6 g/t Au, 19.1 g/t Au, 12.5 g/t Au and 11.7 g/t Au.
- 114 samples in the prospecting program returned grades higher than 0.1 g/t Au, including 53 samples with grades above 0.5 g/t Au, of which 30 samples reported grades above 1.0 g/t Au.
- Mineralization is mostly related to a strongly altered tonalite rock, mineralized with disseminated arsenopyrite and a network of quartz veinlets. A large alteration envelope surrounds most of the known prospects and can be used as an exploration guide.

In November 2016, Azimut reported drill results for the project in 2 press releases dated November 3<sup>rd</sup> and November 21<sup>st</sup>. Hole ES16-48 (151 m) was drilled to test the Moni Prospect. The intercept of 8.88 g/t Au over 2.5 m was encountered in a quartz-albite pegmatite with visible gold and traces of sulphides, hosted in strongly altered tonalite. This intercept may correspond to the mineralized pegmatite at the Moni outcrop or possibly to a subparallel stacked pegmatite.

Hole ES16-49 (201 m) was drilled to extend the geological section of Hole ES16-48. The anomalous sections of 0.5 g/t Au over 36 m and 0.51 g/t Au over 14 m correspond to strongly altered tonalite with albite, biotite, actinolite and minor sulphides.

Holes ES16-50 to ES16-52 were drilled to test the possible strike extension of the Cheechoo discovery over a 600 m distance along the tonalite-metasediment contact (see the Corporation's press release of September 21, 2016 on SEDAR at [www.sedar.com](http://www.sedar.com)).

Holes ES16-53 to ES16-57 targeted the tonalite complex intersecting gold mineralization associated to pegmatite emplacement, quartz veins and veinlets and variable amounts of biotite, albite and actinolite alteration along with low levels of disseminated pyrite (py), pyrrhotite (po) and arsenopyrite (aspy). This type of alteration and sulphide mineralization is related to several gold deposits in the James Bay region including the nearby Éléonore gold mine.

Holes ES16-58 and -59 (201 m each) explored a metasedimentary sequence along the contact with a second tonalite intrusion several km southwest of the Moni showing. No significant results were obtained.

### Summary of gold mineralization

Numerous indicators suggest this tonalite-hosted corridor corresponds to a large-scale late-magmatic hydrothermal system. These indicators include the presence of hydrothermal breccia, sheeted veins, extensive pervasive alteration, no specific deformation zone related to alteration/mineralization, etc.

Several sections with visible gold returned relatively weak gold grades (most notably in holes ES16-50, ES16-54 and ES16-55). This may reflect an issue with the current analytical protocol if coarse gold is present. Appropriate control analysis will be performed on a set of samples to assess this possibility.

The JV has approved a Phase 2 drilling program (2,500 m) which is expected to begin in early 2017. Exploration of the tonalite intrusive and its contacts will be continued in the extended program.

### Summary of 2016 Éléonore South JV Drill Intersections

Hole_ID	From m	To m	Core Length m	Au Assay (g/t)
ES16-48	6.1	8.6	2.5	8.88
ES16-49	32.5	70.0	37.5	0.51
	incl. 32.5	34.0	1.5	1.08
	and 37.0	43.0	6.0	1.23
	and 64.0	68.5	4.5	1.40
	100.5	103.5	3.0	0.69
	incl. 100.5	102.0	1.5	1.05
	111.5	113.0	1.5	2.93
	119.0	122.0	3.0	0.63
ES16-50	51.6	56.2	4.7	0.50
	incl. 51.6	53.0	1.5	1.22
	60.5	74.0	13.5	0.58
	134.0	137.0	3.0	0.64
	165.0	169.5	4.5	0.58
	incl. 165.0	166.5	1.5	1.10
	201.0	207.0	6.0	0.63
	incl. 201.0	202.5	1.5	1.62
	211.5	214.5	3.0	0.57
	241.5	244.5	3.0	1.36
ES16-51	3.7	8.2	4.5	0.50
	9.3	14.8	5.5	0.44
	171.0	250.1	79.1	0.62
	incl. 180.9	184.9	4.0	5.00
	and 180.9	181.9	1.0	14.1
	and 201.5	213.5	12.0	0.45
	and 228.5	250.1	21.6	0.76
	and 233.0	236.0	3.0	1.25
	and 246.5	250.1	3.6	1.06
ES16-52	79.5	82.5	3.0	1.10
ES16-53	21.0	22.5	1.5	0.93
	31.5	51.0	19.5	0.50
	incl. 37.5	39.0	1.5	1.06
	and 43.5	45.0	1.5	1.52
	193.5	195.0	1.5	0.52
ES16-54	42.0	45.0	3.0	0.79
	incl. 42.0	43.5	1.5	1.25
	69.0	72.0	3.0	0.40
	76.5	78.0	1.5	0.75
	96.0	97.5	1.5	2.92
	153.0	159.0	6.0	1.14

Hole_ID	From m	To m	Core Length m	Au Assay (g/t)
ES16-55	175.5	178.5	3.0	1.41
	147.0	159.0	12.0	1.58
	incl. 151.8	154.5	2.7	4.67
	and 156.0	157.5	1.5	1.85
	169.5	198.0	28.5	0.64
	incl. 181.5	186.0	4.5	1.92
	and 190.5	192.0	1.5	2.08
ES16-56	and 195.0	196.5	1.5	1.30
	7.5	9.0	1.5	2.84
ES16-57	186.0	189.0	3.0	0.48
	85.5	88.5	3.0	0.48
	152.95	154.5	1.55	76.1
ES16-58	Au results below 50ppb			
ES16-59	Au results below 150ppb			

### 3.4 RUBY HILL EAST

The Corporation holds 100% interest in certain mineral properties comprising the Ruby Hill project, located within the Upper Eastmain River Greenstone Belt of Northern Québec. The project, which consists of two separate claim blocks, referred to as the Ruby Hill East and Ruby Hill West blocks, covers approximately 10,600 ha of prospective geology similar to the key Mine Package horizon at the Eastmain Mine gold-copper deposit.

The Ruby Hill East block is immediately west of, and contiguous with the Eastmain Mine property and covers an extended strike length of cyclical volcanic / volcano-sedimentary strata interpreted as geological repetition of the Mine Package horizon. Previous regional geochemical surveys completed by the Corporation on the Ruby Hill East property resulted in a gold-in-soil anomaly coinciding with a regional structural break delineated by airborne magnetic data.

Ruby Hill West straddles the western limb of the Upper Eastmain River Greenstone Belt approximately 30 km northwest of the Eastmain Mine deposit in a similar volcano-sedimentary setting. This claim block covers an entire segment of greenstone belt including ultramafic basal units basaltic flow sequences and sedimentary units often hosting iron formation.

Previous exploration successfully identified several mineralized targets on both Ruby Hill properties, having a similar Au-Ag-Cu signature to the Eastmain Mine deposit. Anomalous assays including 3.1 g/t Au, 3.4 g/t Ag and 0.04% Cu occur in cherty iron formation within mafic volcanic units, near an interpreted structural break at Ruby Hill West, while anomalous gold values including 1.65 g/t Au were also detected within cherty units on Ruby Hill East.

In 2015, DIAGNOS Inc. conducted a regional CARDS (Computer Aided Resource Detection System) using an analysis of the Eastmain Mine gold signature and to develop similar gold targets over the Ruby Hill property areas. Four separate models of CARDS analysis generated 15 untested gold exploration targets over the Ruby Hill properties – four along the north part of Ruby Hill East and 11 along the northwest flank of Ruby Hill West.

In mid-2016, prospecting completed by the Eastmain on Ruby Hill West discovered a new surface gold showing located 2 km WSW of the historic EXKO showing (3.55 g/t Au; 17.0 g/t Ag; 0.12% Cu) discovered by the Eastmain Syndicate in 1989, and is believed to be a part of the same geological package. The new discovery includes four values of 18.2 g/t Au, 1.68 g/t Au, 0.28 g/t Au and 0.18 g/t



Au. Two other gold samples were found approximately 200 m ENE with grades of 3.71 g/t Au and 2.59 g/t Au. These grab samples are along strike of the new gold showing and indicate a potential lateral continuity of the new discovery, with EXKO. The gold mineralization is associated with arsenopyrite and is hosted in a silicified mafic volcanic layer located immediately north of an ultramafic sequence. The mafic-ultramafic lithology trends east-northeast along the central axis of the Ruby Hill West property.

Also during the prospecting program, grab samples were taken from a spodumene-bearing pegmatite dyke exposed over 60 m by 25 m, located approximately 40 km WSW of the Eastmain Mine deposit. Four samples returned values ranging from 0.50% to 2.19% Li with very anomalous Tantalum, Cesium and Rubidium values. This spodumene bearing pegmatite, present in the western part of the Ruby Hill West claim block, is also located in contact with ultramafic rocks suggesting that the dyke may be emplaced along a major fault structure often associated with the presence of ultramafic sequences.

In September 2016, a drill campaign totalling 1,044 m over five holes to test selected targets at the Ruby Hill East property, including anomalous surface soil values associated with geophysical anomalies. No significant assays resulted from this drilling. Holes RH-16-30 and RH-16-31 targeted the possible source of clustered soil geochemistry anomalies, and holes RH-16-32, RH-16-33 and RH-16-34.

#### **4.0 SECURITY OF SAMPLES**

Eastmain manages its exploration samples from their collection points. For drilling, the foreman or driller transports drill core in closed and secured core boxes from the drill to the onsite core-logging facility, where they are received by a geologist or a geological technician. The core boxes were arranged in numerical order, opened, measured and inspected for any drill site numbering or measurement areas. Prior to storage boxes are tagged with aluminum labels.

Samples are systematically hand oriented in the core box and end matched where possible, the orientation is based on oriented drill core measurements obtained using a Reflex ACTIII tool at the drill site if the device is used or with respect to rock foliation before being marked for cutting.

While core is logged, mineralized sections are described, measured and marked for sampling with assay tags placed at the end of each sample. A technician selects the interval and saws it in half lengthwise either along the core axis perpendicular to core foliation or along the vertical orientation line derived from Reflex ACTIII. Core is replaced in position in the core box and the 'top' half of the sawn sample interval was placed in a plastic sample bag along with a copy of the assay tag and sealed with a plastic tie. The remaining half-core interval is left in the core box and stored as a permanent record or for further sampling and review.

Samples are placed in woven bags clearly marked with a shipping label, sealed with tape and stored for shipment. Samples were shipped by transport from the base camp to an accredited assay laboratory. Most recently, ALS Chemex Laboratories is the initial assayer. Each sample batch is logged into a master manifest listing the sample shipment and a sample shipping list is attached to the first bag of the shipment. All parties handling the samples are required to confirm that the number of physical samples received at any way point in sample transport sign-off at every staging point from camp to the final destination.

#### **4.1 Sampling and Analytical Procedure and Quality Control and Assurance**

Since 2002, Eastmain has an established Analytical Quality Assurance Program to control and assure the analytical quality of assays in its exploration programs. This protocol includes the systematic addition of blank samples and certified standards to each batch of samples sent for analysis at commercial laboratories. Blank samples are used to check for possible contamination in laboratories, while certified

standards determine the analytical accuracy and precision of the laboratory procedure. Generally, check sample inserts approximate 5% of sample flow from project sites. For 2016, approximately 10% of the sample stream delivered to the assay laboratories for the Clearwater Project are for QA/QC. At the Eastmain Mine Project approximately 5% of samples in the sample stream are for QA/QC purposes.

Pulp (inline split of 100-150 g) and coarse reject (inline split of 250-500 g) lab duplicates are also acquired by the primary lab at a rate of 2 each per hundred samples submitted and shipped to a second independent lab for further sample QA/QC.

The Corporation's main assay contractor is ALS Chemex. Once received by ALS, samples were weighed, dried and finely crushed to better than 70% passing 2 mm (Tyler 10 mesh). A split of 1,000 grams was taken using a riffle splitter and pulverized to better than 85% passing a 75 micron (Tyler 200 mesh) screen (package PREP-31B).

Over time the Eastmain fire assay protocol has evolved at its projects. All samples were initially assayed for gold using a conventional fire assay procedure with and inductively coupled plasma – atomic emission spectrometry (ICP-AES) finish on 50-gram sub-samples (package code Au-ICP22). The detection limits of this method are 1 parts per billion (ppb) to 10 grams gold per tonne (g/t Au). Samples containing more than 500 ppb Au are re-assayed using a second 50-gram aliquot by fire assay with an atomic absorption spectroscopy (AAS) finish on (package code Au-AA24). The detection limits of this method are 5 ppb to 10 g/t Au.

Samples containing more than 5.0 g/t gold are re-assayed twice using a fire assay with a gravimetric finish (package code Au-GRA22) with detection limits of 50 ppb to 1,000 g/t gold.

In 2016, the AU-ICP22 procedure was discontinued and all samples were immediately tested with Au-AA24. Additionally, no secondary assay of >10.0 g/t Au samples is currently undertaken.

All samples are also analyzed for a suite of 47 trace elements using inductively coupled plasma (ICP) methods. The element suite includes, among others; silver, bismuth, copper, cadmium, cobalt, lead, nickel, zinc, arsenic, antimony, manganese, molybdenum, tellurium, vanadium and barium. A prepared 0.50-gram sample was digested with perchloric, nitric and hydrofluoric acids. The residue was dissolved in nitric and hydrochloric acids and diluted to a final volume with de-ionized water. The resulting solution was analyzed by inductively coupled plasma-atomic emission spectrometry (ICP-AES). Base metal concentrations that exceed detection limits (usually > 1%) and silver are re-analysed via dilution and re-analysed by inductively coupled plasma - mass spectrometry (ICP-MS). Results were corrected for spectral inter-element interference.

## **4.2 Scientific & Technical Disclosure**

Potential quantity and grade is conceptual in nature. There has been insufficient exploration to define a Mineral Resource on any of the Eastmain Mine Project, Eleonore South property or Ruby Hill property, and it is uncertain if further exploration will result in any such target being delineated as a Mineral Resource.

All scientific and technical information under the heading “2015 Mineral Resource Estimate” has been prepared by or under the supervision of, and verified by, William McGuinty, P. Geo., Eastmain's VP Exploration, a “qualified person” within the meaning of NI 43-101. All other scientific and technical information contained in this AIF has been prepared by or under the supervision of, and verified by, William McGuinty, P. Geo., Eastmain's VP Exploration, a “qualified person” within the meaning of NI 43-101.

## 5.0 DIVIDENDS

Since its incorporation, Eastmain has not paid any cash dividends on its outstanding Common Shares. Any future dividend payment will be made at the discretion of the Board of Directors, and will depend on the Corporation's financial needs to fund its exploration programs and its future financial growth as well as other factors that the Board deems necessary to consider under such circumstances.

## 6.0 CAPITAL STRUCTURE

The Corporation's authorized capital stock consists of an unlimited number of Common Shares without par value. As at January 24, 2017, there were 175,429,814 Common Shares issued and outstanding. Each Common Share confers upon the holder the right to one vote at all shareholders' meetings, to receive all dividends associated with this class of shares as declared by the Corporation, and upon the dissolution of the Corporation, the holder is entitled to receive, along with other shareholders, a share of the Corporation's assets, proportional to his/her holdings. The company also had 9,903,605 options and 6,899,999 warrants outstanding.

## 7.0 MARKET FOR THE TRADING OF SHARES

The Common Shares of the Corporation have been listed on the Toronto Stock Exchange under the symbol "ER" since November 1, 1996.

### Trading Price and Volume

The table below sets forth the high and low values and volume with regard to trading activity of the Common Shares on The Toronto Stock Exchange, presented on a monthly basis for each month during fiscal 2016:

<b>2015</b>	<b>Low (\$)</b>	<b>High (\$)</b>	<b>Volume (#)</b>
November	0.33	0.38	1,127,500
December	0.32	0.385	2,094,500
<b>2016</b>			
January	0.31	0.375	1,888,900
February	0.31	0.405	3,795,400
March	0.29	0.40	18,838,200
April	0.395	0.51	14,091,800
May	0.445	0.63	26,458,400
June	0.485	0.67	24,681,800
July	0.56	0.66	10,852,900
August	0.62	0.88	15,617,600
September	0.77	0.97	12,586,800
October	0.70	0.87	8,469,600

The following table sets forth the security transactions of the Corporation that are outstanding but not listed or quoted on a marketplace as issued during the most recently completed financial year:

<b>Date</b>	<b>Number/Type of Securities</b>	<b>Exercise Price Per Security</b>
November 2015	250,000 Options <sup>(1)</sup>	\$0.36
March 2016	250,000 Options <sup>(2)</sup>	\$0.36
April 2016	375,000 Options <sup>(3)</sup>	\$0.48
June 2016	1,885,000 Options <sup>(4)</sup>	\$0.60
July 2016	100,000 Options <sup>(5)</sup>	\$0.62
August 2016	60,000 Options <sup>(6)</sup>	\$0.81

Notes:

(1) These options were issued to a director of the Corporation. Each option is exercisable at a price of \$0.36 per Common Share until November 2020.

(2) These options were issued to a director of the Corporation. Each option is exercisable at a price of \$0.36 per Common Share until March 2021.

(3) These options were issued to former executives as part of a termination settlement. Each option is exercisable at a price of \$0.48 per Common Share until April 2021.

(4) These options were issued to executives, directors and consultants. Each option is exercisable at a price of \$0.60 per Common Share until June 2021.

(5) These options were issued to an employee of the Company. Each option is exercisable at a price of \$0.62 per Common Share until July 2021.

(6) These options were issued to an employee of the Company. Each option is exercisable at a price of \$0.81 per Common Share until August 2021.

## **8.0 RISK FACTORS**

### **8.1 Exploration and Development**

The exploration and development of mineral deposits involves significant risks and while the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. All of the Corporation's properties are in the exploration stage; the Corporation is presently not exploiting any of its properties and its future success will depend on its capacity to generate revenues from an exploited property.

The discovery of mineral deposits depends on a number of factors. Exploration of greenfield terranes using geological and geophysical information requires application of field sampling programs via prospecting, mapping and drilling to identify a volume of mineralization that can be quantified and developed into a mineral resource. Not all exploration programs successfully identify mineral deposits or mineral deposits that merit further exploration due to mineral content or size.

Whether a mineral deposit will be commercially viable depends on factors, which are the particular attributes and location of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices, which are highly cyclical, government regulations including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. In the event that the Corporation wishes to commercially exploit one of its properties, the exact effect of any one of these factors cannot be accurately predicted, but the combination of these factors may result in the

Corporation not receiving an adequate return on invested capital. The Corporation's operations will be subject to all the hazards and risks normally encountered in the exploration and development of mineral deposits. Mining operations generally involve a high degree of risk, including but not limited to, unusual and unexpected geologic formations, possible cave-ins, unexpected labour disputes and changes in commodity prices.

There can be no guarantee that sufficient quantities of minerals will be discovered or that one of the Corporation's properties will reach the commercial production stage. Few properties that are explored are ultimately developed into producing mines. If the Corporation discovers profitable mineralization, there is no guarantee the Corporation will be able to obtain sufficient financial means to bring a pre-producing mine into operation. Considering that the Corporation has no properties with proven reserves and considering the aforementioned risk factors, it is unlikely that the Corporation will develop a profitable commercial operation in the near future.

## **8.2 Regulatory Matters**

The Corporation's mining activities are subject to governmental regulation. These activities can be affected at various levels by governmental regulation governing mineral title, prospecting and development, price control, taxes, labour standards and occupational health, expropriation, mine safety, toxic substances, environmental protection, restrictions on exports and other matters.

Exploration and commercialization are subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of wastewater and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or in land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties.

## **8.3 Reliability of Resource Estimates**

There is no certainty that any of the mineral resources on the Clearwater Project or any other project with mineral resources will be developed into a mining project. Until a deposit is actually mined and processed, the quantity of mineral resources and grades must be considered as estimates only. In addition, the quantity of mineral resources may vary. Any material change in quantity of mineral resources, grade, stripping ratio or environmental characteristics may affect the economic viability of any project undertaken by the Corporation. In addition, there can be no assurance that metal values obtained in drilling are fully representative of the deposit or that metal recoveries determined in small-scale laboratory tests will be duplicated in a larger-bulk scale test under on-site conditions or during production.

Fluctuations in gold and base or other precious metals prices, results of drilling, metallurgical testing and production and the evaluation of studies, reports and plans subsequent to the date of any estimate may require revision of such an estimate. Any material reductions in estimates of mineral resources could have a material adverse effect on the Corporation's results of operations and financial condition.

## **8.4 No History of Mineral Production**

The Corporation has never had an interest in a mineral property while in production. There is no assurance that commercial quantities of minerals will be discovered at any of the properties of the Corporation or any future properties, nor is there any assurance that the exploration programs of the Corporation thereon will yield any positive results. Even if commercial quantities of minerals are discovered, there can be no assurance that any property of the Corporation will ever be brought to a stage where mineral resources can profitably be produced thereon. Factors which may limit the ability of the Corporation to produce mineral resources from its properties include, but are not limited to, the price of

the mineral commodities which are currently being explored for, availability of additional capital and financing and the technical characteristics of the mineral deposits.

### **8.5 Permits, Licenses and Approvals**

The operations of the Corporation require licenses and permits from various governmental authorities. The Corporation believes it holds or is in the process of obtaining all necessary licenses and permits to carry on the activities, which it is currently conducting under applicable laws and regulations. Such licenses and permits are subject to changes in regulations and in various operating circumstances. There can be no guarantee that the Corporation will be able to obtain all necessary licenses and permits that may be required to maintain its mining activities, construct mines or milling facilities and commence operations of any of its exploration properties. In addition, if the Corporation proceeds to production on any exploration property, it must obtain and comply with permits and licenses which may contain specific conditions concerning operating procedures, water use, the discharge of various materials into or on land, air or water, waste disposal, spills, environmental studies, abandonment and restoration plans and financial assurances. There can be no assurance that the Corporation will be able to obtain such permits and licenses or that it will be able to comply with any such conditions.

### **8.6 Title to Property**

Although the Corporation has taken reasonable measures to ensure proper title to its properties, there is no guarantee that title to any of its properties will not be challenged or disputed. Third parties may have valid claims underlying portions of the Corporation's interests in its properties.

Eastmain's primary area of operations is in the Province of Quebec. Eastmain's mineral holdings are predominantly held as mining claims which are acquired and managed through an online portal called GESTIM, operated by the Ministère d'énergie et Ressources naturelles ("MERN"). MERN is also the regulator for the Mining Act.

In Quebec, available mining lands are defined as geo-referenced polygons which can be applied for by holders of Quebec prospecting licenses through an online portal. The person identifies the claim ('clicking') and pays the required fee online. In the case of mining claims that are expiring or to be cancelled, these lands are made available for acquisition at a designated future date and time, allowing for all interested parties to become aware when these lands are available. In the case of open lands or re-opened lands, the first person to complete the transaction receives the mineral tenure. Funds to for transactions with MERN such as claim acquisition and renewal may be deposited in advance in a dedicated account with the Ministry.

Once acquired, mineral rights are renewable bi-annually on the anniversary of acquisition. To meet the criteria to be renewed the claimholder must provide evidence that a sufficient value of current and historic exploration work was completed on the claim or nearby claims held by the claimholder or a partner. Exploration work is submitted in reports to MERN and the value of said work is banked against the claims where the work was performed. Renewals can use banked credits to support the renewal of a claim where the work was performed or for nearby adjacent claims. The claim under renewal must be located within a radius of 4.5 km from the centre of the claim from which the banked work credits will be taken.

Eastmain conducts exploration in work units such as geological mapping, diamond drilling and geophysical surveys to develop our properties and to comply with renewal requirements. To complete these units of work in a manner appropriate to good exploration practices the Corporation frequently incurs more than the minimum bi-annual work requirements for claim renewal. This gives the Corporation flexibility to bank and distribute excess work credits and thereby manage distribution of annual exploration budgets among properties over 2 to 4 year periods, expanding the number of acquisitions and properties that can be managed in the Corporation's portfolio. As a result, exploration on

any one or several Eastmain properties may not be budgeted in a given year other than required renewal fees.

To obtain a renewal, Eastmain must;

- Submit a renewal application, which must be received by MERN at least 60 days prior to the claim expiry date.
- Pay the required fees, which vary according to the surface area of the claim, its location and the date on which the application is received:
  - before the 60<sup>th</sup> day preceding the claim expiry date, the regular fees apply;
  - in the 60 day period preceding the claim expiry date, the fees are doubled.
- Submit a renewal application form using a distribution of banked credits (and have it received) at least 60 days prior to the claim expiry date. Documents submitted in the 60 day period preceding the claim expiry date are subject to late submission penalties, or submit an assessment work report and declaration along with a distribution of the filed work credits.
- Comply with the other renewal conditions.
- If the required work was not performed or was insufficient to cover renewal of the claim, the claim holder may pay an amount equal to the double of the minimum cost of the work that should have been performed (cash-in-lieu).

Eastmain works diligently to manage its claims; using is banked work credits where possible and within the context of preserving credits for core property claim renewals; avoiding the un-timely loss of banked credits through expiry of claims which hold these credits and; avoiding late filing fees or situations where cash-in-lieu might occur.

The annual planning exercise for the any one of the Corporation's properties is subject to change during the year based on conditions such as:

- improved exploration funding during the year;
- a transaction whereby the purchaser of an Eastmain property assumes renewal responsibility;
- improved outlook for mineral potential in the vicinity of the property; and
- continued poor performance of commodity prices

These changes may cause the Corporation to allocate new funds or re-allocate saved funds to other projects, reduce a project's budget or bring about a decision to allow a property or some of its claims to lapse.

The following table is modified from the MERN website and outlines the general costs and commitments for claim management in Quebec in the region where Eastmain's properties are located.

<b>Registration Fees of map designated claim</b>						
<b>North of the fifty-second degree of latitude</b>						
<b>Area of claim</b>	<b>Number of map-designated claims</b>					
	<b>1 to 150</b>	<b>Over 150*</b>				
Less than 25 ha	\$30.61	5 X the registration fees				
25 to 45 ha	\$110.16					
45 to 50 ha	\$123.12					
Over 50 ha	\$138.24					
* The special rate applies only for an application covered by a single NTS sheet, by the same person, on the same day.						
<b>Claim renewal fees</b>						

<b>North of the fifty-second degree of latitude</b>				
<b>Renewal applied for</b>	<b>Area of claim</b>			
	<b>Less than 25 ha</b>	<b>25 to 45 ha</b>	<b>45 to 50 ha</b>	<b>Over 50 ha</b>
	\$30.51	\$110.16	\$123.12	\$138.22
From 60 days before the expiry date to the expiry date: 2 X the registration fees				
<b>Minimum cost of work to be carried out on a claim or distributed from another claim*</b>				
<b>North of the fifty-second degree of latitude</b>				
<b>Validity (bi annual renewal)</b>	<b>Area of claim</b>			
	<b>Less than 25 ha</b>	<b>25 to 45 ha</b>	<b>Over 45 ha</b>	
1	\$31.20	\$78.00	\$87.75	
2	\$104.00	\$260.00	\$292.50	
3	\$208.00	\$520.00	\$585.00	
4	\$312.00	\$780.00	\$877.50	
5	\$416.00	\$1,040.00	\$1,170.00	
6	\$487.50	\$1,170.00	\$1,170.00	
7 and over	\$650.00	\$1,625.00	\$1,625.00	
<i>*Minimum costs of work have been reduced by 35% from 2015 levels for 2016 and 2017 by MERN under regulation. In 2015 and prior, minimum costs of \$1,200, \$1,800 and \$2,500 respectively</i>				

As cited in the table, minimum costs of work required for claim renewals have been reduced by 35% per claim from 2015 levels for the years 2016 and 2017. MERN has created this change through a regulation of the Mining Act. In 2015 and prior, minimum costs of \$1,200 (now \$780), \$1,800 (now \$1,170) and \$2,500 (now \$1,625), respectively, were in force. There is commentary from the MERN that this is a temporary measure designed to assist clients with the current economic downturn in the industry. It is expected that 2015 levels will be re-instated in 2018 or a new schedule of costs will be introduced.

In the same year MERN announced increases to renewal fees of 8% in January 1<sup>st</sup> 2016 and January 1<sup>st</sup> 2017. To avoid the first year impact of the 2017 fee increase, Eastmain applied to renew all claims having access to sufficient work credit that were due for renewal in 2017 before December 31, 2016.

As a result of the proposed fee increase Eastmain renewed all claims due in calendar 2017 with exception of the Road King claims and certain Lac Hudson claims for the prescribed two-year period. Eastmain also paid cash in lieu to renew claims on certain properties. As a result the corporation expended a total of \$593,800 renew and maintain its claims in good standing for a two year period.

An additional change to regulation in 2016 that can affect Eastmain will be the ‘sunset dating’ of assessment credits held by claimholders in Quebec. As of January 1, 2016, all exploration work filed against mining claims will be dated with an effective date. Renewals using work with an effective date will only be permitted to be applied against 6 new bi-annual renewals, thereby limiting the long-term use of such credits. Eastmain will be reviewing the impact of this sunset dating on its assets. Also in 2015, MERN established an obligatory online Annual Report of Work which requires property owners to identify and report, in summary form, all activity related to a mineral claim during the calendar year. Each claim must be reported including a ‘no work’ designation where no activity has occurred. Failure to complete the Annual Report of Work can result in penalties.

As a result of the acquisition of mining claims over a number of years and across the calendar, Eastmain’s management of its properties’ claims renewal process operates throughout the year. Eastmain employs a land manager to coordinate, renewals and submission of work reports from which work credits used for



renewals are obtained. Company geologists work with the land manager to ensure that exploration work is properly located and costs are properly captured.

The Corporation intends to manage the portfolio annually to address property development objectives while maintaining all properties in good standing.

### **8.7 Competition**

The Corporation's activities are directed towards the exploration, evaluation and development of mineral deposits. There is no certainty that the expenditures to be made by the Corporation will result in discoveries of commercial quantities of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Corporation will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

### **8.8 Additional Funding**

Additional funds will be required for future exploration and development. The source of future funds available to the Corporation is through the sale of additional equity capital or borrowing of funds. There is no assurance that such funding will be available to the Corporation. Furthermore, even if such financing is successfully completed, there can be no assurance that it will be obtained on terms favourable to the Corporation or will provide the Corporation with sufficient funds to meet its objectives, which may adversely affect the Corporation's business and financial position.

Raising additional funding, could cause a dilution of the value of the investment of the current shareholders of the Corporation. The recuperation value of mineral resource properties indicated in the balance sheet depends on the discovery of mineralization that can be profitably exploited and on the Corporation's capacity to obtain additional funds in order to realize these programs.

The Corporation's exploration activities can therefore be interrupted or suspended at any moment if the Corporation is incapable of obtaining the necessary funds in order to continue any additional activities that are necessary.

### **8.9 Dependence on Management**

Management of the Corporation rests with a few key people, in particular the CEO & President, the CFO and the Vice President Exploration as officers. The loss of any could have a detrimental effect on the Corporation's operations.

Management is overseen and guided by the Board of Directors who are individuals with extensive and varied experience in the minerals sector and working with corporations within the equities markets.

### **8.10 Conflicts of Interest**

Certain directors and officers of the Corporation also serve as directors and officers of other companies involved in natural resource exploration and development; consequently, there is a possibility that such directors and officers will be in a position of conflict of interest. Any decision made by such directors and officers involving the Corporation will be made in accordance with their duties and obligations to deal fairly and in good faith with the Corporation and such other companies. In addition, such directors and officers will declare, and refrain from voting on, any matter in which such directors and officers may have a material conflict of interest.

### 8.11 Commercialization

The commercialization of minerals depends on a number of factors that are independent from the Corporation's desire to proceed with said commercialization. These factors include market fluctuations and governmental regulations concerning prices, taxes, fees, authorized production, imports and exports. The exact effect of these factors cannot be accurately evaluated.

### 8.12 Uninsured Hazards

The Corporation could be held responsible for certain risks including environmental pollution, cave-ins or other hazards against which a corporation such as Eastmain cannot insure against or which it may elect not to insure, taking into consideration the importance of the premiums or other reasons. The payment of amounts relating to liability of the aforementioned hazards could cause the loss of the Corporation's assets.

### 8.13 Land Claims

All of the properties in the Corporation's portfolio are located within the James Bay region which is the subject to a modern treaty with the Cree Nation. The treaty identifies land use categories across the region and communities of interest within the Cree Nations which will be consulted with during development of mineral projects. At the present time, none of the properties in which the Corporation has an interest or an option to acquire an interest is the subject of a specific aboriginal land claim. However, no assurance can be provided that such will not be the case in the future.

## 9.0 DIRECTORS AND OFFICERS

The following table lists the Corporation's directors, officers and key advisors and certain related information as the date hereof. Each director holds office until the next annual meeting of the Corporation or until his successor is appointed or elected. As of January, 24 2017, the directors and officers of the Corporation collectively hold, directly or indirectly, or exercise control or direction over, 2,702,285 Common Shares, representing approximately 1.5% of the Corporation's Common Shares issued and outstanding as of such date.

<b>Name and residence</b>	<b>Position with the Corporation</b>	<b>Director since</b>
Claude Lemasson <sup>(4)</sup> Ontario, Canada	President, Chief Executive Officer and Director	November 2015
Joseph Fazzini Ontario, Canada	Chief Financial Officer & Vice President, Corporate Development	N/A
Laurie Curtis <sup>(1,2,3,4)</sup> Ontario, Canada	Director	September 2015
Michael Hoffman <sup>(2,4)</sup> Ontario, Canada	Director	March 2016
Blair Schultz <sup>(1)</sup> Ontario, Canada	Director	April 2016
Timo Jauristo <sup>(3,4)</sup> British Columbia, Canada	Director	April 2016
George Salamis <sup>(2)</sup>	Director	April 2016

British Columbia, Canada		
Steve de Jong <sup>(1,3,4)</sup> British Columbia, Canada	Director	April 2016

- (1) Member of the Audit Committee
- (2) Member of the Compensation Committee
- (3) Member of the Governance Committee
- (4) Member of the Technical, Health & Safety Committee

**Claude Lemasson**, P.Eng, MBA, became a director of Eastmain in 2015 before being appointed President & Chief Executive Officer in April 2016. Throughout his career, Mr. Lemasson has been responsible for the design, construction, implementation, management and supervision of multiple aspects of both open-pit and underground gold mining operations. Claude previously held senior mine development and operational roles with Goldcorp Inc., where as Mine General Manager for the Red Lake Mine, he was largely responsible for production growth to 600,000 ounces per year through the development of the mine's high-grade zone. Later, as Goldcorp Inc.'s General Manager of Projects for Canada and the U.S., Claude was responsible for the management and advancement of the Éléonore Project. Claude served as President, Chief Operating Officer and Director of Guyana Goldfields Inc., where as a key member of the leadership team, he was directly involved in the strategic direction of transitioning from an exploration company to a developer, moving a core asset from an early resource-estimation stage to the pre-development phase. Claude is also currently a Director of Premier Gold Mines Limited.

**Joseph Fazzini**, CPA, CA, CFA, was appointed to the role of Chief Financial Officer and Vice-President, Corporate Development in May 2016. Prior to joining Eastmain, Mr. Fazzini worked as a sell-side equity analyst covering global mining entities at Dundee Capital Markets. With an emphasis on precious metals, he modeled, analyzed and advised global institutional investors as well as a variety of mining companies ranging from junior gold explorers to intermediate producers. Through his work as a publishing mining analyst, Mr. Fazzini brings deep relationships across the global capital markets community as well as an in-depth background in financial statement analysis, project finance and investment valuation. Prior to joining Dundee, Mr. Fazzini spent the first half of his career in PwC's Toronto Audit practice, overseeing global audit and advisory engagements. More specifically, his responsibilities entailed key risk assessment via impairment analysis, financial covenant testing and reviewing consolidated audit work with an emphasis on high-risk Canadian and U.S.-listed mining issuers. Mr. Fazzini graduated from the University of Toronto's Rotman School of Management with a Bachelor of Commerce and followed up his education earning both the Chartered Accountant and Chartered Financial Analyst designations.

**Laurence (Laurie) Curtis**, Ph.D., a director of Eastmain since September 2015, held positions of CEO, COO and director of Intrepid Minerals, which transitioned through merger and acquisition to become a gold producer and developer. During his distinguished career as exploration geologist, consultant and director, Laurie was involved with a number of worldwide discoveries. He is credited with the initial discovery and staking of the Back River gold belt, which now hosts the 5M-ounce gold deposit held by Sabina Gold & Silver Corp., and led teams to the discovery of several epithermal systems in the Caribbean Basin. He was actively involved as director on boards of several junior developers with producing mines on several continents, including Wheaton River Minerals Ltd., High River Gold Mines Ltd., Breakwater Resources and Buryatzoloto. During the past five years Laurie's career shifted into the financial sector where he was Research Analyst Mining for Clarus Securities then subsequently was Vice President, Senior Analyst Global Resources for Dundee Capital Markets. Most recently he has become Technical Advisor, Capital Markets for a number of funds, including the Tribeca Global Resources Fund. Laurie is also currently a Director of Toachi Mining Inc.

**Michael (Mike) Hoffman**, P.Eng. a director of Eastmain since March 2016, is an experienced mining executive with over 30 years of practice in the mining industry including engineering, mine operations, corporate development, contracting, consulting, projects and construction. He has direct experience in a number of commodities including coal, precious metals, base metals, uranium and potash. Mr. Hoffman started his career in the Canadian mining industry, working his way through engineering and mine operating roles for a number of mines across Canada, including the Arctic. Mr. Hoffman's northern Canadian experience includes operating roles, contracting experience and construction experience in the Yukon, Northwest Territories, Nunavut, northern Manitoba and northern Ontario. In addition to being a director of Eastmain, he is also a director of Trevali Resources and Kombat Copper. He has experience serving on audit committees, sustainability committees and compensation committees. Mr. Hoffman holds a Bachelor of Applied Science, Mining Engineering from Queen's University and is a Professional Engineer in the province of Ontario.

**Stephen de Jong**, a director since April 2016, has held Director, senior management and advisory positions at various publically listed Canadian mineral exploration and development companies. He has successfully led companies through financings, acquisitions, exploration and development programs and restructurings. In 2012, Mr. de Jong became President and Chief Executive Officer of Integra Gold Corp. Under his leadership, Mr. de Jong attracted a high calibre team of geologists, engineers, entrepreneurs and consultants to Integra Gold to advance the Lamaque project towards production. He has been instrumental in raising over \$100 million in equity since assuming the Chief Executive Officer position despite the current challenges faced by the mining sector. Mr. de Jong, together with Executive Chairman, George Salamis, have embarked on a number of innovative, unconventional and creative initiatives including the transformative and opportunistic acquisition of the Sigma-Lamaque Mill and Mine Complex, valued at over \$100 million, and the \$1 million Integra Gold Rush Challenge. Mr. de Jong holds a Bachelor of Commerce degree from Royal Roads University and is also a director of Integra Gold Corp.

**Timo Jauristo**, a director since April 2016, is a geologist and seasoned mining professional with over 35 years' experience in the gold mining industry. In addition to his role with Eastmain, Mr. Jauristo works as senior advisor to Canaccord Genuity Corp. Most recently, Mr. Jauristo was formerly Executive Vice President – Corporate Development of Goldcorp Inc. He spent 15 years with Placer Dome Inc. in various operating and corporate roles. Mr. Jauristo was involved in numerous merger and acquisition transactions in many of the major gold producing regions of the world. Between leaving Placer Dome Inc. in 2005 and joining Goldcorp in 2009, Mr. Jauristo was the Chief Executive Officer of two junior mining companies with exploration and development assets mostly in Peru and China. He was also a key team member in the discovery of the Osborne copper-gold mine in Queensland.

**George Salamis**, a director since April 2016, brings over 25 years of experience in mineral exploration, mine development, operations and mining finance. Mr. Salamis has previously held senior management positions with a number of mining companies including Placer Dome Inc. & Cameco Corporation. He has been involved in several known gold discoveries that have led to becoming successful mines in addition to M&A transactions valued at over \$1.2 billion, either through the sale of assets, or of junior mining companies that he played a key role in building. Specifically, relevant to the Québec mining scene, Mr. Salamis, a fluent French speaker with his roots in Quebec, holds a Bachelor of Science in Geology from the University of Montreal and has spent over 8 years of his 25 year career working in the Abitibi region of Northern Quebec on resource projects at all levels. Together with Stephen de Jong as President and CEO of Integra Gold Corp, Mr. Salamis has helped to spearhead the growth of the company resulting in a 5-fold increase in market capitalization by implementing a combined approach of aggressive exploration, advanced engineering studies and the opportunistic acquisition of the Sigma Mine and Mill Complex, adjacent to the company's existing Quebec gold assets.

**Blair Schultz**, a director since April 2016, brings over 17 years of experience in financial, operational, project finance and capital markets experience. In October 2016, Blair became President and CEO of

Langhaus Financial, a firm that designs customized wealth and capital planning structures and lends capital through debt and private equity for Canada's leading mid-market entrepreneurs Mr. Schultz currently serves on the Board of Directors for Klondex Mines Ltd. (since June 2012), OK2 Minerals (since August 2016) and formerly for VMS Ventures Inc. (from July 2015 to April 2016). His board duties have included Chairman, Audit Committee Chair, Special Committee member and members of Governance, Health and Safety and Nomination committees. He served as Chairman of Klondex from June 2012 to September 2014. As Chairman, Mr. Schultz played a vital role in restructuring the corporation and later took a temporary role with the executive at Klondex from September 2014 to August 2015. Prior to his time at Klondex, Mr. Schultz spent 13 years from 2001 to 2014 with K2 & Associates Investment Management Inc. He was Vice President and held various positions most notably, Head of Special Situations, Portfolio Management and Trading. Mr. Schultz holds an Honours Bachelor of Mathematics degree from the University of Waterloo with a Business Administration option from Wilfred Laurier University.

### **9.1.1 Conflicts of Interest**

To the knowledge of the Corporation as of January 24, 2017, no material existing or potential conflicts of interest exist between the Corporation and any of its officers or directors other than as set forth below or as otherwise set out in this Annual Information Form.

In connection with the foregoing, any decisions made by such directors and officers who may be in a position of conflict involving the Corporation have been and will be made in accordance with their duties and obligations to deal fairly and in good faith with the Corporation and any other applicable companies. In addition, such directors and officers have declared and refrained from voting on any matter in which such directors and officers may have a material conflict of interest involving the Corporation. See "Risk Factors – Conflicts of Interest".

## **9.2 Audit Committee**

### **9.2.1 The Audit Committee Charter**

A copy of the Audit Committee Charter is attached to this Annual Information Form as Schedule A.

### **9.2.2 Composition of the Audit Committee**

The members of the Audit Committee are Blair Schultz (Chair), Laurie Curtis and Steve de Jong. The members of the Audit Committee are financially literate and independent within the meaning of applicable securities laws.

### **9.2.3 Relevant Education Experience and Pre-Approval Policies / Procedures**

Mr. Blair Schultz, Chair of the Audit Committee, has operated, managed and directed numerous companies requiring him to oversee the financial reporting functions. Blair currently serves on the Board of Directors for Klondex Mines Ltd. (since June 2012) and previously served as Chairman of Klondex Mines from June 2012 to September 2014. Since 2015, Mr. Schultz is a director and chair of the audit committee for VMS Ventures. Mr. Schultz previously spent 13 years in the financial sector as Vice-President of K2 & Associates Investments where he conducted financial statement analysis, investment analysis and portfolio management.

Dr. Laurie Curtis has operated and managed numerous companies requiring him to oversee financial reporting functions and has been responsible for financial reporting in that role, thereby providing him relevant experience to be a member of the Audit Committee. Mr. Curtis has extensive experience in the

financial sector as a Research Mining Analyst for Clarus Securities and as Vice President, Senior Analyst Global Resources for Dundee Capital Markets.

Mr. Steve de Jong has held Director, senior management and advisory positions at various publically listed Canadian mineral exploration and development companies. Through his various roles, Mr. de Jong has been actively involved in quarterly and annual financial reporting and a variety of conventional equity and flow-through financings. Given his strong financial understanding, in addition to his direct junior exploration expertise, Mr. de Jong brings relevant experience to be a member of the Audit Committee.

As set out in Schedule A of the Corporation's Audit Committee charter, the Corporation shall not engage the Corporation's external auditors to perform certain non-audit tasks. Additionally, in the event that the Corporation wishes to retain the services of the Corporation's external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Audit Committee, who shall have the authority to approve or disapprove on behalf of the Audit Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Audit Committee as a whole. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Audit Committee or the Audit Committee for each fiscal year and provide a report to the Audit Committee no less frequently than on a quarterly basis.

#### **9.2.4 Audit Fees**

The following table sets forth the fees paid to Stern & Lovrics LLP, Chartered Accountants, the Corporation's external auditors for services rendered for fiscal 2015 and fiscal 2016.

<b>Services</b>	<b>2015</b>	<b>2016</b>
Audit fees	\$48,000	\$23,000
Audit-related fees	\$0	\$0
Tax fees	\$2,000	\$2,500
All other fees	\$0	\$0
<b>TOTAL</b>	<b>\$50,000</b>	<b>\$25,500</b>

## **10.0 LEGAL PROCEEDINGS**

The Corporation is currently involved in two legal proceedings. The first involves a wrongful dismissal claim which has been levied by a former contractor of the Corporation. The Corporation considers this claim to be without merit and has taken steps including retaining legal counsel, to vigorously defend against the claim. If the Corporation is unsuccessful in its defense, it may be subject to monetary penalties which are not expected to be material.

The Corporation has been contacted by the Ordre des Géologues du Québec ("OGQ") asserting that the Corporation and the previous CEO of the Corporation had violated certain OGQ rules with respect to professional conduct by engaging individuals that were not licensed by the OGQ to perform geological activities. The Corporation continues to review the matter and has retained legal representation to defend against the claims. If the Corporation is unsuccessful in its defense, it may be subject to monetary penalties which are not expected to be material.

## **11.0 INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS**

As of January 24, 2017, no director, executive officer or significant shareholder of the Corporation, or any associate or affiliate thereof, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year of the Corporation that has materially affected or that is reasonably expected to materially affect the Corporation.

### **11.1 Registrar and Transfer Agent**

The Corporation has retained the services of TSX Trust Company as its registrar and transfer agent. The TSX Trust Company is located at 200 University Avenue, Suite 300, Toronto, Ontario, Canada M5H 4H1.

### **11.2 Material Contracts**

The Corporation did not enter into any material contracts during the fiscal year ended October 31, 2016 (or prior thereto which contracts are still in effect), other than in the normal course of business.

## **12.0 EXPERTS**

### **12.1.1 Names of Experts**

Certain information of an economic (including economic analysis), scientific or technical nature in respect of the Corporation's mineral projects and properties, as well as financial information, all as contained or referenced in a filing made under National Instrument 51-102 during or related to the Corporation's most recently completed financial year has been based upon information prepared or certified by the following:

- 1) Stern & Lovrics LLP (regarding the financial statements for fiscal 2014, 2015 and 2016 and the auditor's report thereon); and
- 2) Mr. Dominic Chartier, Dr. Jean Francois Ravenelle and Dr. Jean Francois Couture (regarding the Technical Report).

### **12.1.2 Interests of Experts**

Stern & Lovrics has advised the Corporation that it is independent within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario.

Mr. Dominic Chartier, Dr. Jean Francois Ravenelle and Dr. Jean Francois Couture have advised the Corporation that at no relevant time were they the registered and/or beneficial owners, directly or indirectly, of Common Shares of the Corporation.

## **ADDITIONAL INFORMATION**

Additional information, including directors and officers' remuneration and indebtedness, principal holders of the Corporation's securities and options to purchase securities, where applicable, is set forth in the Corporation's Management Information Circular dated April 6, 2016 for the Annual and Special General Meeting of Shareholders held on April 29, 2016. Additional financial information can be found in the Corporation's comparative audited consolidated financial statements and management's discussion and analysis for the fiscal year ended October 31, 2016. Additional information relating to the Corporation and its activities may also be found on the SEDAR website at [www.sedar.com](http://www.sedar.com).

## **“SCHEDULE A”**

### **EASTMAIN RESOURCES INC.**

#### **Charter of the Audit Committee of the Board of Directors**

##### **1. PURPOSE OF THIS CHARTER**

The Audit Committee (the “**Committee**”) is appointed by the Board of Directors (the “**Board**”) of Eastmain Resources Inc. (the “**Corporation**”) to assist the Board in fulfilling its oversight responsibilities relating to financial accounting and reporting process and internal controls for the Corporation. The Committee’s primary duties and responsibilities are to:

- a) conduct such reviews and discussions with management and the external auditors relating to the audit and financial reporting as are deemed appropriate by the Committee;
- b) assess the integrity of internal controls and financial reporting procedures of the Corporation and ensure implementation of such controls and procedures;
- c) ensure that there is an appropriate standard of corporate conduct for senior financial personnel and employees including, if necessary, adopting a corporate code of ethics;
- d) review the quarterly and annual financial statements and management’s discussion and analysis of the Corporation’s financial position and operating results and, in the case of the annual financial statements and related management’s discussion and analysis, report thereon to the Board for approval of same;
- e) select and monitor the independence and performance of the Corporation’s external auditors, attending private meetings with the external auditors, and reviewing and approving all renewals or dismissals of the external auditors and their remuneration; and
- f) provide oversight of all disclosure relating to, and information derived from, financial statements, management’s discussion and analysis and other information.

The Committee has the authority to conduct any investigation appropriate to its responsibilities, and it may request the external auditors, as well as any officer of the Corporation, or outside counsel for the Corporation, to attend a meeting of the Committee or to meet with any members of, or advisors to, the Committee. The Committee shall have unrestricted access to the books and records of the Corporation and has the authority to retain, at the expense of the Corporation, special legal, accounting, or other consultants or experts to assist in the performance of the Committee’s duties.

The Committee shall review and assess the adequacy of this Charter annually and submit any proposed revisions to the Board for approval.

In fulfilling its responsibilities, the Committee will carry out the specific duties set out in Part 4 of this Charter.



## 2. AUTHORITY OF THE AUDIT COMMITTEE

The Committee shall have the authority to:

- (a) engage independent counsel and other advisors as it determines necessary to carry out its duties;
- (b) set and pay the compensation for advisors employed by the Committee; and
- (c) communicate directly with the internal and external auditors.

## 3. COMPOSITION AND MEETINGS

The Committee and its membership shall meet all applicable legal, regulatory and listing requirements, including, without limitation, those of the Ontario Securities Commission (“OSC”), the Toronto Stock Exchange, the *Business Corporations Act* (Ontario) and all applicable securities regulatory authorities.

- a) The Committee shall be composed of three or more directors as shall be designated by the Board from time to time. The members of the Committee shall appoint from amongst themselves a member who shall serve as Chair. The position, description and responsibilities of the Chair are set out in Schedule “A” attached hereto.
- b) Each member of the Committee shall be “independent” and “financially literate”. An “independent” director is a director who has no direct or indirect material relationship with the Corporation. A “material relationship” is a relationship which, in the view of the Board of Directors of the Corporation, could be reasonably expected to interfere with the exercise of the director’s independent judgement or a relationship deemed to be a material relationship pursuant to Sections 1.4 and 1.5 of NI 52-110, as set out in Schedule “B” hereto. A “financially literate” director is a director who has the ability to read and understand a set of financial instruments that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the accounting issues that can be reasonably expected to be raised in the Corporation’s financial statements.
- c) Each member of the Committee shall sit at the appointment of the Board of Directors, and in any event, only so long as he or she shall be independent. The Committee shall report to the Board of Directors.
- d) The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required by applicable legal or listing requirements. A minimum of two and at least 50% of the members of the Committee present, either in person or by telephone, shall constitute a quorum.
- e) If within one hour of the time appointed for a meeting of the Committee, a quorum is not present, the meeting shall stand adjourned to the same hour on the next business day following the date of such meeting at the same place. If at the adjourned meeting a quorum as hereinbefore specified is not present within one hour of the time appointed for such adjourned meeting, such meeting shall stand adjourned to the same hour on the second business day following the date of such meeting at the same place. If at the second adjourned meeting a quorum as hereinbefore specified is not present, the quorum for the adjourned meeting shall consist of the members then present.
- f) If and whenever a vacancy shall exist, the remaining members of the Committee may exercise all of its powers and responsibilities so long as a quorum remains in office.

- g) The time and place at which meetings of the Committee shall be held, and procedures at such meetings, shall be determined from time to time by the Committee. A meeting of the Committee may be called by letter, telephone, facsimile, email or other communication equipment, by giving at least 48 hours' notice, provided that no notice of a meeting shall be necessary if all of the members are present either in person or by means of conference telephone or if those absent have waived notice or otherwise signified their consent to the holding of such meeting.
- h) Any member of the Committee may participate in the meeting of the Committee by means of conference telephone or other communication equipment, and the member participating in a meeting pursuant to this paragraph shall be deemed, for purposes hereof, to be present in person at the meeting.
- i) The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at any meeting.
- j) The Committee may invite such officers, directors and employees of the Corporation and its subsidiaries as the Committee may see fit, from time to time, to attend at meetings of the Committee.
- k) Any matters to be determined by the Committee shall be decided by a majority of votes cast at a meeting of the Committee called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a meeting of the Committee called for such purpose. The Committee shall report its determinations to the Board at the next scheduled meeting of the Board, or earlier as the Committee deems necessary. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation, other than those relating to non-audit services and annual audit fees which do not require the approval of the Board.
- l) The Committee members will be elected annually at the first meeting of the Board following the annual general meeting of shareholders.
- m) The Board may at any time amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

#### **4. RESPONSIBILITIES**

##### **a) Financial Accounting and Reporting Process and Internal Controls**

1. The Committee shall review the annual audited and interim financial statements and related management's discussion and analysis before the Corporation publicly discloses this information to satisfy itself that the financial statements are presented in accordance with applicable accounting principles and, in the case of the annual audited financial statements and related management's discussion and analysis, report thereon and recommend to the Board whether or not same should be approved prior to their being filed with the appropriate regulatory authorities. With respect to the annual audited financial statements, the Committee shall discuss significant issues regarding accounting principles, practices, and judgements of management with management and the external auditors, as and when the Committee deems it appropriate to do so. The Committee shall satisfy itself that the information contained in the annual audited financial statements is not significantly erroneous, misleading or incomplete and that the audit function has been effectively carried out.
2. The Committee shall review any internal control reports prepared by management and the evaluation of such report by the external auditors, together with management's response.
3. The Committee shall be satisfied that adequate procedures are in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, management's discussion and analysis and annual and interim earnings press releases, and periodically assess the adequacy of these procedures.
4. The Committee shall review any press releases containing disclosure regarding financial information that are required to be reviewed by the Committee under any applicable laws or by one of the other Charters before the Corporation publicly discloses this information.
5. The Committee shall meet no less than annually with the external auditors and the Chief Financial Officer or, in the absence of a Chief Financial Officer, with the officer of the Corporation in charge of financial matters, to review accounting practices, internal controls and such other matters as the Committee, Chief Financial Officer or, in the absence of a Chief Financial Officer, the officer of the Corporation in charge of financial matters, deem appropriate.
6. The Committee shall inquire of management and the external auditors about significant risks or exposures, both internal and external, to which the Corporation may be subject, and assess the steps management has taken to minimize such risks.
7. The Committee shall review the post-audit or management letter containing the recommendations of the external auditors and management's response and subsequent follow-up to any identified weaknesses.
8. The Committee shall ensure that there is an appropriate standard of corporate conduct including, if necessary, adopting a corporate code of ethics for senior financial personnel and all employees.
9. The Committee shall follow procedures established as set out in Schedule "C" attached hereto, for:

- i. the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and
  - ii. the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
10. The Committee shall provide oversight to related party transactions entered into by the Corporation.
11. The Committee shall establish the budget process, which shall include the setting of spending limits and authorizations, as well as periodic reports from the Chief Financial Officer comparing actual spending to the budget.
12. The Committee shall have the authority to adopt such policies and procedures as it deems appropriate to operate effectively.

**b) Independent Auditors**

1. The Committee shall recommend to the Board the external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Corporation, shall set the compensation for the external auditors, provide oversight of the external auditors and shall ensure that the external auditors' report directly to the Committee.
2. The Committee shall be directly responsible for overseeing the work of the external auditors, including the resolution of disagreements between management and the external auditors regarding financial reporting.
3. The pre-approval of the Committee shall be required as further set out in Schedule "D" prior to the undertaking of any non-audit services not prohibited by law to be provided by the external auditors in accordance with this Charter.
4. The Committee shall monitor and assess the relationship between management and the external auditors and monitor, support and assure the independence and objectivity of the external auditors.
5. The Committee shall review the external auditors' audit plan, including the scope, procedures and timing of the audit.
6. The Committee shall review the results of the annual audit with the external auditors, including matters related to the conduct of the audit.
7. The Committee shall obtain timely reports from the external auditors describing critical accounting policies and practices, alternative treatments of information within IFRS that were discussed with management, their ramifications, and the external auditors' preferred treatment and material written communications between the Corporation and the external auditors.
8. The Committee shall review fees paid by the Corporation to the external auditors and other professionals in respect of audit and non-audit services on an annual basis.

9. The Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former auditors of the Corporation.
10. The Committee shall monitor and assess the relationship between management and the external auditors and monitor and support the independence and objectivity of the external auditors.
11. The Committee shall have the authority to engage the external auditors to perform a review of the interim financial statements.

**c) Other Responsibilities**

The Committee shall perform any other activities consistent with this Charter and governing law, as the Committee or the Board deems necessary or appropriate.

## **SCHEDULE “B”**

### **EASTMAIN RESOURCES INC.**

#### **Position Description for the Chairman of the Audit Committee**

##### **I. Purpose**

The Chairman of the Audit Committee of the Board shall be an independent director who is elected by the Board to act as the leader of the Committee in assisting the Board in fulfilling its financial reporting and control responsibilities to the shareholders of the Corporation.

##### **II. Who may be Chairman**

The Chairman will be selected from amongst the independent directors of the Corporation who have a sufficient level of financial sophistication and experience in dealing with financial issues to ensure the leadership and effectiveness of the Committee.

The Chairman will be selected annually at the first meeting of the Board following the annual general meeting of shareholders.

##### **III. Responsibilities**

The following are the primary responsibilities of the Chairman:

- chairing all meetings of the Committee in a manner that promotes meaningful discussion;
- ensuring adherence to the Committee’s Charter and that the adequacy of the Committee’s Charter is reviewed annually;
- providing leadership to the Committee to enhance the Committee’s effectiveness, including:
  - providing the information to the Board relative to the Committee’s issues and initiatives and reviewing and submitting to the Board an appraisal of the Corporation’s independent auditors and internal auditing functions;
  - ensuring that the Committee works as a cohesive team with open communication, as well as ensuring open lines of communication among the independent auditors, financial and senior management and the Board of Directors for financial and control matters;
  - ensuring that the resources available to the Committee are adequate to support its work and to resolve issues in a timely manner;
  - ensuring that the Committee serves as an independent and objective party to monitor the Corporation’s financial reporting process and internal control systems, as well as to monitor the relationship between the Corporation and the independent auditors to ensure independence;
  - ensuring that procedures are in place to assess the audit activities of the independent auditors and the internal audit functions;

- ensuring that procedures are in place to review the Corporation's public disclosure of financial information and assess the adequacy of such procedures periodically, in consultation with the Disclosure Committee;
  - ensuring that clear hiring policies are put in place for partners and employees of the auditors; and
  - ensuring that procedures are in place for dealing with complaints received by the Corporation regarding accounting, internal controls and auditing matters, and for employees to submit confidential anonymous concerns regarding questionable accounting or auditing matters.
- managing the Committee, including:
    - adopting procedures to ensure that the Committee can conduct its work effectively and efficiently, including committee structure and composition, scheduling, and management of meetings;
    - preparing the agenda of the Committee meetings and ensuring pre-meeting material is distributed in a timely manner and is appropriate in terms of relevance, efficient format and detail;
    - ensuring meetings are appropriate in terms of frequency, length and content;
    - obtaining and reviewing with the Committee an annual report from the independent auditors, and arranging meetings with the auditors and financial management to review the scope of the proposed audit for the current year, its staffing and the audit procedures to be used;
    - overseeing the Committee's participation in the Corporation's accounting and financial reporting process and the audits of its financial statements;
    - ensuring that the auditor's report directly to the Committee, as representatives of the Corporation's shareholders; and
    - annually reviewing with the Committee its own performance.

**SCHEDULE “C”****EASTMAIN RESOURCES INC.****National Instrument 52-110 *Audit Committees* (“NI 52-110”)****Section 1.4 - Meaning of Independence**

- (1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- (2) For the purposes of subsection (1), a “material relationship” is a relationship which could, in the view of the issuer’s board of directors, be reasonably expected to interfere with the exercise of a member’s independent judgement.
- (3) Despite subsection (2), the following individuals are considered to have a material relationship with an issuer:
  - (a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - (b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - (c) an individual who:
    - (i) is a partner of a firm that is the issuer’s internal or external auditor,
    - (ii) is an employee of that firm, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - (d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - (i) is a partner of a firm that is the issuer’s internal or external auditor,
    - (ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
    - (iii) was within the last three years a partner or employee of that firm and personally worked on the issuer’s audit within that time;
  - (e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer’s current executive officers serves or served at that same time on the entity’s compensation committee; and
  - (f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.



- (4) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because
- (a) he or she had a relationship identified in subsection (3) if that relationship ended before March 30, 2004; or
  - (b) he or she had a relationship identified in subsection (3) by virtue of subsection (8) if that relationship ended before June 30, 2005.
- (5) For the purposes of clauses (3)(c) and (3)(d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- (6) For the purposes of clause (3)(f), direct compensation does not include:
- (a) remuneration for acting as a member of the board of directors or of any board committee of the issuer; and
  - (b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- (7) Despite subsection (3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
- (a) has previously acted as an interim chief executive officer of the issuer, or
  - (b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- (8) For the purpose of section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

### **Section 1.5 - Additional Independence Requirements for Audit Committee Members**

- (1) Despite any determination made under section 1.4 of NI 52-110, an individual who
- (a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
  - (b) is an affiliated entity of the issuer or any of its subsidiary entities,
- is considered to have a material relationship with the issuer.
- (2) For the purposes of subsection (1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by

- (a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
  - (b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- (3) For the purposes of subsection (1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

## **SCHEDULE “D”**

### **EASTMAIN RESOURCES INC.**

#### **Procedures for Receipt of Complaints and Submissions**

##### **Relating to Accounting Matters**

1. The Corporation shall inform employees on the Corporation’s intranet, if there is one, or via a newsletter or e-mail that is disseminated to all employees at least annually, of the officer (the “**Complaints Officer**”) designated from time to time by the Committee to whom complaints and submissions can be made regarding accounting, internal accounting controls or auditing matters or issues of concern regarding questionable accounting or auditing matters. If no officer is designated by the Corporation, the Chairman of the Audit Committee shall be designated the Complaints Officer.
2. The Complaints Officer shall be informed that any complaints or submissions so received must be kept confidential and that the identity of employees making complaints or submissions shall be kept confidential and shall only be communicated to the Committee or the Chair of the Committee.
3. The Complaints Officer shall be informed that he or she must report to the Committee as frequently as such Complaints Officer deems appropriate, but in any event no less frequently than on a quarterly basis prior to the quarterly meeting of the Committee called to approve interim and annual financial statements of the Corporation.
4. Upon receipt of a report from the Complaints Officer, the Committee shall discuss the report and take such steps as the Committee may deem appropriate.
5. The Complaints Officer shall retain a record of a complaint or submission received for a period of six years following resolution of the complaint or submission.

## **SCHEDULE “E”**

### **EASTMAIN RESOURCES INC.**

#### **Procedures for Approval of Non-Audit Services**

1. The Corporation’s external auditors shall be prohibited from performing for the Corporation the following categories of non-audit services:
  - (1) bookkeeping or other services related to the Corporation’s accounting records or financial statements;
  - (2) appraisal or valuation services, fairness opinion or contributions-in-kind reports;
  - (3) actuarial services;
  - (4) internal audit outsourcing services;
  - (5) management functions;
  - (6) human resources;
  - (7) broker or dealer, investment adviser or investment banking services;
  - (8) legal services; and
  - (9) any other service that the Canadian Public Accountability Board or International Accounting Standards Board or other analogous board which may govern the Corporation’s accounting standards, from time to time determines is impermissible.
6. In the event that the Corporation wishes to retain the services of the Corporation’s external auditors for tax compliance, tax advice or tax planning, the Chief Financial Officer of the Corporation shall consult with the Chair of the Committee, who shall have the authority to approve or disapprove on behalf of the Committee, such non-audit services. All other non-audit services shall be approved or disapproved by the Committee as a whole.
7. The Chief Financial Officer of the Corporation shall maintain a record of non-audit services approved by the Chair of the Committee or the Committee for each fiscal year and provide a report to the Committee no less frequently than on a quarterly basis.