

# BlackPearl Resources Inc.

## Majority Voting Policy of the Board of Directors

The following is a description of the Policy with respect to Majority Voting at any meeting of shareholders of BlackPearl Resources Inc. (the "*Corporation*") at which there is a vote on the election of directors, as approved by the Board of Directors of the Corporation (the "*Board*") on February 25, 2015 and amended on February 22, 2017.

In an uncontested election of directors, each director should be elected by the vote of a majority of the shares represented in person or by proxy at any meeting of shareholders at which there is a vote on the election of directors. An "uncontested election" means an election of directors where the number of nominees for election to the board of directors is equal to the number of directors to be elected. In any uncontested election of directors, any nominee for director who receives more "withheld" votes than "for" votes will promptly tender his or her resignation to the Corporation, which resignation will be effective upon the acceptance thereof by the Board.

The Board will promptly accept the resignation unless the Corporate Governance and Nominating Committee (the "*Committee*") determines that there are extraordinary circumstances that should delay the acceptance of the resignation or justify rejecting it. The resignation will be accepted (or in rare cases rejected) by the Board within 90 days of the meeting at which the vote was taken. In considering whether or not to accept the offer of resignation, the Board will consider the information and factors considered by the Committee and such additional information and factors deemed relevant by the Board. With the exception of exceptional circumstances that would warrant the continued service of the director on the Board, the Board is expected to accept the offer of resignation.

In considering whether or not to recommend acceptance of the tendered resignation, the Committee will evaluate the best interests of the Corporation and its shareholders and consider all factors they deem relevant, which may include, without limitation: (i) any stated reasons why shareholders withheld votes from the director; (ii) any alternatives for curing the underlying cause of the withheld votes; (iii) in the case of an officer who is also a director, whether the resignation of the director could result in the triggering of change in control or similar provisions under any contract by which the Corporation is bound or any benefit plan of the Corporation and, if so, the potential impact of triggering such provisions; (iv) the skills and attributes of the director and the overall composition of the Board, including the current mix of skills and attributes on the Board; and, (v) whether accepting the resignation would cause the Corporation to fail to meet any applicable listing or regulatory requirement. With the exception of exceptional circumstances that would warrant the continued service of the director on the Board, the Committee is expected to recommend that the Board accept the offer of resignation.

The decision of the Board and an explanation of how the decision was reached, including, if applicable, the reasons for rejecting the tendered resignation, will be promptly disclosed in a press release. The Board will provide the Toronto Stock Exchange with a copy of the press release regarding its decision.

Any director who tenders his or her resignation as set out in this Policy will not participate in the Committee recommendation or action by the Board on the resignation.

In the event that: (i) the Committee no longer has a quorum as a result of the foregoing restriction on participation, the remaining members of the Committee, if any, shall not consider the offer(s) of resignation and the Board shall consider whether or not to accept the offer(s) of resignation without a recommendation from the Committee; and (ii) the Board no longer has a quorum as a result of the foregoing restriction on participation, each director who tendered his or her offer of resignation pursuant to this Policy shall be counted for the purpose of determining whether the Board has quorum but each such director shall not participate in the consideration of, or vote on any resolution regarding, whether or not to accept his or her offer of resignation.

To the extent that the Board accepts one or more director resignations, the Committee will recommend to the Board whether to fill any vacancy as provided for in the Corporation's bylaws or reduce the size of the Board.

In any contested election of directors, the directors will be elected by a plurality of votes of the shares represented in person or by proxy at the meeting and voted on the election of directors.